



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
310th MEETING OF THE BOARD OF DIRECTORS
Wednesday, July 3, 2024
9:30 am

DC Water will broadcast this meeting via livestream: <https://dcwater.com/watch-board-meetings>

- I. **Call to Order (Keith Anderson, Chair)**
- II. **Roll Call (Michelle Rhodd, Board Secretary)**
- III. **[Approval of the June 6, 2024, Meeting Minutes](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 - 1. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
 - 2. [DC Retail Water and Sewer Rates Committee \(Rachna Butani Bhatt\)](#)
 - 3. [Executive Committee \(Keith Anderson\)](#)
 - 4. [Finance and Budget Committee \(Anthony Giancola\)](#)
- VI. **[CEO and General Manager's Report \(David L. Gadis\)](#)**
- VII. **Consent Items (Joint Use)**
 - 1. [Approving the Final Form of Certain Documents, Authorizing Tender Offer and the Sale and Setting Terms and Details of the Series 2024A Bonds – Resolution No. 24-39](#) (Recommended by the Finance and Budget Committee 05-23-24)
 - 2. [Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Series 2024B Bonds – Resolution No. 24-40](#) (Recommended by the Finance and Budget Committee 05-23-24)
 - 3. [Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Commercial Paper Notes – Resolution No. 24-41](#) (Recommended by the Finance and Budget Committee 05-23-24)
 - 4. [Approval to Execute Change Order No. 007 of Contract No. 190010, Rehabilitation of the Potomac Interceptor \(PI\) Between MH31 and MH30, Ulliman Schutte Construction, LLC. – Resolution No. 24-49](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
 - 5. [Approval to Add Additional Funding to Option Year 4 of Contract No. 19-PR-DWT-21A, Supply and Delivery of Methanol, Colonial Chemicals, Inc. - Resolution No. 24-50](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
 - 6. [Approval to Award Base Year and Two Option Years of Contract No. 10450, Supply and Delivery of Ferric Chloride, PVS Technologies – Resolution No. 24-51](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)

7. [Approval to Award Base Year and Two Option Years of Contract No. 10449, Supply and Delivery of Ferric Chloride, Kemira Water Solutions, Inc.– Resolution No. 24-52](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
8. [Approval to Add Additional Funding to Contract No. 18-PR-DFS-28, Small Construction Contract for Phase II Sidewalk Project, Mid-Atlantic General Contractors, Inc.– Resolution No. 24-53](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
9. [Approval to Transfer the Projected FY 2024 Net Cash Surplus of \\$14,141,091 to PAYGO and Ending Cash Balance – Resolution No. 24-54](#) (Recommended by the Finance and Budget Committee 06-27-24)

VIII. Consent Items (Non-Joint Use)

1. [Approval to Award Contract No. DCW-SOL-23-10335, Public Outreach and Engagement Services for CIP Projects, LINK Strategic Partners – Resolution No. 24-55](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
2. [Approval to Award Contract No. DCFA-542-WSA, Creekbed Sewer Rehabilitation Glover Archbold Park, Brown and Caldwell – Resolution No. 24-56](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
3. [Approval to Award Contract No. 160070, Sanitary Sewer Rehabilitation 10, Insituform Technologies, LLC – Resolution No. 24-57](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
4. [Approval of a Commitment Between District of Columbia Department of Transportation \(DDOT\) and DC Water, Improvement of Pennsylvania Avenue and Minnesota Avenue Intersection – Resolution No. 24-58](#) (Recommended by the Environmental Quality and Operations Committee 06-20-24)
5. [Approval to Publish Notice of Final Rulemaking for Fiscal Years 2025 and 2026 Retail Metered Water and Sewer Service Rates, Right-of-Way \(ROW\), Payment-in-Lieu of Taxes \(PILOT\) Fee, Clean Rivers Impervious Area Charge \(CRIAC\), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate - Resolution No. 24-59](#) (Recommended by the DC Retail Water and Sewer Rates Committee 06-25-24)
6. [Approval to Publish Notice of Final Rulemaking to Establish the New Customer Assistance Program, CAP Plus \(CAP+\) for Low-Income Residential Customers – Resolution No. 24-60](#) (Recommended by the DC Retail Water and Sewer Rates Committee 06-25-24)
7. [Approval to Publish Notice of Final Rulemaking to Amend the Fire Protection Service Fee Regulations - Resolution No. 24-61](#) (Recommended by the DC Retail Water and Sewer Rates Committee 06-25-24)

IX. Executive Session¹ (Keith Anderson, Chair)

X. Adjournment (Keith Anderson, Chair)

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.

Upcoming Committee Meetings | via Microsoft Teams

- July 10th @ 9:30 am Governance Committee
- July 10th @ 11:00 am Human Resources and Labor Relations Committee
- July 12th @ 2:00 pm Executive Committee
- July 18th @ 9:30 am Environmental Quality and Operations Committee
- July 19th @ 2:00 pm Executive Committee
- July 25th @ 9:30 am Finance and Budget Committee
- July 25th @ 11:00 am Audit and Risk Committee
- July 30th @ 10:00 am Strategic Management Committee

Other Important Reminders

Board of Directors in Recess the Month of August

Next Board of Directors Meeting | September 5, 2024

¹The 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 certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under DC Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under DC Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under DC Official Code § 2-575(b)(4)(A); collective bargaining negotiations under DC Official Code § 2-575(b)(5); facility security matters under DC Official Code § 2-575(b)(8); disciplinary matters under DC Official Code § 2-575(b)(9); personnel matters under DC Official Code § 2-575(b)(10); third-party proprietary matters under DC Official Code § 2-575(b)(11); train and develop Board members and staff under DC Official Codes § 2-575(b)(12); adjudication action under DC Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under DC Official Code § 2-575(b)(14); and other matters provided under the Act.



**309TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
JUNE 6, 2024
(Via Microsoft Teams)**

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
6. Jed Ross, Alternate

Prince George's County Members

1. Floyd Holt, Principal
2. Jared McCarthy, Principal
3. Jonathan Butler, Alternate

Montgomery County Members

1. Jon Monger, Principal
2. Fariba Kassiri, Principal

Fairfax County Member

1. Sarah Motsch, Alternate

DC WATER STAFF

1. David Gadis, Chief Executive Officer and General Manager
2. Mark Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Matthew Brown, Chief Financial Officer Finance and EVP, Finance, 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 309th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Keith Anderson at 9:36 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 May 2, 2024, meeting.

Upon a motion duly made and seconded, the Board of Directors approved the minutes of the May 2, 2024, meeting as presented.

II. CHAIRPERSON'S OVERVIEW

Chairperson Anderson opened the meeting with an official welcome of three new Board members, Jeffrey Seltzer, representing Montgomery County, Amy Stevens, representing Montgomery County, and Jonathan Butler, representing Prince George's County. The three new members were sworn in by Mayor Bowser prior to the Board of Directors' meeting. Three Directors were also reappointed to the Board: Christopher Herrington of Fairfax County, Sarah Motsch of Fairfax County, and Jared McCarthy Prince George's County.

Chairperson Anderson congratulated Mr. Gadis and his team for their efforts to ensure ratepayers were engaged and educated on the proposed FY25-26 rate changes. He also thanked Mr. Gadis and his team for participating in the recent Board training on governance best practices and board effectiveness. He noted that such training is critical and continues to strengthen the Board's partnership with the organization's leaders to achieve the Authority's mission.

III. COMMITTEE REPORTS

*Human Resources and Labor Committee Report
Reported by Jed Ross*

Human Resources Committee Chair Jed Ross reported on the May 8 Human Resources and Labor Relations Committee meeting with Union Leaders.

Barbara Milton, President of AFGE 631, expressed concern her local had not received updated engineer and civil engineer job descriptions despite multiple requests. George Spears, Vice President, Labor Relations, explained that updated job descriptions had been provided to the local but additional updates were required and the revised descriptions would be provided the week of June 3.

Ms. Milton then addressed the decision to eliminate telework. Ms. Milton presented research supporting the benefits of teleworking and requested that the Board survey employees to determine the impact of the decision on employee morale. Mr. Spears explained the Authority's decision, emphasizing the need for in-person collaboration, emergency responsiveness, and a positive work culture. David Gadis, CEO and General Manager echoed Mr. Spears' rationale, citing infrastructure needs. Ms. Milton repeated her request for an employee morale survey.

Jonathan Shanks, President of AFGE 872, suggested considering reduced telework options instead of elimination as neighboring utilities and the DC government had done. Mr. Spears noted that a meeting on May 29 would provide an opportunity to discuss the issue with the union leaders. It was noted that the telework change only impacted employees in the Operations cluster.

Ms. Milton requested an increase in leave accrual for Wastewater Treatment (WWT) operators who work 12-hour shifts but accrue leave in four-hour increments. Mr. Ross inquired if the aim was to count leave days for WWT operators as eight hours of leave. Ms. Milton advised that the request was to raise the accrual amount, but Mr. Ross's suggestion might also address the issue. Mr. Ross noted that changes to leave are usually accompanied by other changes to work conditions, and Mr. Herrington noted that shiftwork employees should not accrue more leave than other employees. It was observed that shiftwork employees do receive more days off and that leave accrual had been negotiated and agreed upon and could be revisited during the next negotiation.

Joy Dorsey, Chief People Office, People and Talent provided the Human Resources update. Ms. Dorsey highlighted initiatives to attract, develop, and retain talent. A consultant was engaged to advise on a career framework and salary assessment. Succession plans for all immediate and ready in one-year positions will be completed by the end of 2024, and a target date of June 30, 2024, was set to provide offers for all vacant positions. Mr. Ross suggested improved metrics to reduce questions in full Board meetings.

Kenya Zeigler, Manager, Benefits, outlined the Authority's proposal to renew Kaiser Permanente's (KP) contract as a healthcare provider. Ms. Zeigler noted KP's staff model HMO, cost-effective healthcare and employee satisfaction as key drivers for the decision.

John PappaJohn, Director of Procurement, explained the new contract terms highlighting the two base years and the option of a third for a cost of \$13.7 million. Direct negotiations enabled DC Water to secure rate caps at or below industry projections for the two base years with an option to negotiate caps for the additional three years. Under the new contract, premiums for families will increase by \$34.60 per month in 2025 and by \$47.00 per month in 2026. The Committee agreed to recommend the new contract to the Board for approval.

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

Environmental Quality and Operations Committee Vice Chair, Howard Gibbs, reported on the May 16 meeting. Nicholas Passarelli, Vice President, Wastewater Operations, presented a summary of the performance of Blue Plains Advanced Wastewater Treatment Plant for April 2024. All parameters were within the national pollution discharge and elimination standard permit limits. The tunnel system and wet weather treatment captured 169 million gallons with no overflows. Onsite energy generation for the month was 27% of the average treatment plant consumption and 8,079 wet tons of biosolids were sold as Bloom in March toward a 2024 goal of 65,000 tons.

Sylvia Okogi, Acting Senior Manager, Water Operations, presented the quarterly update on DC Water's fire hydrants noting that DC Water is meeting the out-of-service (OOS) level goal of 1% or less.

Maureen Schmelling, Director of Water Quality, presented the quarterly update on the status of DC Water's water quality monitoring program and stated that the Authority is compliant with the lead and copper rule and the Total Coliform Rule.

Paul Guttridge, Director of CIP Infrastructure Management, provided an update on the Capital Improvement Program, including an update on selected projects and Key Performance Indicators (KPIs) through the second quarter of FY24. Disbursements are projected to be approximately 95% of the FY24 budget of \$448.6 million.

Mr Gutteridge provided a project progress summary on selected projects including the emergency response to the east and west outfall relief sewer structural deterioration and sinkholes at the Anacostia main interceptor and Potomac Interceptor Manhole 31. Mr. Gutteridge ended his presentation with an overview of collaborative delivery, which will be the preferred approach for DC Water projects going forward. Benefits of the approach include risk reduction, accelerated schedules, and the ability to attract higher-quality contractors.

William Elledge, Director of Engineering and Technical Services, presented an update on the proposed resolution update for the Lead Free Program, including a proposed resolution update to remove the 2023 proposed completion deadline for the program and the removal of brass as a service line material type to align with EPA requirements. The Committee agreed that DC Water should not revise the brass section of the resolution until the DC Counsel amends the legislation.

The Committee recommended 14 action items for full Board approval.

*Finance and Budget Committee Report
Reported by Anthony Giancola*

Finance and Budget Committee Chair, Anthony Giancola, reported on the May 23 meeting. Matthew Brown, Chief Financial Officer, presented the April 2024 Financial Report, noting that total operating revenues were \$530.3 million, or 59.5 percent of the budget. Total operating expenses were at \$376.0 million, with a year-to-date favorable variance of 5.2 percent.

Mr. Giancola inquired about the annual funds provided to DC Water by the District for the customer assistance programs. Mr. Brown provided an overview of funding programs offered by the District, noting that there was concern that the District may not be able to fully fund all customer requests this year. He stated that the DC budget cycle is ongoing, and DC Water has been advocating for increased funding for customer service programs for FY2025.

Paul Guttridge provided the Capital Improvement Program (CIP) quarterly update. Mr. Giancola congratulated Mr. Guttridge and his team for the projected 95 achievement this year.

Matt Ries, Vice President, Strategy and Performance, presented the FY 2023 ESG+R report, stating that the report was driven by the financial community, investors, auditors, and rating agencies, which have all asked for more transparency in disclosing DC Water's risks. He noted market feedback from S&P Global, which found that while DC Water has elevated environmental risks relative to its peers, its management of those risks was rated "best in class."

Tanya DeLeon, Manager, Risk Management, presented the Property and Casualty Insurance Renewals report, seeking the Committee's recommendation to the Board for approval of a July 1 insurance renewal for a total amount not to exceed \$6.3 million. The final terms will be provided at the next Committee meeting.

The final report was on the summer 2024 financing activities, as developed by three private sector firms. Ivan Boykin, Vice President, Finance, Eric Brown from PFM Financial Advisors, and Jerome Cox from Sustainable Capital Advisors sought approval for four action items to be approved for submission to the Board.

The Committee recommended five action items for full Board approval.

IV. CEO AND GENERAL MANAGER'S REPORT

In his report, Mr. Gadis recognized and welcomed the 2024 summer interns, who represented nearly 30 highly regarded schools and institutions including several historically Black universities. Mr. Gadis noted that DC Water was building a pipeline of

promising talent already familiar with the Authority, its values, and its strategic imperatives.

Alongside Congresswoman Eleanor Holmes Norton, Council Member Charles Allen, and Board members Howard Gibbs and Richard Jackson, Mr. Gadis was honored to deliver remarks at the groundbreaking for the construction of the Potomac River tunnel. He noted that DC Water has now completed two thirds of the Clean Rivers Project ahead of schedule and within budget.

On May 9, DC Water held a Public Hearing on the Authority's proposed two-year rate adjustment for FY25 and FY26. Mr. Brown led a detailed presentation on the forces and factors behind the rate adjustment. Meisha Thomas, Director of Customer Service, offered attendees a review of the customer assistance program.

On May 22 and 23, Mr. Brown held meetings with three major rating agencies to secure ratings for the upcoming fixed and variable rate transactions of the Authority. On May 23, the Finance and Budget Committee recommended the transactions for approval.

Mr. Gadis reviewed the Authority's response to a Boil Water Advisory (BWA) which was issued on earlier in May in response to a broken 115-year-old cast iron water main in Northwest D.C. that impacted 4,800 customers. Mr. Gadis stated that no water utility ever wants to have a boil water advisory, but they are inevitable and increasing as climate change is very impactful. In these situations, communication is crucial. DC Water crews worked overnight and into the morning to repair the broken pipe. The main was repaired and the BWA was lifted the next day.

V. CONSENT ITEMS (JOINT USE)

1. Approval to Award Contract No. 10445, Staff Model Health Maintenance Organization (HMO), Kaiser Foundation Health Plan of the Mid-Atlantic States Inc. – **Resolution No. 24-28** (Recommended by the Human Resources and Labor Relations Committee 05-08-24)
2. Approval to Execute an Architectural and Engineering Services Agreement of Contract No. DCFA #540-WSA, Primary Treatment – 20 Year Rebuild, Carollo Engineers, PC – **Resolution No. 24-29** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
3. Approval to Execute Four (4) Architectural and Engineering Services Contracts – Linear Design, Basic Ordering Agreement (BOA), Contract Nos. DCFA - 546, DCFA - 547, DCFA - 548, and DCFA – 549 – **Resolution No. 24 - 30** (Recommended by the Environmental Quality and Operations Committee 05-16-24)

4. Approval to Execute Contract No. 200090, Headworks Influent and Effluent Structures Rehabilitation, Ulliman Schutte Construction, LLC – **Resolution No.24-31** (Recommended by the Environmental Quality and Operations Committee05-16-24)
5. Approval to Award Contract No.10439, Centrifuge Pre-Dewatering Polymer, Polydyne, Inc. – **Resolution No. 24-32** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
6. Approval to Award Contract No. 10440, Belt Press Dewatering Polymer, Polydyne, Inc. – **Resolution No. 24-33** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
7. Approval to Award Contract No. 10441, Primary Treatment Polymer, Polydyne, Inc. – **Resolution No. 24-34** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
8. Approval to Award Contract No. 10442, Secondary Treatment Polymer, Polydyne, Inc. – **Resolution No. 24-35** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
9. Approval to Add Funding to Option Year 2 of Contract No. 10084, Sodium Hypochlorite, Kuehne Chemical Co. Inc, - **Resolution No. 24-36** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
10. Approval to Award Contract No. 10444, Potomac Interceptor Odor Control Facilities, C & E Services, Inc. of Washington – **Resolution No. 24-37** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
11. Approval of Funding for Annual Property and Casualty Insurance Premium Renewals – No. (Recommended by the Finance and Budget Committee 05-23-24)
12. Approving the Final Form of Certain Documents, Authorizing Tender Offer and the Sale and Setting Terms and Details of the Series 2024 A Bonds – **Resolution No. 24-39** (Recommended by the Finance and Budget Committee 05-23-24)
13. Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Series 2024 B Bonds – **Resolution No. 24-40** (Recommended by the Finance and Budget Committee 05-23-24)
14. Approving the Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Commercial Paper Notes – **Resolution No. 24-41**(Recommended by the Finance and Budget Committee 05-23-24)

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

VI. CONSENT ITEMS (NON-JOINT USE)

1. Approval to Award Contract No. 10112, Chemical Root Control of Sanitary Sewers, Duke's Root Control, Inc. – **Resolution No. 24-42** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
2. Approval to Award Contract No. DCFA #541 - WSA, Engineering Program Management Consultant 2G, Water Smart Alliance (an Atkins Realis – Stantec Partnership) – **Resolution No. 24-43** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
3. Approval to Execute Change Order No. 002 of Contract No. 170070, Small Diameter Water Main Replacement-14C, Fort Myer Construction Corporation – **Resolution No. 24-44** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
4. Approval to Award Contract No. 230200, Normanstone Sanitary Sewer Rehabilitation, Spinello Companies – **Resolution No. 24-45** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
5. Approval of Amendment to Contract No. 230030, Lead Free DC (LFDC) Lead Service Line Replacement Program FY23 - FY30 Block by Block Construction – **Resolution No. 24-46** (Recommended by the Environmental Quality and Operations Committee 05-16-24)
6. Approval to Execute Contract No.10446, Direct Pay Letter of Credit Supporting DC Water's Commercial Paper Program Services, TD Bank, N.A. – **Resolution No. 24-47** (Recommended by the Finance and Budget Committee 05-23-24)
7. Approval to Execute Contract No. 10447, Bank Credit Facility Supporting Series 2024B Bonds, TD Bank, N.A. – **Resolution No. 24-48** (Recommended by the Finance and Budget Committee 05-23-24)

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

VII. ADJOURN

There being no further business to come before the Board, Mr. Anderson adjourned the meeting at 10:18 a.m.

Michelle Rhodd
Secretary to the Board of Directors



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
JUNE 20, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Sarah Motsch, Chairperson, Alternate, Fairfax County
2. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
3. Jared McCarthy, Principal, Prince George's County

DC WATER STAFF PRESENT

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

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 9:30 AM. The meeting was held via Microsoft Teams. Michelle Rodd, Secretary to the Board called the roll.

I. BPAWTP PERFORMANCE UPDATE

Elkin Hernandez, Director of Maintenance Services, Wastewater Treatment Operations, summarized the performance of Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) for May 2024. Specific details of the presentation are on pages 3 to 8 of the Environmental Quality and Operations Committee meeting materials shared with the Committee before the meeting.

The average flow through to complete treatment was 290 million gallons per day (MGD) for the month, the peak daily flow was 376 MGD which occurred on May 4th. It was reported that all NPDES permit requirements were met.

Minutes of the June 20, 2024 Environmental Quality & Operations Committee Meeting

Mr. Hernandez discussed the performance of the Anacostia tunnel system and wet weather treatment at BPAWTP. It was noted that precipitation for the month was just over 4 inches and the combined wet weather flows captured by the tunnel system was 101 million gallons. There were no flows through Outfall 001 and no overflows from the Tunnel System during the month.

Mr. Hernandez discussed electrical energy use and onsite generation at BPAWTP. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels for the month was 28% of the average consumption at BPAWTP. The CHP Facility generated an average of 8.2 megawatts (MW), of which 7.2 MW was transferred to the Blue Plains grid. The solar system generated an average of 0.74 MW for the month. The average electrical consumption for the month was 27.9 MW and the total purchased power from PEPCO averaged 20.0 MW.

As a follow up to the request from Committee member Howard Gibbs to report the cumulative savings due to power generated onsite at BPAWTP instead of purchasing from PEPCO, Mr. Hernandez reported that DC Water have saved over \$1.5 million cumulatively in FY24 through the end of April 2024. Mr. Gibbs thanked staff for reporting on these savings and emphasized the importance of reporting these savings to customers. It was noted that reporting on savings allows customers to better understand the benefits of the major projects which have created these cost savings for DC Water.

Mr. Hernandez discussed biosolids production and Bloom marketing at BPAWTP. During May, over 15,000 wet tons of biosolids were produced; approximately 3,700 wet tons were sold as Bloom and the remaining 11,900 wet tons were land applied through existing land application contracts. Progress continues to be made to achieve Bloom marketing goals for FY24. To date, over 46,000 tons have been marketed, compared to the goal of 65,000 tons for the fiscal year.

II. ACTION ITEMS

JOINT USE

1. Contract No. 190010 – Rehabilitation of The Potomac Interceptor between MH31 and MH30 – Ulliman Schutte Construction, LLC
2. Contract No. 19-PR-DWT-21A – Supply and Delivery of Methanol – Colonial Chemicals, Inc.
3. Contract No. 10450 – Ferric Chloride – PVS Technologies
4. Contract No. 10449 – Ferric Chloride – Kemira Water Solutions, Inc.
5. Contract No. 18-PR-DFS-28 – Small Construction – Mid-Atlantic General Contractors, Inc.

NON-JOINT USE

1. Contract No. DCW-SOL-23-10335 – Public Outreach and Engagement Support Services for CIP Projects – LINK Strategic Partners
2. Contract No. DCFA-542-WSA – Creekbed Sewer Rehabilitation Glover Archbold Park – Brown and Caldwell
3. Contract No. 160070 – Sanitary Sewers Rehabilitation 10 – Insituform Technologies, LLC
4. DDOT Participation Project: Improvement of Pennsylvania Ave and Minnesota Ave Intersection

David Parker, Vice President, Engineering, presented Joint Use Item 1 and Non-Joint Use Action Items 2 - 5. John Pappajohn, Director of Procurement, Goods & Services, presented Joint Use Action Items 2 - 5 and Non-Joint Use Action Item 1. The fact sheets associated with the action items are included on pages 9 to 26 of the meeting package.

For Joint Use Action Item 1, Mr. Parker noted that the change order request associated with the action item is in response to the sinkhole event that occurred on the project in February 2024. The sinkhole required emergency repairs to be completed by the Contractor. It was noted that the change order includes a time extension request for the project of 81 days and a request to increase the project budget by \$9 million. The requested time extension is not the full impact on the project schedule due to the sinkhole event. The full impact will be established once the heavy cleaning of downstream segments of the Potomac Interceptor are completed, and the full extent of the delay is determined. This request will allow the Contractor on the project to be compensated for some of the charges associated with the emergency repairs.

For Joint Use Action Item 2, Mr. Pappajohn explained that the action item is for the addition of \$4 million to the existing 4-year contract for the supply and delivery of methanol for BPAWTP. During the contract, the price of methanol increased, which resulted in accelerated spending of available funding on the contract. At the beginning of the 4th year of the contract (January 2024), \$4 million remained in the budget. It is anticipated that available funding will be exhausted at the end of June 2024. Additional funding is requested to complete the 4th year of the contract and cover the period July through December 2024.

Mr. Gibbs enquired about spending on contract between January 2024 and July 2024. Mr. Pappajohn clarified that the budget remaining in January 2024 (\$4 million) was used between January and June 2024, and additional funding (\$4 million) is being requested to cover the period July through December 2024. It was requested that the fact sheet be updated to reflect this clarification.

For Joint Use Action Items 3-4, Mr. Pappajohn explained that the action items are requests to award two contracts for the supply and delivery of ferric chloride for BPAWTP.

A Request for Proposal (RFP) process was conducted for the solicitation and both responding suppliers were selected to ensure security of the supply of the chemical, given the critical nature of the chemical for treatment processes at BPAWTP. The approach for awarding the contracts is to award 45% to one supplier (PVS Technologies) and 55% to the other supplier (Kemira Water Solutions). PVS Technologies are an existing supplier of ferric chloride to DC Water.

Committee member Jared McCarthy enquired whether the unit costs for the chemical are the same between the two contracts and why the new supplier is proposed to be awarded 55% of the value of the work. Mr. Pappajohn explained that the new supplier is both a supplier and manufacturer of the chemical. DC Water has previously been purchasing ferric chloride from them through a distributor. As the distributor did not bid on the RFP, DC Water will purchase directly from the new supplier, who did submit a bid. The new supplier's unit costs are less expensive than those from the existing supplier, however DC Water wants to see how the new supplier handles the distribution of the chemical over the next 6 months. If distribution by the new supplier proves successful, DC Water will evaluate changing the percentage splits between the two contracts.

For Joint Use Action Item 5, Mr. Pappajohn explained that the action item is a request to add \$1.2 million to an existing small construction service contract, which is for the construction of sidewalks, concrete and asphalt paving at DC Water Headquarters and at Main & O Street Sewer Pumping Stations. The additional funds are for Phase II of the works, which is an extension of the same type of work awarded in Phase I. The Phase II contract is a sole-source solicitation to ensure continuity, avoid duplication of the works and save on costs for equipment and mobilization from Phase I to Phase II of the works. The contract for Phase I was a best value solicitation for which three bids were received.

Mr. Gibbs enquired whether the cobblestone area on the site will be repaved. Mr. Pappajohn confirmed this area will be repaved as part of this project.

For Non-Joint Use Action Item 2, Mr. Parker explained that the action item is for the award of engineering services during the design phase of the Construction Management at Risk (CMAR) project. The contractor will be providing engineering services, environmental permitting services and construction phase services for the project.

Mr. Gibbs enquired whether there is an engineering estimate for the overall project. William Elledge, Director, Engineering & Technical Services confirmed the budget for the construction phase of the project is approximately \$40 million. As a follow up, Mr. Gibbs commented that the \$10 million budget proposed for the action item seems higher than the typical percentage estimate for engineering services (typically 10%) observed for construction projects. Mr. Elledge clarified that the \$10 million budget for engineering services is on top of the \$40 million for construction (total budget for the entire project is \$50 million). The budget for engineering services (20% for the entire project) includes 10% for National Environmental Permitting Act (NEPA) permitting activities and 10% for the remaining engineering services.

Minutes of the June 20, 2024 Environmental Quality & Operations Committee Meeting

The Committee recommended moving all Joint Use and Non-Joint Use Action Items to the full Board for approval.

III. ADJOURNMENT

The meeting was adjourned at 10:02 am.



**MINUTES OF THE MEETING
RETAIL WATER AND SEWER RATES COMMITTEE
JUNE 25, 2024
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Chairperson
2. Howard Gibbs, Principal
3. Anthony Giancola, Principal
4. Jed Ross, Principal

DC WATER STAFF

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

The DC Retail Water and Sewer Rates Committee meeting was called to order by Rachna Bhatt, Chairperson, at 9:35 AM. Board Secretary Michelle Rhodd called the roll.

I. MONTHLY REPORT TO THE DC RETAIL WATER AND SEWER RATES COMMITTEE

Matthew Brown, Chief Financial Officer and EVP, Finance, Procurement and Compliance presented the Monthly Revenue Report, noting that year-to-date revenue was slightly under budget due to the timing of the Fire Protection Services Fee payment from the District. The Residential, Commercial, and Multi-Family category was slightly ahead of budget by 0.8%. The Federal, DC Housing Authority, Metering Fee, Water System Replacement Fee, Wholesale, PILOT, and Right-of-Way fee categories are favorable as compared to the budget. The District Government category continues to be under budget as consumption has lagged the budgeted projections. Other revenue is below budget due to timing of Fire Protection Services Fee, lower than anticipated System Availability Fees, and the Washington Aqueduct Backwash.

Mr. Brown will be taking a year-end forecast of revenue and expenditure to the Finance Committee later this week. A slight surplus is projected, and the presentation will include recommendations to allocate these funds.

Mr. Brown noted a reduction of approximately \$0.5 million over last month in 90 days delinquent account balances, however, number of delinquent accounts increased. He noted that the Multi-Family category accounts for approximately 57% of these accounts.

Ogechi Okpechi, Director of Permit Operations, noted that the number of requests had significantly increased since bill summaries were sent out, and the team is making progress on processing the permit refund requests.

Rachna Bhatt, Committee Chairperson asked which of the DC Water Authority's consultants are looking at best practices for collections from Multi-Family customers and if there is research on what other jurisdictions are doing. Mr. Brown stated that each jurisdiction is unique, and many multifamily properties in the district face challenges because they are metered by a single meter. Renters might be paying rent, but the landlord might not be paying the utility bill. For condos, a single association pays the bills. Different strategies are used for different types of units, such as pursuing receivership for apartment buildings before disconnecting services. Normal disconnect procedures have resumed, and recently two multi-family accounts implemented payment plans before disconnection. Multifamily properties are more difficult, requiring liens, court-appointed receivership, and disconnecting services when necessary to ensure payment.

Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs noted that the Authority is taking a more expansive approach in involving other areas of government, including the Office of the Attorney General and the Office of Consumer Protection. An option being explored is to require payment of utility bills before a certificate of occupancy or other licenses can be renewed by landlords. Ms. Bhatt stated that the Attorney General seems like an appropriate office to address situations in which landlords are collecting rent and then not paying utilities on behalf of tenants. Mr. Brown noted that utilities are facing significant challenges with delinquencies. For example, Atlanta had more than \$200 million worth of delinquencies. During COVID-19, delinquencies grew due to the lenient approach taken. As utilities return to regular collection practices, such as late fees, liens, and disconnections, delinquencies have decreased. Different strategies are being used nationwide, like New York's Mayor Adams publicly shaming delinquent businesses.

II. RESPONSES TO COMMENTS AND RECOMMENDATION FOR APPROVAL OF PROPOSED RATES FOR FY 2025 AND FY 2026

Mr. Brown presented a report on comments received on the rate proposal. The Office of People's Council (OPC) made three recommendations, and two members of the public commented.

Mr. Brown outlined DC Water's goal to provide safe and affordable water for everyone and its core programs, including Lead Free DC, the Clean Rivers Program, and the Customer Assistance Program. He noted that the annual budget invests in the 1,200 members of Team Blue, chemicals and energy for water treatment, contractual services, maintenance and repairs, and debt servicing. He reviewed water rates versus median household income per municipality across the United States, noting that DC Water is slightly higher than the average but its revenues are almost entirely from customer rates.

Budget priorities for the FY 2025 to FY 2026 period include removal of lead service lines, achieving rate increases lower than previous forecasts, expanding customer assistance programs, and repairing aging systems. Mr. Brown noted that staffing costs had been moderated by reallocating longstanding staff vacancies to new roles to address emerging needs rather than adding to the staff headcount.

Mr. Brown noted sources of DC Water's funds, noting that almost all revenue is from rate payers. He shared the Ten-Year Capital Improvement Plan outlines for major sources and uses of funds over the term, highlighting the small portion received from grants and appropriations. DC Water Authority's financial metrics reflect the plan to maintain 267 days of cash and ensure debt servicing remains less than 33% of revenue. Mr. Brown stated that Moody's most recent report indicated that a coverage ratio of less than 1.8x could result in a rating downgrade; DC Water's policy is to maintain a 1.6x ratio.

Mr. Brown reviewed public outreach methods used to communicate the proposed rate changes and the information presented to support the rate increases and presented the recommendations received and DC Water's responses to each.

OPC Recommendation 1 is to adopt a more equitable model for recovering Right-of-Way (ROW) fees to consider factors such as meter size, usage tiers, and street frontage in fee calculations. DC Water does not concur, noting that the average residential customer pays only about a little over a \$1.00 for this fee, and all of the infrastructure is needed to provide service regardless of the frontage of a property. Also, obtaining frontage measurements is not available.

OPC Recommendation 2 is to revise the rate structure to reflect actual service cost and distribute conservation incentives more equitably across user groups via a cost-of-service study geared at categorizing water usage more granularly or differentiate between residential unit types. DC Water does not concur as the rate structure is based on a cost-of-service study with class-based water rates reflecting class peaking characteristics. Mr. Brown stated that DC Water could do more communication on the benefits of the current rate structure, especially for multi-family customers.

OPC Recommendation 3 is to integrate narrower square footage bands and recalibrate the fee structure for the Clean Rivers Impervious Area Charge (CRIAC) to reflect each property's impervious surface area and runoff potential more accurately, based on the assertion that charges structured on a per equivalent residential unit (ERU) basis disproportionately affect residents in smaller homes or apartments. Mr. Brown indicated that DC Water believes that this is something that should be investigated before the next ratemaking cycle.

Committee member Howard Gibbs mentioned the need to ensure the bands are narrow enough to be fair for a range of customers. He suggested periodic updates to property square footages are made for accuracy but emphasizes continuous review and adjustment. DC Water believes that is needed and will perform that work before the next rate making cycle. Committee member Anthony Giancola agreed with Mr. Gibbs that more analysis would be helpful.

Customer Comment 1 is from a customer concerned they have been paying for a water meter for 35 years and indicated that they commented that they "cannot pay it off." Mr. Brown noted that the meter fee is not to pay for existing meters but to pay for meter replacement, which would generally occur more often than once every 35 years. The fee also covers the cost of the customer service organization as well as all metering and billing costs.

Customer Comment 2(A) is from a customer who felt that the rationale for the fee increases was not supported by the provided information. Mr. Brown noted that the response includes a detailed outline of the operational costs and programs supported by the rate increase.

Customer Comment 2(B) argued that the rate increase is unsustainable. Mr. Brown noted that DC Water operates on a cost-recovery basis and is based on customer usage and the cost of programs and upgrades. He emphasized that the Authority does not make a profit from fees.

After the review of comments and DC Water's responses, as well as all of the activities related to the rates that had occurred since January 2024, Mr. Brown requested that the

Committee recommend the proposed rates (non-joint matter) to the Board for adoption at the next meeting on July 3, 2024.

III. DC WATER CARES PROGRAM UPDATE AND RECOMMENDATION FOR APPROVAL FOR THE PROPOSED CAP+ PROGRAM

Meisha Thomas, Director of Customer Care presented an amendment to the DC Water Cares Customer Assistance Program (CAP) to add Plus (CAP+).

She recommended that the Board approve and adopt a notice of final rulemaking to amend the customer assistance program regulations as follows:

- To consider comments submitted during Public Comment Period and at Public Hearing
- To recommend amending 21 DC Municipal Regulations (DCMR) 4102 to add rules for Customer Assistance Program Plus (CAP+), effective October 1, 2024

Ms. Thomas provided an overview of the history of the amendment and projections for CAP+ usage based on historical usage of the CAP program and calculations of the additional customers who would have qualified under the updated rules.

She noted that the CAP+ program will provide a 100% discount on the first six (6) CCF of water and sewer charges, whereas the CAP program only covered the first four (4) CCF. The CAP+ program also provides a \$122 monthly discount versus a \$95 discount for the CAP program.

Ms. Thomas reported that no witnesses testified in the public hearing. One member of the public disagreed with the proposed rate increase but supported the CAP expansion.

Ms. Thomas reviewed changes to household income to qualify for the program and new language to describe the amended categories, and requested that DC Retail Water and Sewer Rates Committee recommend the Board approve and adopt the following amendments to 21 DCMR 4102:

- To approve publication of the Notice of Final Rulemaking to amend 21 DCMR 4102 to add rules for CAP+, effective October 1, 2024

IV. FY 2024 FIRE PROTECTION FEE COST OF SERVICE UPDATE AND RECOMMENATION FOR APPROVAL

Mr. Brown presented a request that the Committee recommend that the Board approve the final rulemaking of the Fire Protection Service Fee for FY2025 to FY2027. He noted that no comments on the fee were received.

V. ACTION ITEMS

Mr. Brown presented the following action items

- Approval of proposed FY 2025 & FY 2026 Water and Sewer Rates, Charges & Fees, Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate (Effective October 1, 2024, and October 1, 2025)
- Approval of DC Water Cares Expansion Program CAP+
- Approval of the Revised District of Columbia Fire Protection Service Fee FY 2025 – FY 2027

The Committee agreed to recommend these items to the full Board for approval.

VI. WATER AND SEWER RATES COMMITTEE WORKPLAN

Mr. Brown reviewed the committee work plan highlighting that many of the Committee's actions had been completed for the year. He noted that the Soldiers Home Negotiations item was maintained on the schedule as a placeholder.

Mr. Giancola asked if Mr. Battle could provide an update on the Soldier's Home matter at a future meeting.

VII. ADJOURNMENT

The meeting adjourned at 10:35 AM.

Follow-up action:

Mr. Battle will provide and update on the Soldier's Home at a future meeting.



**MINUTES OF THE MEETING
EXECUTIVE COMMITTEE**

JUNE 25, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Keith Anderson, Chairperson
2. Rachna Bhatt, Vice Chairperson
3. Christopher Herrington, Principal
4. Fariba Kassiri, Principal

DC WATER STAFF

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

The Executive Committee meeting was called to order by Keith Anderson, Chairperson, at 1:00 PM. The meeting was held via Microsoft Teams. Board Secretary Michelle Rhodd called the roll.

I. EXECUTIVE SESSION

Keith Anderson, Chairperson, opened the meeting and the Committee voted to go into executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

The Committee reconvened in open session.

II. ADJOURNMENT

Mr. Anderson adjourned the meeting at 1:43 PM.



**MINUTES OF THE MEETING
FINANCE AND BUDGET COMMITTEE
JUNE 27, 2024
(Via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Anthony Giancola, Chair
2. Jared McCarthy, Vice Chair
3. Jonathan Butler, Alternate, Prince George's County
4. Sarah Motsch, Alternate, Fairfax County

DC WATER STAFF

1. Matthew T. Brown, Chief Financial Officer & EVP, Finance, Procurement & Compliance
2. Jeffrey Thompson, Chief Operating Officer & EVP
3. Wayne Griffith, Chief Administration Officer & EVP
4. Marc K. Battle, Chief Legal Officer & EVP, Government and Legal Affairs
5. Michelle Rhodd, Secretary to the Board
6. Lola Oyeyemi, Vice President, Budget

The DC Water Finance and Budget Committee meeting was called to order by Mr. Jared McCarthy, Vice Chairperson, at 9:30 AM. Board Secretary Michelle Rhodd called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Vice President, Budget presented the May 2024 Financial Report, noting that as of the end of the reporting period, 67 percent of the fiscal year was completed.

Total operating revenues were \$610.4 million, or 68.5 percent of the budget, and are projected to be \$896.4 million at year end. Total operating expenditures were \$439.6 million, or 59.6 percent of the budget and projected to be \$730.6 million for the fiscal year. Capital disbursements were \$303.1 million or 58.9 percent of the budget and projected to be \$487.8 million at year end.

Ms. Oyeyemi noted that the FY 2025 Budget Book, which was adopted by the Board in March 2024, is available online.

Ms. Oyeyemi reviewed the year-to-date budget performance. The favorable variance in the Residential, Commercial, and Multi-family category is primarily due to higher than anticipated CRIAC receipts and water consumption. The unfavorable variance in the Other Revenue category was due to the timing of the Fire Protection Fee of \$2.9 million that had since been received and

will be reflected in a future report. Additionally, there were lower than anticipated receipts of developer fees and the System Availability Fee.

Total operating expenditures were \$439.6 million, which was \$9.9 million below the year-to-date budget. Current projections estimate that expenditures will be 99.1 percent of budget at year end. The year-to-date favorable variances were in personnel, contractual services, utilities and debt service costs as previously reported in prior months. The unfavorable variance in supplies is due to rising costs impacting critical spare parts. Overtime spending is high due to emergency responses over the winter months. Board member Jonathan Butler inquired if overtime expenditures are driven by the Family and Medical Leave Act (FLMA), extended medical leave, and extended vacancies. Ms. Oyeyemi noted she did not have the detailed overtime data, but a significant portion of the overtime was used in the water and sewer area.

The vacancy rate was 9.2 percent at the end of May. This is based on the new calculation method of the authorized headcount less vacant positions that are over 180 days without recruitment. Ms. Oyeyemi stated that this calculation will be used for reporting vacancies going forward. Mr. Jared McCarthy, Vice Chair, inquired if it was statistically significant that vacancies of less than 180 days were being excluded. Ms. Oyeyemi noted that of the total vacancies of 170, only 54 are over 180 days without recruitment.

Capital disbursements were \$303.1 million and projected to be \$488.0 million, or 94.8 percent of budget at year end. Ms. Oyeyemi highlighted that the higher year-to-date disbursements for the Clean Rivers project is due to construction work on the Potomac River Tunnel progressing ahead of the budget forecast. Spending on the Clean Rivers project is projected to be above the FY 2024 budget, and the project remains within the overall budget. The lower disbursements for the Capital Equipment category was due to lower usage of Authority-wide reserves and underspending in the meter replacement program.

The total cash balance was \$653.5 million at the end of May. This included the Rate Stabilization Fund (RSF) balance of \$35.6 million plus operating reserves and other funds. The year-to-date interest income was \$7.5 million compared to the annual budget of \$5.4 million due to favorable interest rates.

Ms. Oyeyemi reported that delinquent accounts over 90 days decreased slightly in dollar value, which totaled \$32.1 million for 11,104 accounts at the end of May. The multi-family customer category represents 57 percent of the total delinquencies.

Developer deposit refunds are progressing. There was \$38.6 million in credit balances owing and \$10.8 million in receivables as of the end of May. Ms. Oyeyemi noted an uptick in refund requests since the mailout of the annual statement in March.

FY 2024 MID-YEAR PROJECTIONS

Matthew Brown, Chief Financial Officer and EVP, Finance, Procurement and Compliance reviewed the FY 2024 Mid-Year Projections and recommendation. He noted that revenue is

expected to be \$5.8 million above the revised budget of \$890.6 million. The capital budget is expected to be \$26.9 million below the revised budget of \$514.7 million, with underspending across several service areas, while the operating budget is expected to be \$3.3 million or 0.5 percent below the revised budget of \$705.6 million.

Total operating revenues forecast is projected at 0.7 percent above the revised budget. Revenue from the Residential, Commercial, and Multi-family category is expected to be approximately 1.3 percent ahead of budget. Interest earnings are projected to be approximately \$2.9 million higher than budget due to the interest rate environment and previous changes made to the investment policy.

Total operating expenditures are projected to be \$3.3 million below budget. Personnel services will be approximately \$3.0 million under budget due to higher than anticipated vacancy rates. Water purchases will be approximately \$3.0 million below budget. The water purchase cost reflects DC Water's proportionate share of the Washington Aqueduct discharge cost projections and is offset by revenue from the Sewer Backwash project.

Total capital disbursements are projected to be \$26.9 million below budget. Detailed capital projects and spending were provided within the quarterly report.

Next, Mr. Brown reviewed the considerations for cash and management's recommendation. In the past, surplus funds were allocated to the Rate Stabilization Fund and toward achieving the goal of 350 days of cash on hand. The Board-approved Financial Plan projects 267 days of cash by year end. He noted that the Permits Office has been working to reduce the backlog of refunds totaling tens of millions of dollars of deposits. Allocating additional funding to this project would ensure the payments do not impact the next year's budget. Another consideration is to allocate cash to fund a portion of the capital program, which would reduce the debt service costs and balance rates affordability.

The FY 2024 projected net cash position includes \$9.1 million from revenue less anticipated expenses. Additionally, \$7 million is the change in the county refunds assumption, which will be offset by \$2 million in project billing refunds. In total, approximately \$14.1 million in surplus funds will be available for allocation. Mr. Brown presented management's recommendation to carryover \$8 million to FY 2025 for the refund of developer deposits and allocate the remainder of \$6.141 million to PAYGO (pay-as-you-go) to reduce future borrowing for the capital program.

II. RESPONSES TO PUBLIC COMMENTS AND OPC RECOMMENDATIONS ON PROPOSED RATES UPDATE

Mr. Brown presented the responses to comments and recommendations on the Proposed Rates presentation, noting that the report was published online on May 31 and emailed to the Board members. It was also presented on June 25, 2024, to the Retail Water and Sewer Rates Committee, which has recommended adoption of the rates to the Board.

Mr. Brown noted that DC Water's rates support the budget with very little federal funding and must also fund capital projects and old debt services to DC Water's goal of 33 percent or less.

Mr. Brown reviewed the proposed rate increase, noting that the increases of 4.8 percent for 2025 and 6.5 percent for the average household customer for 2026 are less than the previous forecasts anticipated in the 10-year plan. He reviewed water rates versus median household income per municipality across the US, noting that DC Water is slightly higher than the average, but its revenues are almost entirely from customer rates, and DC Water is further along with the consent decree than many peers. Mr. Brown reviewed the Customer Assistance Program (CAP) and its impact on annual bills as a percentage of income. DC Water has a robust four-tier customer assistance program, which introduced an additional tier this year that dramatically promotes customer affordability.

Mr. Brown went on to highlight DC Water's budget priorities which includes advancing the Lead-Free DC program and Clean Rivers project, holding the line on the authorized headcount and addressing the aging water and sewer infrastructure. He reviewed the sources of DC Water's funds, noting that almost all revenue is from ratepayers. The largest operating expenditures are personnel services at 19.0 percent, and 26.9 percent goes to debt servicing to support the capital program. He shared the 10-Year Capital Improvement Plan that outlines major sources and uses of funds over the term, highlighting the small portion received from grants and appropriations. He also reviewed the financial metrics, which require a minimum of 250 days cash on hand with a goal of 350 days; currently, DC Water has 267 days of cash on hand. The combined coverage ratio, which is money outside the debt service ratio to pay interest on bonds if there were a major billing issue, is 1.6x by Board policy, but rating agencies now expect 1.8x. Debt service, per the management target, must be held at 33.0 percent of total operating revenue or less.

Mr. Brown reviewed public outreach methods used to communicate the proposed rate changes, and the information presented to support the rate increases. He presented the recommendations received and DC Water's responses that were posted on the website on May 31, 2024.

OPC Recommendation 1 is to adopt a more equitable model for recovering Right-of-Way (ROW) fees to consider the size of a property in fee calculations. DC Water does not concur, noting that the average residential customer pays only about \$1.03 for this fee, and obtaining frontage measurements for all customers would be difficult and costly.

OPC Recommendation 2 is to revise the rate structure to reflect actual service cost and differentiate between residential unit types. DC water does not concur as the current structure is supported by peaking factors. Multi-family customers have the lowest peaking factors and have the lowest water rate. For residential customers, the base rate for the first four Ccfs does not include the peaking factors. The second tier for residential covers both the base rate and the peaking costs.

OPC Recommendation 3 is to integrate narrower square footage bands and recalibrate the fee structure for the Clean Rivers Impervious Area Charge (CRIAC), noting that the second-tier

property category includes residences of 700' to 2000', which is a very wide range. DC Water agrees that the tiers should be reviewed in consideration of best practices, but this review will not be feasible in this rate cycle.

Customer Comment 1 is from a customer concerned they have been paying for a water meter for 35 years and cannot pay it off. Mr. Brown noted that the meter fee is not to pay for existing meters but to pay for meter replacement, customer service, and all metering and billing costs.

Customer Comment 2(A) is from a customer who felt that the rationale for the fee increases was not supported by the provided information. Mr. Brown noted that the response includes a detailed outline of the operational costs and programs supported by the increase.

Customer Comment 2(B) argued that the rate increases are unsustainable. Mr. Brown noted that DC Water operates on a cost-recovery basis and is based on customer usage and the cost of programs and upgrades. He emphasized that the Authority does not make a profit from fees.

III. ACTION ITEMS

The following item was presented for submission to the full Board for consideration:

Recommendation for Approval of FY 2024 Use of Projected Net Cash Surplus of \$14.14 million.

IV. ADJOURNMENT

The meeting adjourned the meeting at 10:18 AM.

Follow-up Item: Provide data on the impact of extended medical leave (FLMA, worker's comp, etc.) and vacancies on overtime **(Mr. Butler)**



CEO's Report

JULY
2024



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

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dc Highlights

Chair Anderson, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for July 2024. This report captures the highlights of the team's efforts over the past month, across the five cascading imperatives of the Blueprint 2.0 strategic plan: **Equitable, Sustainable, Resilient, Reliable, and Healthy, Safe and Well**. There are also individual reports from Finance and Procurement; Shared Services; Customer Experience; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



DC Water Featured in Kimball Elementary School's Career Fair

On Friday, May 31, Kimball Elementary School held 'Kimball's Career Fair,' a STEM-focused event that invited 20 local organizations and businesses to share their careers and projects with the students.

Barbara Mitchell (Director and Associate General Counsel / Government and Legal Affairs), **Hamza Masud** (Senior Program Manager, Government Affairs / Government and Legal Affairs), and **Reagan Yeatman** (Legal Intern / Government and Legal Affairs) represented the Authority, and the legal profession, during the event.

The team explained how the law and science intersect, and explained how DC Water is bound by the law and certain contracts. The children also got to do a role-playing episode where they each played the role of mechanical and chemical engineers, legislative officials, as well as members of the community and lawyers.

The Pumping team, led by **Robert Simpkins** (Foreman / Pumping Operations), **Tambua Bradford** (Screening Removal Operator-CDL / Pumping Operations), and **Danielle Johnson** (Apprentice Utility Systems Operator / Pumping Operations) also participated, and brought some of the Authority's top operators and apprentices to engage with the young students. They also brought one of our large trucks, which generated questions and the fascination of the children.

The exchange left lasting impressions on some of the students. August, a third grader, wrote a note to the team, thanking them for coming and teaching her about what lawyers do for a living. August has big ambitions – to be the first female president – and noted that her "big sister would be a lawyer like [Barbara]."

Payment Plan Incentive Program Launches

On Saturday, June 1, DC Water formally launched the Payment Plan Incentive Program (PIIP), which will run through September 30, 2025. The PIIP will assist customers by contributing a credit of up to 40% of their payments to the outstanding balance.

The Authority has worked diligently to promote the new program, including a direct mail campaign to eligible customers who are not on a current payment plan, and has also updated our website with information on the incentive program.

Under the leadership of **Meisha Thomas** (Director, Customer Care / Administration), the Customer Care team has made arrangements to grandfather customers who meet program requirements and already have a payment plan established and, has incorporated language promoting the new plan for contact center representatives.

The first credits are expected to be issued in September, and I appreciate Ms. Thomas and her team in promoting the plan to our eligible customers and raising awareness of the robust DC Water Cares suite of Customer Assistance Programs.

dc Highlights

Sustainable

DC Water Wins Transportation All-Star Award

DC Water was honored with a 2024 goDCgo Transportation All-Star Award during the group's 2024 awards ceremony, held on May 30, at the Dr. Martin Luther King, Jr. Memorial Library. **Mercedus Pettus** (Executive Assistant, Senior / People and Talent) attended and accepted the award on the Authority's behalf.

Each year, goDCgo recognizes 'All-Star' employers, schools, and residential programs for going above and beyond to promote sustainable transportation and implement robust commuter benefit programs. This year, DC Water was nominated for recognition in the Commuter Benefits Champion category, by the Washington Metropolitan Area Transit Authority (WMATA). The award specifically recognizes the Authority's People and Talent team for offering a commuter subsidy option as an employment benefit for Authority employees.

goDCgo is an initiative of the District Department of Transportation (DDOT) that encourages the use of adoption of sustainable transportation practices. I would like to thank our People and Talent team, led by **Joy Dorsey** (Chief People Officer and EVP / People and Talent) and **Conrad Samuels** (Vice President, Transportation and Operations / People and Talent), for yet another award demonstrating DC Water's status as a regional employer of choice.

Resilient

Authority Receives Two Grant Awards from FEMA



FEMA

I am very pleased to share the fantastic news that DC Water has received notice that the Federal Emergency Management Agency (FEMA) has issued two new grants to the Authority:

- Blue Plains Floodwall, Phase 1 – The first phase grant award package for the final three segments of the Blue Plains Floodwall provides \$20 million in federal funds and ultimately improves the resilience of the plant as a regional critical asset.
- Hazard Mitigation Plan Revision – This grant award provides \$120,000 in federal funds that will allow the Authority to revise our Hazard Mitigation Plan to reflect the current Hazard Mitigation efforts, threats, and align risk resilience projects with strategies and funding.

The Office of Emergency Management (OEM) is working closely with the District's Homeland Security Emergency Management Agency (HSEMA) to set up the project grants and will initiate a review by the Office of Government and Legal Affairs before I sign the formal awards.



Healthy, Safe and Well

Authority Celebrates Pride Month



Pride month is a cornerstone of the Authority's commitment to fostering a workplace where everyone feels valued and respected, regardless of sexual orientation or gender identity. The celebration, and sense of belonging that it generates for our LGBTQIA+ employees, is a powerful reminder of the diversity represented among DC Water employees and the customers we serve.

On June 8-9, the Authority joined the 2024 Capital Pride Block Party, Parade, and Festival, with a large contingent of employees leading the fun, including **Matthew Brown** (Chief

Financial Officer and EVP / Finance, Procurement, and Compliance), **Ivelisse Cassas** (Director, Security / Administrative), **Emanuel Briggs** (Director, Community Outreach / Marketing and Communications), **Terrance Jackson** (Technician III, Asset Management / Water Services) and many others.

DC Water Basketball League Opens Season



For the last several summers, the DC Water Basketball League has offered opportunities for team and trust building, exercise, and fellowship to Authority employees. I am pleased to report that the league season opened on Saturday, June 22, at the Charles Hart Middle School, 601 Mississippi Ave, SE, Washington, DC 20032.

The games are open to hoopsters of all abilities and are more about teamwork and relationship building than wins and losses. But don't tell the players that – we have some fierce competitors in the league, and they are excited to get back on the court.

I encourage Board members to attend one, or several, games this season. Games are held every Saturday, between 9:00 am – 1:00 pm, at Hart Middle School. I also want to thank **Korey Gray** (Vice President, Contract Compliance and Business Development / Finance, Procurement, and Compliance) and **Jamal Jones** (Contract Compliance Specialist II / Finance, Procurement, and Compliance) for once again coordinating the league and related logistics.



Divisions

The CEO report includes service level based key performance indicators. 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 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 and continue to strive to meet high performance expectations.

The data in the CEO's Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	Feb-24	Mar-24	Apr-24	May-24
Operating Cash Balance (millions \$)	\$296.6	\$317.0	\$313.1	\$310.5	\$318.4
Delinquent Account Receivables (%)†	3.30%	4.36%	4.44%	4.42%	4.39%
On-time Vendor Payments (%)††	97%	96%	96%	97%	97%
Investment Earnings Data (Thousands \$)	\$8.1	\$4.6	\$5.4	\$6.5	\$7.5
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.7%	4.7%	5.1%	4.9%
Core Investment Yield Data (%) - Actual Monthly Yield †††	4.39%	4.3%	4.3%	4.4%	4.4%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		5.4%	5.1%	5.3%	5.3%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	5.03%	3.0%	3.0%	3.0%	2.9%
Days of Cash on Hand** and ***	267*	319	313	317	305***

Notes:

* Represent annual Treasury Index targets developed and provided by the Authority's investment advisor.

** 267 days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization Fund.

***305 days of cash is made up of 31 days in the Rate Stabilization Fund and 274 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.

†† The vendor payments goal may fluctuate slightly as we continue to research and resolve payments.

††† Investment earnings lag the benchmarks. We are in a rising interest rate environment. As lower yielding investments are sold and reinvested, performance is expected to improve.

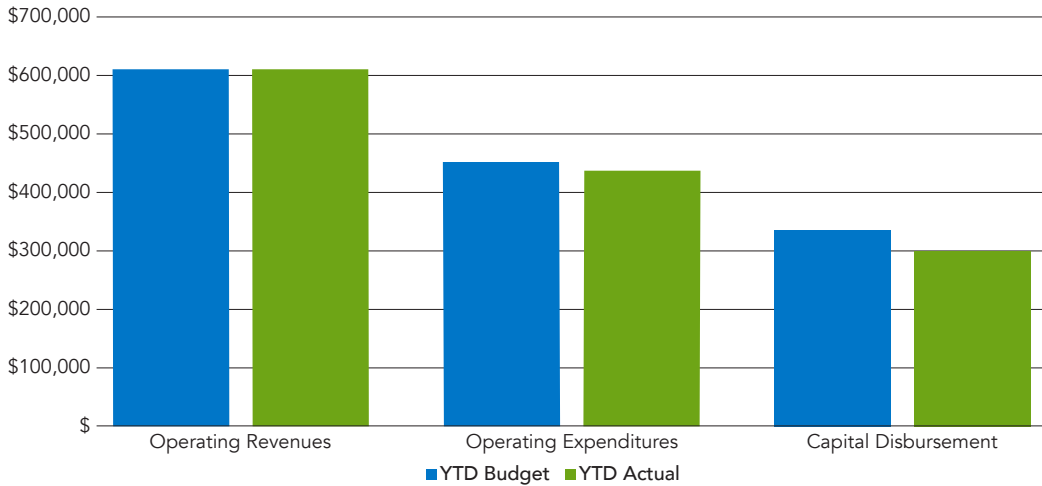
Finance Highlights

FY 2024 Financial Performance

As of May 31, 2024, with 67 percent of the fiscal year completed, DC Water is on track with the budget. Total operating revenues were \$610.4 million or 68.5 percent of the budget. The higher receipts in Residential, Commercial and Multi-family category are partly due to slightly higher CRIAC and partly due to higher consumption in Commercial category as compared to the budget.

Total operating expenditures were \$439.6 million or 59.6 percent and capital disbursements were \$303.1 million or 58.9 percent of the respective budgets. There is an uptick in Operations and Maintenance costs due to cost increases for critical spare parts and various professional services needed to maintain DC Water's facilities and equipment. Overall, however, we anticipate to end the fiscal year with a slight surplus. At the Finance and Budget Committee meeting in June management will present the year-end forecast for the operating, revenue, and capital budgets.

FY 2024 Year to Date Performance Budget vs. Actuals (\$000's)

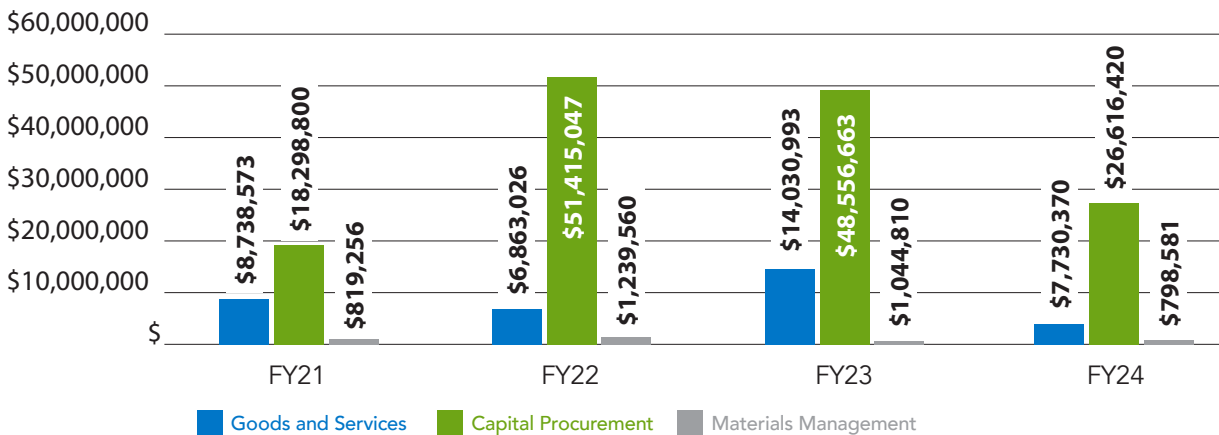


Procurement

Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings from FY2021 to FY2024 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. Procurement achieved the total saving of \$63,632,466 in FY2023 exceeding FY2022 saving of \$59,517,633.

Cost Savings





Finance, Procurement, and Compliance

Procurement – continued

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

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program	Delivery Type
Jun, 2024	Construction of Flood Seawall Segment A, B, D	RFP	\$24M - \$26M	Design Build	DBE/WBE
Jun, 2024	SDWMR-18B	IFB	\$8M - \$10M	Bid Build	DBE/WBE
Jun, 2024	Primary Treatment - 20 YR Rehab Phase 2 CMAR	RFP	\$120 Million	CMAR	DBE/WBE
Jun, 2024	Plant Wide Storm Drainage Improvements	IFB	\$3M - \$4M	Bid Build	DBE/WBE
Jun, 2024	RWWPS 1 - 20 yr rebuild	RFP	\$25M - \$30M	Design	DBE/WBE
Jun, 2024	Heavy Cleaning Services	RFP	\$8M	Professional Service Agreement	DBE/WBE
Jun, 2024	Spring Place Water Main and Sewer Rehab	IFB	\$6M - \$8M	Bid Build	DBE/WBE
Jun, 2024	LFDC Task Order 09, Work Packages 19	IFB	\$76M	Bid Build	DBE/WBE
Jul, 2024	Glover Park (Phase 2 - CMAR)	RFP	TBD	CMAR	DBE/WBE
Jul, 2024	Construction Management for Rock Creek C & D	RFP	TBD	Construction Management	TBD
Jul, 2024	SDWMR-18C	IFB	\$8M - \$10M	Bid Build	DBE/WBE
Jul, 2024	Gravity Thickener HVAC Upgrade	IFB	\$2M-\$3M	Bid Build	DBE/WBE
Jul, 2024	Sanitary Sewer Rehabilitation Area #3 & Area #8	IFB	\$9M - \$10M	Bid Build	DBE/WBE

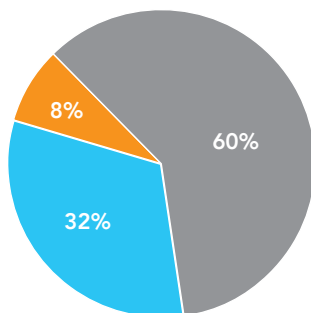
**Procurement** continued**Goods and Service:**

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
Jun, 2024	Gas Monitoring Services	RFI	>1M	LSBE
Jun, 2024	Uniforms	RFP	>\$1M	DBE/WBE
Jun, 2024	Calcium Hydroxide	RFx	>\$3M	DBE/WBE
Jun, 2024	Methanol	RFx	>\$50M	DBE/WBE
Jun, 2024	Data Center Colocation Services	RFI	<\$1M	LSBE
Jul, 2024	Annual Maintenance, Repair and Calibration of Instrumentation Control and Electrical Equipment	RFP	>\$1M	DBE/WBE
Jul, 2024	Underground Utility Locating	RFP	>\$1M	DBE/WBE
Sep, 2024	Independent Risk Management Consulting Services	RFP	>\$1M	DBE/WBE

Contract Compliance

During this reporting period, 11 different procurement actions were approved, including ten 10 new awards, and one 1 change order. The value of the eligible procurement actions for this period totaled \$153.48 million. Of this total, the planned certified firm participation is \$62.18 million (in prime and subcontracting opportunities).

The following pie chart summarizes the certified firm participation:

**Certified Firm Participation
May 2024 Awards****Participation:**

DBE: \$49.17M

WBE: \$13.01M

Non-certified: \$91.30M

Highlights:

- One Certified firm was awarded work as a prime this reporting period.
- Two certified firms obtained their first (sub) contract with DC Water this reporting period.



Location	# of New Hires
District of Columbia	17
Prince George’s County	12
Montgomery County	1
Fairfax County	2
Loudoun County	0
Outside the User Jurisdiction	4

As of this report, DC Water Contractors have filled 36 new positions. The table highlights the total new hires for FY 2024.

Highlights:

Lead Free DC Activators (Cohort 1): Thirteen participants from Cohort 1 from the Lead-Free DC (LFDC) Community Activators program successfully graduated from the program and received offers for full-time employment with LFDC contractors. The remaining three graduates from Cohort 1 were referred back to DC Water Works for additional support and job referrals.

Lead Free DC Activators (Cohort 2): A second cohort for Lead Free DC is being stood up. For this cohort, 12 District residents will be selected. Similarly to Cohort 1, the participants will first receive job readiness training from the District Department of Employment Services (DOES). Also as with Cohort 1, DOES is paying for the first-year wages of the Activators. The anticipated start is early July 2024.

DC Water High School Internship (Pilot) Program: There are currently 4 participants in the DC Water High School Youth Internship Program. Each of the students are Seniors, three of whom attend Anacostia High School, and the fourth attends the Cesar Chavez Public Charter School. The participants receive a combination of paid on-the job and classroom training up to 24 hours per week. The pilot program runs from March through June. The participants are receiving training in one of two DC Water departments, Meter Operations and Sewer Services. As of this report, the interns have completed classroom sessions covering Effective Communication and Conflict Resolution, Resume Writing and Interviewing, Financial Literacy, CPR, and 1 of 3 sessions for OSHA 10.

Department of Labor Apprenticeship Signing Day 2024: On May 9, 2024, DC Water participated in the Department of Labor-District Department of Employment Services’ “Youth Apprenticeship Signing Day” celebration, as part of the Youth Apprenticeship Week Activities. Three of DC Water’s High School Interns were recognized by the department of Labor, including Mr. Jajuan Jackson who spoke at the event.

DC Water High School Engagement Shadow Day and Tour: On May 16, 2024, DC Water hosted students from Anacostia High School, Coolidge High School, the Idea Public Charter School, and McArthur High School for a discussion on careers in the utility sector, apprenticeship, as well as a site tour of the pumping station. Included was a presentation on the Pumping Operations, provided by Mandy LeBlanc and Robert Simpkins. There was also a panel discussion with current and graduated apprentices, which was hosted by Sharon Talley. The current High School interns also provided a presentation on their experiences at DC Water. Kevin Jhingory conducted the site tour.

District of Columbia Infrastructure Academy (DCIA) 2024 Recognition Ceremony: On May 16, 2024, DC Water participated in the 2024 annual DCIA recognition ceremony. This event recognized the graduates, partners, and sponsors of the DC Infrastructure Academy. CEO David L. Gadis delivered remarks at the event, acknowledging DC Water’s commitment to supporting economic development and job creation in the District and local region. He also acknowledged the four referrals from the DCIA who became employees on the Lead-Free DC project. As part of the event, DC Water was recognized as an “Outstanding Partner” for workforce development with the DCIA.



Fleet, Facilities, Safety, Security and Emergency Management

Shared Services Metrics

Metric	Target	Feb-24	Mar-24	Apr-24	May-24
Security: Camera operational uptime	90%	97%	97%	97%	96%
Security: Smart card readers operational uptime	90%	96%	97%	97%	97%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	90%	65%	82%	62%
Facilities: Service Request Completion Rate	90%	83%	77%	68%	70%
Fleet: Preventive Maintenance (PM) on Schedule	96%	92%	80%	82%	75%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	77%	80%	80%	94%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	1	1	0.8	1.3
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	0.4	0.5	0.4	0.9
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	0.6	0.5	0.4	0.7
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0	0	0	0.4

Facilities:

The preventive maintenance (PM) metric for the month of May was 62 percent completion. This decrease in percentage completion is an effect of increased demand for service request/corrective maintenance for HVAC systems corresponding to the hotter weather. The service request (SR) completion rate for May was 70 percent. The completion number was higher for this month than the average for this fiscal year (196 completed vs 176 average). Facilities continue to collaborate with our partners in Finance and Budget to identify the budget needs and find the budget needed to meet the demand for expanded subcontracted preventive maintenance as well as corrective maintenance support. Procurement has been supportive as well in helping Facilities respond to vendor and subcontractor procurements needed to support the demand this month.

Fleet:

The Fleet Department's Preventative Maintenance completion rate was 75 percent in the month of May. Of the 51 units scheduled for preventative maintenance, 48 units were brought in for service, 36 returned to the operation and 12 units have open work orders. Additionally, 70 units were brought in for unscheduled service resulting in oil and filter changes, battery and safety checks, fluid top offs, and the maintenance and repair of landscaping equipment. Fleet responded to 51 road calls and 70 DEF fuel requests. Regarding disposals, a total of 12 vehicles / equipment was removed from the Fleet and sent to auction. 16 units are off road for manufacturer recalls and / or accidents.


The communication with departments continues to improve leading to 94 percent of vehicles being brought in for service within five days of the scheduled time. Fleet's Priority One Vehicle Availability was 80 percent. 208 of 262 priority one vehicles remained operational and in service. The repair and maintenance service contract performance continues to trend up while work performance penalties have significantly declined since its inception.

Customer Assistance Programs (CAP)

Through increased awareness campaigns and direct engagement, assistance participation is higher this year than at the same time last year.

In May, we participated in a joint agency discussion with OPC, DOEE, and various Council Members' office representatives concerning how to consolidate the data collected from various assistance programs and use them as qualifiers for customers for the utility assistance programs. The DOEE had already begun work in this area. The team advises that the consolidation has the potential to double the number of eligible customers. This will have a future budget impact.

The Payment Plan Incentive Program started on June 1. We should begin to see an increase in newly created payment plans.



The flyer features the DC Water logo and 'DC WATER CARES' branding. It includes a QR code and text in both English and Spanish. The English text reads: 'Dear Valued Customer - We have great news regarding your water account. Our records indicate you may be eligible for DC Water's Payment Plan Incentive Program, which will help you pay your outstanding water bill balance. Under the Payment Plan Incentive Program, DC Water will reduce your outstanding balance by forty percent (40%) of your payments towards the balance when you enroll in an eligible payment plan and make on-time monthly payments. The 40% credits will be posted every 120 days after each three qualifying payments. This is a limited-time offer so please contact DC Water now to confirm your eligibility and enroll in the program.'

Program	FY2023 Enrolled	FY2023 Dollars	May. Enrolled	May. Dollars	# FY24 Enrolled	FY2024 Dollars	FY2024 Budget
CAP I	4,744	\$2,399,001	305	\$279,975	3,882	\$1,333,872	\$2,600,000
CAP II	351	\$139,714	28	\$16,816	313	\$86,600	\$300,000
CAP III	36	\$6,342	1	\$439	24	\$2,660	\$50,000
Non-Profit CRIAC Relief	182	\$875,585	7	\$69,200	108	\$448,599	\$913,312
DC Water Cares Residential (RAP)	2,816	\$2,930,302	0	\$-	1,660	\$1,105,135	\$1,105,135
Low-Income Housing Water Assistance Program	-	\$0	0	\$-	642	\$283,116	N/A
Homeowners Assistance Fund	293	\$256,835	0	\$-	23	\$11,043	N/A



Customer Care

The team has improved its metrics this month compared to previous months. We missed Estimated Bills as a Percentage of Meters Read (-0.4%). The main contributors are accounts that had to be manually processed due to SDWM and LFDC projects and unscheduled absences. The CIP project teams have identified process improvements that will minimize the impact of the project work on estimated reads. We should see the impact of the process change before the fiscal year's end.

Key Performance Indicators

Metric	Target/Service Level	Mar 24	Apr 24	May 24
% of bills issued on time (w/in 5 days)	97%	97%	98%	98.3%
% unbilled	< 2%	1.6%	1.6%	1.0%
Estimated bills as a percent of meters read*	< 4%	4.2%	4.3%	4.4%
# of bill investigations (Disputes)	trend only	283	195	214
% of OPC inquiries resolved within 14 days	98%	100%	100%	100%
% of calls answered in 40 Seconds (Call Center)**	85%	67%	82%	92%
Monthly call volume served (Call Center)	trend only	11,243	12,064	11,587
Average Wait Time (minutes)**	<0:30	1:03	:30	:19
Abandon rate**	3%	7%	4%	3%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	100%	100%

IT Monthly Report

SR/WO Type	SL Target / SLA	Mar 24	Apr 24	May 24
Number of tickets submitted	Trend only	1014	1080	1207
Number of open tickets	Trend only	34	37	24
Helpdesk SLA	96%	98.21%	98.60%	95.5%
Number of active projects	Trend only	10	10	9
Number of completed projects	Trend only	8	8	8
On schedule performance	90%	90.48%	90.48%	90.48%
On budget performance	90%	100%	100%	100%
% AMI transmission	95%	91.62%	92.06%	91.85%

The Information Technology team along with the Customer Service Meter team successfully replaced 37 batteries in our DCU's throughout the city. Each unit required permits and traffic control plans to execute the replacement. As a result, our transmission rates have begun to increase to meet our targets. Thank you to both teams for making this happen as well as the Water construction group for assisting with acquiring permits and traffic control plans.

Making I.T. Happen!




Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Feb-24	Mar-24	Apr-24	May-24
Wastewater Operations					
NPDES Permit Compliance , percent number of days	100%	100%	100%	100%	100%
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	26%	26%	27%	28%
Reactive Maintenance , percent of total maintenance hours	<20%	31%	30%	31%	31%
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	97%	97%	97%	99%
Sewer Operations					
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%
* Municipal Separate Stormwater System (MS4) requirement to clean all catch basins in the MS4 Permit Area at least once annually (Jul 01- Jun 30)	14,700	2782	5168	7965	13788
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	657	1436	1954	2477
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	33	33	102	145
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	23.7	20.2	12.2	12.5
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	3	1	6	4
SSO's to Body of Water	Report	1	0	4	1
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	1.22	1.29	1.75	2.05
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0.53	0.53	0.84	0.91
Combined Sewer System Overflows	0	0	0	0	0

Key Performance Indicators continued –


Operations and Engineering

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

Key Performance Indicators continued

Metric	Target/Service Level	Feb-24	Mar-24	Apr-24	May-24
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	23%	11%	31%	18%
Critical Asset Availability	>95%	98%	98%	97%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	19	23	37	24
Hydrant Flow Tests (Non-Winter Months)	>180	164	476	348	195
Fire Hydrant Operational Rate	99%	99.81%	99.81%	99.6%	99.6%
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%	100%	100%	92.3%	97%
Water Main Breaks	<28/Month	42	26	14	27
Water Main Break Rate /100 Miles (National Average is 25)	25	38.41	38.49	37.80	37.3
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	85%	92%	95%	96%	93%

* Month-to-Month Cumulative Total for Catch Basin Inspection and Cleaning

Explanation of Missed Targets**Wastewater Operations Reactive Maintenance (<20 percent)**

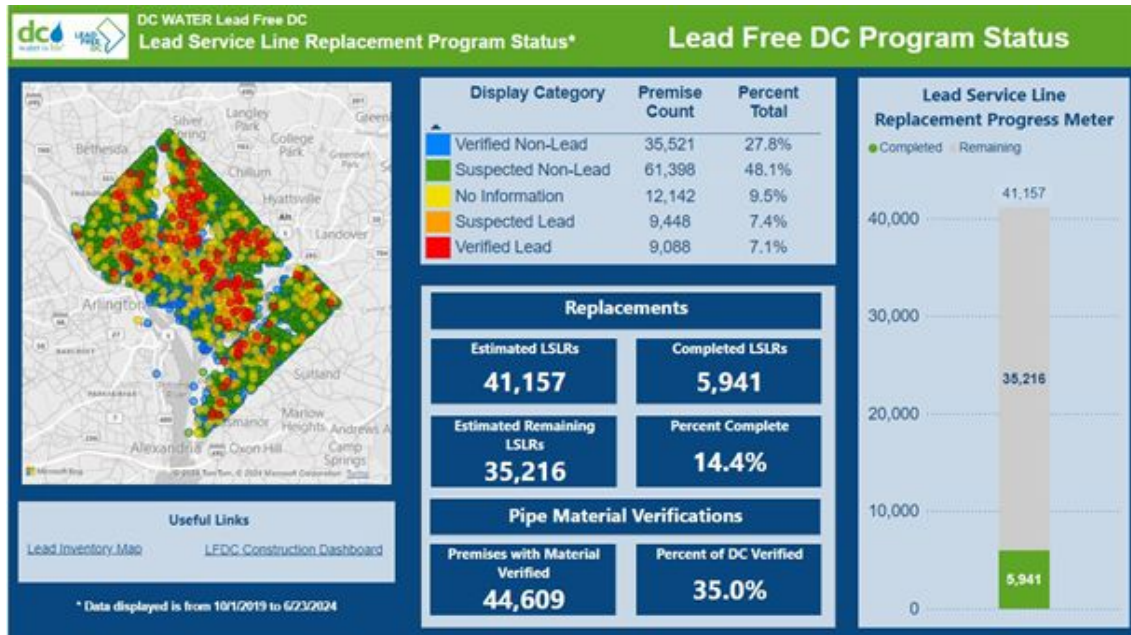
DC Water has adopted a manufacturing industry best practice benchmark of less than 20 percent reactive maintenance hours as a percentage of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. Over the last four fiscal years, we have observed a descending trend in the percentage of total reactive maintenance hours, measured at an annual average, at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is appropriate for Blue Plains.

– continued

DC Water Capital Improvement Program – Projects in Construction



- As of May 31, 2024, there have been 1,298 lead service line replacements exceeding the planned goal for FY24 by 164 replacements.
- The LPRAP program completed 66 replacements this month.
- Participated in:
 - Mayor’s Annual Senior Fest (5/29)
 - Africa on the Avenue (5/28)
 - Pilgrim Baptist Church Health Fair (5/18)
 - DOEE Anacostia River Youth Environmental Summit (5/17)
 - LFDC Citywide Tours: Anacostia River Festival (5/4)



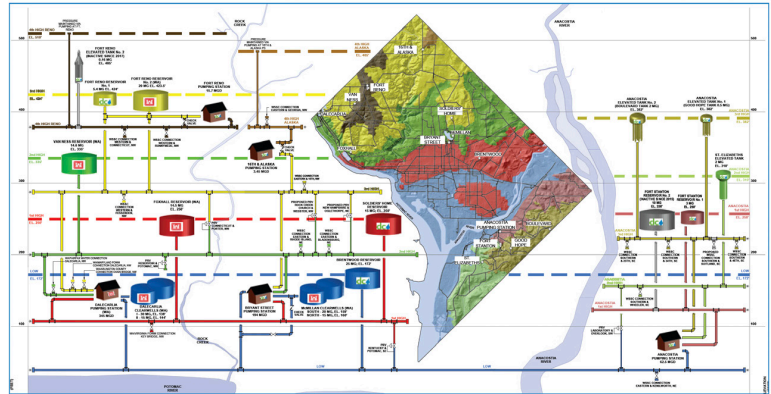
Projects – Current Status

- Northeast Boundary Tunnel – Site restoration, removal of temporary instrumentation, and final paving of roadways is on-going with final paving being 93% complete. Contract is expected to be completed within the CIP budget
- Potomac River Tunnel Contract B – Tunnel System Construction – A successful groundbreaking ceremony and media day event was held May 21st.
- Rock Creek Green Infrastructure Project C – The RFQ/P was posted for vendors in Oracle on May 6th with SOQs and Proposals due on June 18th.
- Piney Branch Tunnel – The RFQ/P was issued to vendors in Oracle on May 9th and proposals was due June 13th.

Featured Project of the Month

Water Distribution System Facilities Plans

DC Water delivers clean water to nearly 680,000 residents, over 700,000 commercial property owners, and 16.6M annual tourists. In the last several years, DC Water has made bold investments to address many of the challenges associated with its aging infrastructure. The cornerstone of these investments is a comprehensive understanding of the existing system. Over a nine-year span, the DC Water team created three individual and focused facilities plans to allow for the identification of infrastructure needs and the prioritization of Capital Improvement Program (CIP) jobs related to linear, storage, and pumping systems.



DC Water System

Goals of the Facilities Plans

- Present population and water demand projections through 2045.
- Review current water quality data and proposed water quality regulations.
- Evaluate transmission/distribution, storage, and pumping systems.
- Identify investment needs to meet system demands and water quality requirements over the next 20 years.
- Present prioritized CIP job overview for transmission/distribution, storage, and pumping systems.
- Identify other operation and maintenance (O&M) practices and studies, including continuous improvement in asset management.

Highlights of CIPs from Facilities Plans

- Key Performance Indicators (KPIs) for CIPs to align with the Blueprint 2.0 Strategic Plan.
- Emerging and evolving safe drinking water quality regulations to be followed to ensure safe and reliable water.
- Climate resiliency and man-made threats to be accounted for in project selection.

Current CIP Projects:

Pumping Stations	\$48M
Storage Facilities	\$194M
Linear Facilities*	\$2.575B

* Includes Valves, Small Diameter Replacement Program, Large Diameter Replacement Program, and Lead Service Replacement Program.

Project Status

All three documents have draft, draft final, and final versions. DC Water received comments from an extensive list of stakeholders between each draft version and implemented revisions based on their input.

Facilities Plans	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024
Linear Facilities Plan	◆									
Storage Facilities Plan									◆	
Pumping Facilities Plan										◆

◆ Publication of Final Plan

People and Talent Metrics

Metric	Target	Feb-24	Mar-24	Apr-24	May-24
Vacancy Rate ¹	6%	7.5%	7.5%	6.2%	9.2%
Temporary Alternative Duty Program (TAD) ²	50% of WC claims eligible for TAD program	71% (14 out of 20)	53% (8 out of 15)	70% (14 out of 20)	66.6% (20 out of 30)
Time to Hire ³	60 days	61.2	54.2	58.7	58.7
Self-Identified Veterans (Active) ⁴		26	26	26	26
Female Workforce (Active) ⁵		22.4%	22.4%	22.4%	22.7%

Key Performance Indicators (KPI) Benchmark

KPI Definition	Business Relevance
¹ "Vacancy Rate = 1 – (Filled Positions / Total Headcount); then converted into a percentage Total Headcount = Budgeted Headcount – Vacancies Greater than 180 Days Old	This KPI measures the organization's vacancy rate related to vacancies that are in the process of being filled (i.e., under management review before recruitment -OR- under recruitment)
² Percentage of Workers' Compensation claims eligible for placement into TAD program	The more claims eligible for TAD program will reduce overall Workers' Compensation costs and claim exposure for the Authority, leading to realized financial savings.
³ Time to hire is a Recruitment KPI metric used to measure the amount of time it takes an organization to fill a job opening from the time it was posted to the time a candidate accepts an offer.	Measuring time to hire helps organizations to evaluate the efficiency of their recruitment process, identify bottlenecks, and make improvements to the process. A shorter time to hire can translate into a more effective recruitment process, as well as better candidate experience. A long time to hire can negatively impact an organization's ability to attract and retain top talent. Delayed hiring can result in lost productivity, decreased employee morale, and increased costs associated with job vacancies.
⁴ US Armed Services	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of veterans in the workforce, with a focus on increasing the representation of veterans within the workforce.
⁵ Number of Female employees in the current workforce. Calculation - Number of female employees in the active workforce divided by the total number of employees in the active workforce at a specific point and time.	This KPI is linked to workforce Diversity, Equity and Inclusion and growing the percentage of women in the workforce, with a focus on increasing the representation of women in non traditional roles.

Annual Turnover metrics:

Year	2020	2021	2022	2023	YTD2024 (Annualized)
Involuntary	0.58%	1.01%	0.78%	1.97%	2.06%
Voluntary (Resignation, Retirement)	4.08%	4.15%	5.77%	5.55%	5.77%
Other	0.25%	0.55%	0.10%	0.09%	0.21%
Total Turnover Rate	4.92%	5.71%	6.65%	7.61%	8.03%

*AWWA Benchmark: 7% turnover rate.

Internal audit plan FY2024 timeline

This timeline represents the FY 2024 audit plan and the status of each project. Annually the Internal Audit team, RSM, conducts a risk assessment and presents the results and the audit plan to the Audit & Risk Committee in October.

	Oct - 23	Nov - 23	Dec - 23	Jan - 24	Feb - 24	Mar - 24	Apr - 24	May - 24	Jun - 24	Jul - 24	Aug - 24	Sep - 24	Oct - 24	Status
▶ Purchasing Card Audit*	█													Completed
▶ Contract Compliance Audit*		█												Completed
▶ Work Order Management - DPO*			█											Completed
▶ Permit Operations			█											Completed
▶ Mobile Application Penetration Testing*			█											Completed
▶ Genesys ITGC Review				█										Reporting in progress
▶ Internal and External Network Penetration Testing					█									Reporting in progress
▶ Physical Security – Fleet Facility										█				Planning in progress
▶ Physical Security - HQO										█				Planning in progress
▶ Training and Recruiting Audit*										█				Planning in progress
▶ FY 2025 Risk Assessment										█				Not started
▶ Ongoing Follow-up Procedures	█													Ongoing
▶ Ongoing Hotline Monitoring	█													Ongoing

* indicates cycle audit

Open high risk prior audit findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
1	2023	7/27/2023	DWO Work Order Management Audit	Failure to capture work order labor and materials data	8/31/24	N/A	0
<p><i>DWO has defined work activities that require material data capturing and developed business processes for capturing both required labor hour and material data capture that have been socialized with DWO branches. Starting December 1st, DWO began monitoring data integrity biweekly to monitor effectiveness of new process adoption. DWO leadership has begun implementing changes to business processes that were identified during the monitoring period. The department is on track to close this finding by the target date.</i></p>							
2	2023	10/26/2023	Fleet Management Audit	Lack of current policies and procedures	9/1/24	N/A	0
<p><i>Fleet is leveraging a writer that has interviewed staff, created a glossary of terms, is looking through current industry best practices, and drafted a scope with phased timeline for policy development. Fifteen draft SOPs have been submitted for initial review to date. Fleet has submitted milestones to Internal Audit for tracking towards final target date in September that include drafting a RACI and determining Fleet policy needs, finalizing draft of 15 Authority-wide Fleet policies, and submitting policies to review (Legal, Labor Relations, People & Talent). The department is on track to close this finding by the target date.</i></p>							

Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Payroll & Timekeeping Audit	7/27/2023	2
Work Order Management Audit – DWO	7/27/2023	2
Fleet Management Audit	10/27/2023	3
	total	7

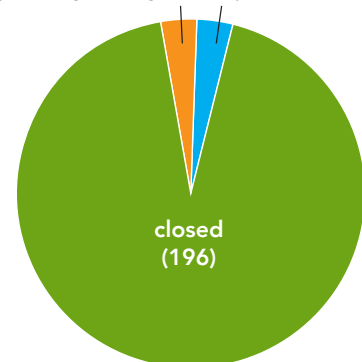
█ At least one original remediation target date has been extended

In total, 93 percent of all prior audit findings from FY17 – FY23 are closed. Management’s target closure rate is 95 percent.

*Note that the audit findings reported above represent open findings through the FY23 Audit Plan year

FY17 – FY23 prior audit findings status

pending testing (7) open (7)



“Pending Testing” indicates that Management represents that the Action Plan is completed, but Internal Audit has not yet performed testing to validate the status.





Presented and Adopted: July 3, 2024

**Subject: Approving the Final Form of Certain Documents,
Authorizing Tender Offer and the Sale and Setting Terms
and Details of the Series 2024A Bonds**

**#24-39
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“Authority”), at its meeting on July 3, 2024, upon consideration of a joint-use matter, by a vote of _____ () in favor and _____ () opposed Approving the Substantially Final Form of Certain Documents, Authorizing Tender Offer and the Sale and Setting Terms and Details of the Series 2024A Bonds.

WHEREAS, the Authority is authorized pursuant to the *Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996*, as amended, D.C. Code Section 34-2201.01 et seq. (the “WASA Act”), and the *District of Columbia Water and Sewer Authority Act of 1996*, Public Law 104-184; 110 Stat. 1696, to issue revenue bonds for undertakings authorized by the WASA Act, including to finance or refinance any cost, as defined in the WASA Act, D.C. Code Section 34-2202.01(2); and

WHEREAS, in accordance with the WASA Act, the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”) (its predecessors in that capacity having been Norwest Bank Minnesota, N.A., Wells Fargo Bank Minnesota, N.A. and Wells Fargo Bank, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture” and, as supplemented and amended, the “Indenture”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, pursuant to the Twelfth Supplemental Indenture of Trust, dated October 27, 2010 (the “Twelfth Supplemental Indenture”), between the Authority and the Trustee, the Authority issued its Public Utility Subordinate Lien Revenue Bonds, Series 2010A (Federally Taxable – Issuer Subsidy – Build America Bonds) (the “Series 2010A Bonds”), in the aggregate principal amount of \$300,000,000; and

WHEREAS, pursuant to Section 301(b) of the Twelfth Supplemental Indenture, the Series 2010A Bonds are subject to extraordinary optional redemption prior to their stated maturities, at the option of the Authority, upon the occurrence of, *inter alia*, legislation enacted by the Congress of the United States or an order, ruling, regulation the effect of which, as

reasonably determined by the Authority, would be to suspend, reduce or terminate the payment from the United States Treasury to the Authority with respect to the Series 2010A Bonds pursuant to Sections 54AA or 6431 of the Code; and

WHEREAS, since 2013 such payments with respect to the Series 2010A Bonds have been subject to an automatic reduction (sequestration) pursuant to the provisions of the Budget Control Act of 2011 and therefore the Authority's option for an extraordinary optional redemption of the Series 2010A Bonds has been triggered; and

WHEREAS, the Authority has heretofore entered into thirty-two (32) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture; and

WHEREAS, the Authority now intends to (i) issue Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2024A (the "Series 2024A Bonds"), to: (a) finance the purchase pursuant to an invitation to tender for purchase ("Tender Offer") of a portion of the Authority's outstanding Senior Debt and Subordinate Debt that are tendered for purchase (the "Tendered Bonds") by the holders thereof in response to the Authority's Tender Offer and identified as Tendered Bonds in the Certificate of Award; (b) currently refund or advance refund, as applicable, a portion of the Authority's outstanding Senior Debt and/or Subordinate Debt (the "Refunded Bonds") that are identified as Refunded Bonds in the Certificate of Award; (c) fund a Series 2024A Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (d) pay certain costs of issuance of the Series 2024A Bonds; (ii) designate the Series 2024A Bonds as Subordinate Debt for purposes of the Indenture; and (iii) secure the Series 2024A Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, the Chief Operations Officer and Executive Vice President, and the Chief Legal Officer and Executive Vice President, Government & Legal Affairs and General Counsel of the Authority have informed the Board that their offices have established "due diligence" procedures for reviewing the documents authorized by this Resolution with the Authority's bond counsel, disclosure counsel, financial advisors, underwriters, underwriters' counsel and other consultants and advisors, with a view to ensuring the accuracy of disclosure; and

WHEREAS, the Finance and Budget Committee met on May 23, 2024, to review the issuance of the Series 2024A Bonds and has recommended approval of this Resolution by the Board.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board approves the Substantially Final Form of Certain Documents, Authorizing Tender Offer and the Sale and Setting Terms and Details of the Series 2024A Bonds:

Section 1. Definitions and Interpretations. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Thirty-Third Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

“Authorized Officials” means the Chairman and Vice Chairman of the Board and the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, the Vice President and Controller, the Vice President, Budget, the Vice President, Finance, and the Vice President, Rates and Revenue of the Authority, including any of the foregoing who are in an interim, acting or similar capacity, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

“Bond Purchase Agreement” means the Bond Purchase Agreement for the Series 2024A Bonds between the Authority and the Original Purchasers, dated as of the same date as the Certificate of Award.

“Certificate of Award” means the certificate of an Authorized Official awarding the Series 2024A Bonds to the Original Purchasers, specifying terms of the Series 2024A Bonds, as provided for in Section 4 of this Resolution and identifying the Tendered Bonds and the Refunded Bonds, if any.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed by the Authority and the Trustee, dated as of the same date as the date of issuance and delivery of the Series 2024A Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

“Dealer Manager” means Morgan Stanley & Co. LLC

“Dealer Manager Agreement” means the Dealer Manager Agreement between the Authority and the Dealer Manager and the materials attached thereto relating to the Tender Offer.

"Escrow Agent" means the Trustee as Escrow Agent.

"Escrow Agreement" means the Escrow Agreement, dated the same date as the Series 2024A Bonds, between the Authority and the Escrow Agent, providing for the Refunded Bonds to be deemed paid and no longer Outstanding under the Indenture.

“Financial Advisor” means, collectively, PFM Financial Advisors LLC and Sustainable Capital Advisors.

“Interest Payment Dates” means for the Series 2024A Bonds, each April 1 and October 1, commencing on the April 1 or October 1 specified in the Certificate of Award as the first Interest Payment Date, and thereafter during the time the Series 2024A Bonds are Outstanding.

“Invitation” means the Invitation to Tender Bonds and other ancillary documents relating to the Authority’s offer to purchase the Target Bonds.

“Original Purchasers” for the Series 2024A Bonds means the purchasers identified as such in the Bond Purchase Agreement.

“Refunded Bonds” means any Outstanding Senior Debt and/or Subordinate Debt to be caused to be deemed paid and no longer Outstanding under the Indenture as the result of the deposit of proceeds of the Series 2024A Bonds and any other funds in escrow under the Escrow Agreement and identified as the Refunded Bonds in the Certificate of Award.

“Savings Threshold” means, as applicable, that: (i) as the result of the tender of the Tendered Bonds and the refunding of the Refunded Bonds (other than any of the Authority’s outstanding Series 2010A Bonds), the Authority will achieve an aggregate reduction in bond debt service that has a present value at the time of sale of the Series 2024A Bonds equal to at least three percent (3.0%) and will fulfill any other standards that any Authorized Official executing the Certificate of Award deems appropriate or (ii) the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, determines, in consultation with the Authority’s Financial Advisor, that the refunding of any Series 2010A Bonds included in the Refunded Bonds is in the best interests of the Authority.

“Series 2024A Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2024A Debt Service Reserve Account or Accounts established under the Thirty-Third Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the existence of a balance in the Series 2024A Debt Service Reserve Account in the amount of the specified required fund balance will not cause the interest on any Series 2024A Bonds intended to be excluded from gross income for federal income tax purposes not to be so excluded.

“Target Bonds” means that portion of the Authority’s outstanding Senior Debt and Subordinate Debt that is the subject of the Authority’s Tender Offer

“Thirty-Third Supplemental Indenture” means the Thirty-Third Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2024A Bonds.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions, duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

Section 2. Authorization, Designation and Purposes of Series 2024A Bonds. The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, the Series 2024A Bonds which shall be designated “Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2024A” and shall constitute Subordinate Debt for purposes of the Indenture. The aggregate principal amount of the Series 2024A Bonds the Authority is authorized to issue, sell and deliver shall not exceed (except as provided below) the amount determined in the Certificate of Award to be sufficient to accomplish the following purposes for which the issuance of the Series 2024A Bonds is authorized: (i) financing the purchase pursuant to the Tender Offer of the Tendered Bonds and causing the Tendered Bonds to be deemed paid and no longer Outstanding for purposes of the Indenture; (ii) refunding the Refunded Bonds and causing the Refunded Bonds to be deemed paid and no longer Outstanding for purposes of the Indenture; (iii) funding a portion of the Series 2024A Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (iv) paying a portion of the issuance costs of the Series 2024A Bonds (including fees and costs associated with the Tender Offer, including those of an information agent and a tender agent, as well as the fees and costs of any escrow bidding agent or verification agent engaged pursuant to Section 6); provided, however, that before an Authorized Official executes a Certificate of Award applicable to the Series 2024A Bonds, the Authority's Financial Advisor shall have given the Authority a written certification that identifies the Tendered Bonds and the Refunded Bonds (consistent with this Resolution) and determines that the Authority's issuance and sale of the Series 2024A Bonds on the terms set forth in the Certificate of Award and the application of the proceeds of the Series 2024A Bonds and any other legally available funds to purchase the Tendered Bonds and refund the Refunded Bonds identified in the Financial Advisor's certificate, will meet the Savings Threshold. For those purposes the proceeds from the sale of the Series 2024A Bonds shall be allocated and deposited, as provided in the Thirty-Third Supplemental Indenture. Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

Section 3. Terms and Provisions Applicable to the Series 2024A Bonds.

(a) Form, Transfer and Exchange. The Series 2024A Bonds: (i) shall initially be issued only in fully registered form and substantially in the forms attached as Exhibits to the Thirty-Third Supplemental Indenture; (ii) shall initially be issued only to a Depository for holding in a book entry system, and shall be registered in the name of the Depository or its nominee, as Holder, and immobilized in the custody of the Depository, and (iii) shall

not be transferable or exchangeable except as provided in the Thirty-Third Supplemental Indenture.

(b) Denominations and Dates. The Series 2024A Bonds shall be dated as of the date of issuance and delivery, but in no event later than December 31, 2024, and there shall be a single Series 2024A Bond representing each interest rate for each maturity of the Series 2024A Bonds bearing the same series or subseries designation as provided in the Thirty-Third Supplemental Indenture.

(c) Principal Maturities. The principal of the Series 2024A Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificate of Award, provided that the final principal retirement date shall be no later than December 31, 2064 and the principal retirement schedule shall be consistent with the achievement on of the Savings Threshold.

(d) Interest Rates and Interest Rate Periods for the Series 2024A Bonds. The Series 2024A Bonds shall bear interest on their unpaid principal amount payable on each Interest Payment Date, commencing on the first Interest Payment Date specified in the Certificate of Award, at such fixed rates per annum as set forth in the Certificate of Award as provided in Section 4(c) hereof, provided however, that the “true interest cost” (i.e., interest cost on bonds defined as the rate, compounded semiannually, necessary to discount the amounts payable on the respective interest and principal payment dates to the purchase price received for the bonds) on the Series 2024A Bonds shall not exceed a rate that would cause the Savings Threshold not to be achieved. The principal of the Series 2024A Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificate of Award, provided that the principal retirement schedule shall be consistent with the achievement of the Savings Threshold.

(e) Optional and Mandatory Redemption.

(i) *Optional Redemption* - The Series 2024A Bonds maturing on or before any date specified in the Certificate of Award as the Earliest Optional Redemption Date for the Series 2024A Bonds (which shall be no later than the outside date permitted by law) are not subject to prior optional redemption. Any Series 2024A Bond maturing after the applicable Earliest Optional Redemption Date shall be subject to redemption at the option of the Authority, prior to their stated maturities on or after such Earliest Optional Redemption Date in whole or in part (in whole multiples of \$5,000) on any date, at redemption prices specified in the Certificate of Award, provided that no such redemption price (not including accrued interest) shall exceed 102% of the principal amount of the applicable Series 2024A Bonds to be redeemed.

(ii) *Mandatory Sinking Fund Redemption* - Any Series 2024A Bonds may be designated in the Certificate of Award as Term Bonds and be subject to mandatory sinking fund redemption by lot on specified principal retirement dates at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.

(f) Redemption Provisions. Redemption of Series 2024A Bonds shall be effected in accordance with Article IV of the Master Indenture; provided, however, that notices of redemption of the Series 2024A Bonds sent pursuant to Section 402 of the Master Indenture may specify that the redemption is conditional upon the Authority's depositing the funds needed to effect that redemption prior to the specified redemption date.

(g) Places and Manner of Payment. The principal of and the interest and any redemption premium on the Series 2024A Bonds shall be payable at the places and in the manner specified in the Thirty-Third Supplemental Indenture.

(h) Execution. The Authorized Officials are, and each of them is, authorized and directed to execute the Series 2024A Bonds, and the Secretary of the Board is authorized and directed to affix the seal of the Authority to the Series 2024A Bonds and to deliver them to the Trustee for authentication in accordance with the Indenture.

Section 4. Sale of Series 2024A Bonds.

(a) General. The Series 2024A Bonds shall be awarded and sold to the Original Purchasers in accordance with the Bond Purchase Agreement and the Certificate of Award, at a purchase price of not less than ninety-five percent (95%) of the aggregate of the products from multiplying the principal amount of each Series 2024A Bonds times the percentage of such principal amount at which such Series 2024A Bond shall be initially offered to the public, after subtracting from the aggregate of such products the premium payable for any municipal bond insurance policy applicable to the Series 2024A Bonds.

(b) Bond Purchase Agreement. The Authorized Officials are, and each of them is, authorized and directed to execute and deliver the Bond Purchase Agreement between the Authority and the Original Purchasers, substantially in the form presented to this Authority, but with such changes not inconsistent with the Indenture and this Resolution and not substantially adverse to the Authority as may be approved by the Authorized Official executing the same on behalf of the Authority. The approval of any such changes by such Authorized Official and the determination by such Authorized Official that no such change is substantially adverse to the Authority shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Official. The price for and terms of the Series 2024A Bonds and the sale thereof, all as provided in this Resolution, the Bond Purchase Agreement, the Invitation, the Dealer Manager Agreement, the Certificate of Award, and the Thirty-Third Supplemental Indenture, are hereby approved and determined to be in the best interests of the Authority.

(c) Certificate of Award. Such sale and award shall be further evidenced by the Certificate of Award executed by an Authorized Official. The terms of the Series 2024A Bonds approved in the Certificate of Award shall be incorporated into the Thirty-Third Supplemental Indenture. The Certificate of Award, subject to the restrictions set forth herein, shall: (i) with respect to each series or subseries of the Series 2024A Bonds,

specify the aggregate principal amount, the purchase price, the first Interest Payment Dates, the interest rate or rates, the principal retirement dates, the mandatory sinking fund requirements (if any), the redemption dates, and the redemption prices thereof; (ii) specify whether a municipal bond insurance policy, letter of credit, or other credit or liquidity facility shall be obtained with respect to any of the Series 2024A Bonds and, if so, from whom and on what terms; (iii) specify the amount, if any, of the Series 2024A Debt Service Reserve Requirement and determine whether it shall be met entirely with (A) cash and Permitted Investments (as defined in the Indenture); (B) a Qualified Reserve Credit Facility (as defined in the Indenture); or (C) a specified combination of (A) and (B); and (iv) include any additional information that may be required or permitted to be stated therein by the terms of this Resolution and the Bond Purchase Agreement. The Certificate of Award shall identify the Tendered Bonds and the Refunded Bonds, if any.

(d) Authorization of Bond Insurance and Qualified Reserve Credit Facilities. The submission of any applications to: (i) recognized providers of municipal bond insurance requesting the issuance of one or more municipal bond insurance policies to insure the Authority's obligation to make payments of principal of and interest on any of the Series 2024A Bonds, and (ii) potential providers of Qualified Reserve Credit Facilities, is hereby ratified and approved. The Authorized Officials are, and each of them is, hereby authorized to specify in the Certificate of Award that the Authority shall accept one or more commitments for insurance from such providers, and one or more commitments for a Qualified Reserve Credit Facility. There is hereby authorized to be paid from the moneys deposited in the Series 2024A Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2024A Bonds. The Authorized Officials are, and each of them is, hereby further authorized to enter into a reimbursement agreement with the provider of any Qualified Reserve Credit Facility to provide for the Authority's reimbursement of the provider for any amounts drawn under the Qualified Reserve Credit Facility in a manner consistent with the Indenture. Any determination of the Authorized Officials under this paragraph shall be based on the written advice of the Financial Advisor.

(e) Certificates. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver to the Original Purchasers, the certificates required by the Bond Purchase Agreement to be executed on behalf of the Authority.

(f) Delivery of Bonds. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the Original Purchasers to establish the date, location, procedure and conditions for the delivery of the Series 2024A Bonds. The Authorized Officials are, and each of them is, further authorized and directed to make the necessary arrangements for the printing of the Series 2024A Bonds, and the execution, authentication and delivery of the applicable Series 2024A Bonds to DTC for the accounts of the Original Purchasers, in accordance with this Resolution and the Indenture, and upon the receipt of payment of the purchase

price, to cause such amount to be applied in accordance with the terms and provisions of this Resolution and the Indenture.

Section 5. Allocation of Proceeds of the Series 2024A Bonds; Tax Covenants.

(a) Allocation of Proceeds. The proceeds from the sale of the Series 2024A Bonds shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Thirty-Third Supplemental Indenture.

(b) Tax Covenants. The Board authorizes the Authorized Officials to approve the tax covenants, authorizations and agreements necessary to achieve and maintain the tax-exempt status of the Series 2024A Bonds.

Section 6. Thirty-Third Supplemental Indenture, Dealer Manager Agreement, Invitation to Tender Bonds, Escrow Agreement and Other Documents. The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2024A Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Thirty-Third Supplemental Indenture, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2024A Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Dealer Manager Agreement together with the materials attached thereto relating to the Tender Offer, including the proposed form of the Invitation, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver the certificates required by the Dealer Manager Agreement to be executed on behalf of the Authority.

The Dealer Manager is authorized to conduct the Tender Offer described in the Dealer Manager Agreement on behalf of the Authority, including the distribution of the Invitation.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2024A Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Escrow Agreement, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized

Officer executing the document on behalf of the Authority. If in the Certificate of Award, an Authorized Official determines that it is in the Authority's best interest to authorize the purchase of open-market securities to effect the refunding of the Refunded Bonds, the Authorized Official is authorized to engage an agent for the purchase of such securities. With respect to the Escrow Agreement and to the extent any escrow securities are to be purchased thereunder, the Certificate of Award shall designate an independent firm experienced in the preparation of verification reports to verify or certify such escrow securities to be of such maturities and interest payment dates, and to bear such interest, as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient together with any cash deposited with and to be retained in that form by the Escrow Agent, to pay the principal of and interest and any premium on the Refunded Bonds, on their respective maturity or redemption date or dates, as provided in the Escrow Agreement.

The Authorized Officials and any other member, officer or employee of the Authority are each authorized to execute and deliver, on behalf of the Authority, such other certificates, documents and instruments related to the Series 2024A Bonds as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the Authority pursuant to the Indenture, the Thirty-Third Supplemental Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Dealer Manager Agreement, the Invitation and this Resolution.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board nor any officer of the Authority executing the Series 2024A Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Resolution or the Indenture or any other document authorized by this Resolution, provided such member, officer, employee, agent or advisor acts in good faith.

Section 7. Official Statement; Continuing Disclosure. The Authorized Officials shall cause to be prepared and issued on behalf of the Authority, an official statement (the "Official Statement") relating to the original issuance of the Series 2024A Bonds. The Authorized Officials are, and each of them is, authorized to execute the Official Statement on behalf of the Authority, which shall be in substantially the form of the Official Statement submitted to the Authority at this meeting, with such changes as the Authorized Official who executes it may approve, the execution thereof on behalf of the Authority by an Authorized Official to be conclusive evidence of such authorization and approval (including approval of any such changes), and copies thereof are hereby authorized to be prepared and furnished to the Original Purchasers for distribution to prospective purchasers of the Series 2024A Bonds and other interested persons. The preliminary Official Statement, shall be "deemed substantially final" by the Authority within the

meaning of Rule 15c2-12 of the Securities Exchange Commission, subject to completion as provided below.

The distribution by the Authority and by the Original Purchasers of the preliminary Official Statement and the Official Statement, in such form and with any changes as may be approved in writing by an Authorized Official, is hereby authorized and approved.

The Authority shall make sufficient copies of the Official Statement, with any supplements, available to the Original Purchasers to sell book entry interests in the Series 2024A Bonds, and will provide copies as appropriate to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website at www.emma.msrb.org.

The Authorized Officials are each hereby authorized to furnish such information, to execute such instruments and to take such other action in cooperation with the Original Purchasers as may be reasonably requested to qualify the Series 2024A Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Original Purchasers; provided, however, that the Authority shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the Authority is not now subject to such service.

The Authorized Officials are each hereby further authorized: (i) to supplement and complete the "deemed substantially final" preliminary Official Statement by affixing thereto or inserting therein information to identify the Original Purchasers and to specify the final principal amount, interest rates and redemption provisions of the Series 2024A Bonds, the price of the Series 2024A Bonds to the general public, any credit enhancement provisions with respect to the Series 2024A Bonds and any change in ratings of the Series 2024A Bonds resulting from such credit enhancement, and such other information as is necessary to supplement and complete the Official Statement with the approved and agreed upon terms of Series 2024A Bonds, and (ii) to make such other changes to the preliminary Official Statement or the Official Statement as are, in the judgment of an Authorized Official, necessary and appropriate in order to make the preliminary Official Statement or the Official Statement not materially misleading and to comply with applicable securities laws or otherwise to enable the Authority to fulfill its obligations regarding the preliminary Official Statement or the Official Statement under the Bond Purchase Agreement.

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution or the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Holder of Series 2024A Bonds may, and the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Series 2024A Bonds, shall) take such actions as may be necessary and appropriate, including seeking

mandamus or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph. The Authorized Officials are, and each of them is, hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form submitted to the Authority at or prior to this meeting with such changes therein as may be approved by the officer executing the Continuing Disclosure Agreement. The approval of those changes shall be conclusively evidenced by the execution of the Continuing Disclosure Agreement by an Authorized Official.

Section 8. General. The appropriate officers and employees of the Authority will do all things necessary and proper to implement and carry out the orders and agreements set forth or approved in this Resolution for the proper fulfillment of the purposes thereof. The Authority shall furnish to the Original Purchasers of the Series 2024A Bonds a true and certified transcript of all proceedings relating to the authorization and issuance of the Series 2024A Bonds along with other information as is necessary or proper with respect to the Series 2024A Bonds.

Section 9. Multiple Series. Notwithstanding anything herein to the contrary, if the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, determines it to be advantageous to the Authority, the Series 2024A Bonds may be issued in one or more separate series or subseries, each bearing a distinctive designation, provided that the Series 2024A Bonds of all series in the aggregate, must satisfy the requirements and comply with the restrictions of this Resolution and the Indenture. Separate series and subseries of Series 2024A Bonds may be issued at the same or different times and so may have different dates of issuance. The Series 2024A Bonds of each series and subseries shall be designated as provided in the applicable Certificate of Award. A separate Certificate of Award may be delivered for each series or subseries, and each reference in this Resolution to the Certificate of Award shall refer to each and all such Certificates of Award. A separate Supplemental Trust Indenture may be entered into for each series or subseries, and each reference in this Resolution to the Thirty-Third Supplemental Indenture, as applicable, shall refer to each and all such Supplemental Trust Indentures, but any Supplemental Trust Indenture subsequent to the Thirty-Third Supplemental Indenture shall bear a different designation. A separate Bond Purchase Agreement and Continuing Disclosure Agreement may be entered into for each series or subseries, and each reference in this Resolution to the Bond Purchase Agreement or to the Continuing Disclosure Agreement shall refer to each and all such Bond Purchase Agreements or Continuing Disclosure Agreements, respectively. A separate Official Statement may be prepared for each series or subseries, and each reference in this Resolution to the Official Statement shall refer to each and all such Official Statements.

2. This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 3, 2024

**Subject: Approving the Final Form of Certain Documents,
Authorizing the Sale and Setting Terms and Details of the
Series 2024B Bonds**

**#24-40
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (the “Authority”), at its meeting on July 3, 2024, upon consideration of a join-use matter, decided by a vote of _____ () in favor and _____ () opposed Approving the Substantially Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Series 2024B Bonds.

WHEREAS, the Authority is authorized pursuant to the *Water and Sewer Authority Establishment and Department of Public Works Reorganization Act of 1996*, as amended, D.C. Code Section 34-2201.01 et seq. (the “WASA Act”), and the *District of Columbia Water and Sewer Authority Act of 1996*, Public Law 104-184; 110 Stat. 1696, to issue revenue bonds for undertakings authorized by the WASA Act, including to finance or refinance any cost, as defined in the WASA Act, D.C. Code Section 34-2202.01(2); and

WHEREAS, in accordance with the WASA Act, the Authority and Computershare Trust Company, N.A., as trustee (the “Trustee”) (its predecessors in that capacity having been Norwest Bank Minnesota, N.A., Wells Fargo Bank Minnesota, N.A. and Wells Fargo Bank, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the “Master Indenture” and, as supplemented and amended, the “Indenture”), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, the Authority has heretofore entered into thirty-two (32) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture and further intends to enter into the Thirty-Third Supplemental Indenture in connection with the issuance of the Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2024A; and

WHEREAS, the Authority now also intends: (i) to issue Public Utility Subordinate Lien Multimodal Revenue Refunding Bonds, Series 2024B (the “Series 2024B Bonds”), to: (a)

currently refund the Authority's outstanding Public Utility Subordinate Lien Multimodal Revenue Bonds, Series 2019C (the "Series 2019C Bonds") that are identified as Refunded Bonds in the Certificate of Award; (b) fund a Series 2024B Debt Service Reserve Requirement, (as defined herein), if determined necessary; and (c) pay certain costs of issuance of the Series 2024B Bonds; (ii) to designate the Series 2024B Bonds as Subordinate Debt for purposes of the Indenture; and (iii) to secure the Series 2024B Bonds by a pledge of Net Revenues subordinate to the pledge of Net Revenues that secures Senior Debt and on a parity with the pledge of Net Revenues that secures other Subordinate Debt, including, without limitation, other Subordinate Debt that the Authority may issue from time to time in the future; and

WHEREAS, the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, the Chief Operations Officer and Executive Vice President and the Chief Legal Officer and Executive Vice President, Government & Legal Affairs of the Authority have informed the Board that their offices have established "due diligence" procedures for reviewing the documents authorized by this Resolution with the Authority's bond counsel, disclosure counsel, financial advisors, underwriters, underwriters' counsel and other consultants and advisors, with a view to ensuring the accuracy of disclosure; and

WHEREAS, the Finance and Budget Committee met on May 23, 2024, to review the issuance of the Series 2024B Bonds and has recommended approval of this Resolution by the Board.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board approves the Substantially Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Series 2024B Bonds as follows:

Section 1. Definitions and Interpretations. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Thirty-Fourth Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

"Authorized Officials" means the Chairman and Vice Chairman of the Board and the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, the Vice President and Controller, the Vice President, Budget, the Vice President, Finance, and the Vice President, Rates and Revenue of the Authority, including any of the foregoing who are in an interim, acting or similar capacity, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

“Bond Purchase Agreement” means the Bond Purchase Agreement for the Series 2024B Bonds between the Authority and the Original Purchasers, dated as of the same date as the Certificate of Award.

“Certificate of Award” means the certificate of an Authorized Official awarding the Series 2024B Bonds to the Original Purchasers and specifying terms of the Series 2024B Bonds, as provided for in Section 4 of this Resolution and identifying the Refunded Bonds, if any.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed by the Authority and the Trustee, dated as of the same date as the date of issuance and delivery of the Series 2024B Bonds, as originally executed and as it may be amended from time to time in accordance with its terms.

"Escrow Agent" means the Trustee as Escrow Agent.

"Escrow Agreement" means the Escrow Agreement, dated the same date as the Series 2024B Bonds, between the Authority and the Escrow Agent, providing for the Refunded Bonds to be deemed paid and no longer Outstanding under the Indenture.

“Financial Advisor” means, collectively, PFM Financial Advisors LLC and Sustainable Capital Advisors.

“Interest Payment Dates” means the “Interest Payment Date” as defined for the Series 2024B Bonds in the Thirty-Fourth Supplemental Indenture.

“Original Purchasers” for the Series 2024B Bonds means the purchasers identified as such in the Bond Purchase Agreement.

"Refunded Bonds" means the Outstanding Series 2019C Bonds to be caused to be deemed paid and no longer Outstanding under the Indenture as the result of the deposit of proceeds of the Series 2024B Bonds and any other funds in escrow under the Escrow Agreement and identified as the Refunded Bonds in the Certificate of Award.

“Remarketing Agent” means any Remarketing Agent designated for the Series 2024B Bonds under the Thirty-Fourth Supplemental Indenture. BofA Securities, Inc. and Loop Capital Markets LLC are the initial Remarketing Agents as specified in the Thirty-Fourth Supplemental Indenture.

“Remarketing Agreement” means any Remarketing Agreement entered into for the Series 2024B Bonds under the Thirty-Fourth Supplemental Indenture.

“Series 2024B Debt Service Reserve Requirement” means, if determined in the Certificate of Award to be necessary, a required fund balance in the Series 2024B Debt Service Reserve Account or Accounts established under the Thirty-Fourth Supplemental Indenture, the amount of which shall be specified in the Certificate of Award, but which

shall not exceed the maximum amount permitted to constitute a “reasonably required reserve or replacement fund” under the size limitation set forth in Section 1.148-2(f)(2) of the Treasury Regulations promulgated under the Code (taking into account any moneys in any other fund or account that may be required to be included in such computation) unless the Authority furnishes to the Trustee an opinion of nationally recognized bond counsel to the effect that the existence of a balance in the Series 2024B Debt Service Reserve Account in the amount of the specified required fund balance will not cause the interest on any Series 2024B Bonds intended to be excluded from gross income for federal income tax purposes not to be so excluded.

“Standby Bond Purchase Agreement” means any Standby Bond Purchase Agreement entered into for the Series 2024B Bonds under the Thirty-Fourth Supplemental Indenture.

“Tender Agent” means any Tender Agent designated for the Series 2024B Bonds under the Thirty-Fourth Supplemental Indenture. The Trustee is the initial Tender Agent.

“Thirty-Fourth Supplemental Indenture” means the Thirty-Fourth Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Series 2024B Bonds.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions, duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

Section 2. Authorization, Designation and Purposes of Series 2024B Bonds. The Authority is authorized to issue, sell and deliver, as provided in this Resolution and the Certificate of Award, not to exceed (except as provided below) One Hundred and One Million Dollars (\$101,000,000) aggregate principal amount of Series 2024B Bonds. The Series 2024B Bonds shall be designated “Public Utility Subordinate Lien Multimodal Revenue Refunding Bonds, Series 2024B” and shall constitute Subordinate Debt for purposes of the Indenture, for the purpose of: (a) currently refunding the Series 2019C Bonds; (b) funding a Series 2024B Debt Service Reserve Requirement, if determined necessary in the Certificate of Award; and (c) paying issuance costs of the Series 2024B Bonds (including fees and costs of any escrow bidding agent or verification agent engaged pursuant to Section 6). For those purposes the proceeds from the sale of the Series 2024B Bonds shall be allocated and deposited, as provided in the Thirty-Fourth Supplemental Indenture. If and to the extent that any Series 2024B Bonds are issued for the purpose of funding a Series 2024B Debt Service Reserve Requirement, then the aggregate principal amount of Series 2024B Bonds hereby authorized may exceed \$101,000,000 by the aggregate principal amount of the Series 2024B Bonds to be issued for that purpose. Any designation of bonds authorized above may be revised or clarified in the Certificate of Award.

Section 3. Terms and Provisions Applicable to the Series 2024B Bonds.

(a) Form, Transfer and Exchange. The Series 2024B Bonds: (i) shall initially be issued only in fully registered form and substantially in the form attached as Exhibit A to the Thirty-Fourth Supplemental Indenture; (ii) shall initially be issued only to a Depository for holding in a book entry system, and shall be registered in the name of the Depository or its nominee, as Holder, and immobilized in the custody of the Depository, and (iii) shall not be transferable or exchangeable except as provided in the Thirty-Fourth Supplemental Indenture.

(b) Denominations and Dates. The Series 2024B Bonds shall be dated as of the date of issuance and delivery, but in no event later than December 31, 2024, and there shall be a single Series 2024B Bond for each interest rate for each maturity of the Series 2024B Bonds bearing the same series or subseries designation as provided in the Thirty-Fourth Supplemental Indenture.

(c) Principal Maturities. The principal of the Series 2024B Bonds shall be paid in such amounts on each principal retirement date (whether at stated maturity date or a mandatory redemption date) as set forth in the Certificates of Award, provided that the final principal retirement date shall be no later than December 31, 2064.

(d) Interest Rates and Interest Rate Periods for the Series 2024B Bonds. The Series 2024B Bonds shall initially be issued as Daily Rate Bonds. The initial interest rate for the Series 2024B Bonds will be the rate that the Original Purchasers determine is necessary to sell the Series 2024B Bonds at a minimum price of ninety-eight percent (98%) of the principal amount of the Series 2024B Bonds and subject to the Maximum Rate. The Series 2024B Bonds initially may be issued in multiple subseries, as determined in the Certificate of Award. The provisions of Section 403 of the Thirty-Fourth Supplemental Indenture shall govern the interest rates per annum and payment terms of the Series 2024B Bonds. After the Initial Period, the Series 2024B Bonds may bear interest at Weekly Rates, Short-Term Rates, Long-Term Rates, Index Rates or Fixed Rates, or may continue to bear interest at Daily Rates, all determined in accordance with the Thirty-Fourth Supplemental Indenture, and shall be subject to conversion between Interest Rate Periods on the terms, in the manner, and subject to the conditions set forth in the Indenture.

(e) Tender, Purchase, Remarketing and Optional Redemption. For the purpose of effecting the provisions of the Thirty-Fourth Supplemental Indenture relating to the tender, purchase and remarketing of the Series 2024B Bonds, the Authority shall appoint or engage the Tender Agent and Remarketing Agent at the times, in the manner, and subject to the conditions set forth in the Thirty-Fourth Supplemental Indenture. The Series 2024B Bonds shall be subject to redemption prior to stated maturity as and to the extent provided in the Thirty-Fourth Supplemental Indenture and shall be subject from time to time to optional and mandatory tender for purchase as provided in the Thirty-Fourth Supplemental Indenture.

(f) Places and Manner of Payment. The principal and tender price of and the interest and any redemption premium on the Series 2024B Bonds shall be payable as specified in the Thirty-Fourth Supplemental Indenture.

(g) Execution. The Authorized Officials are, and each of them is, authorized and directed to execute the Series 2024B Bonds, and the Secretary of the Board is authorized and directed to affix the seal of the Authority to the Series 2024B Bonds and to deliver them to the Trustee for authentication in accordance with the Indenture.

Section 4. Sale of Series 2024B Bonds.

(a) General. The Series 2024B Bonds shall be awarded and sold to the Original Purchasers in accordance with the Bond Purchase Agreement and the Certificate of Award, at a purchase price of not less than ninety-five percent (95%) of the aggregate of the products from multiplying the principal amount of each Series 2024B Bonds times the percentage of such principal amount at which such Series 2024B Bond shall be initially offered to the public, after subtracting from the aggregate of such products the premium payable for any municipal bond insurance policy applicable to the Series 2024B Bonds.

(b) Bond Purchase Agreement. The Authorized Officials are, and each of them is, authorized and directed to execute and deliver the Bond Purchase Agreement between the Authority and the Original Purchasers, substantially in the form presented to this Authority, but with such changes not inconsistent with the Indenture and this Resolution and not substantially adverse to the Authority as may be approved by the Authorized Official executing the same on behalf of the Authority. The approval of any such changes by such Authorized Official and the determination by such Authorized Official that no such change is substantially adverse to the Authority shall be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Official. The price for and terms of the Series 2024B Bonds and the sale thereof, all as provided in this Resolution, the Bond Purchase Agreement, the Certificate of Award and the Thirty-Fourth Supplemental Indenture, are hereby approved and determined to be in the best interests of the Authority.

(c) Certificate of Award. Such sale and award shall be further evidenced by the Certificate of Award executed by an Authorized Official. The terms of the Series 2024B Bonds approved in the Certificate of Award shall be incorporated into the Thirty-Fourth Supplemental Indenture. The Certificate of Award, subject to the restrictions set forth herein, shall: (i) state, with respect to the Series 2024B Bonds, the aggregate principal amount, the purchase price, the first Interest Payment Dates, the principal retirement dates, the mandatory sinking fund requirements (if any), the mandatory tender date (if any), the redemption dates, and the redemption prices thereof; (ii) specify whether a municipal bond insurance policy, letter of credit, or other credit or liquidity facility shall be obtained with respect to any of the Series 2024B Bonds and, if so, from whom and on what terms; (iii) specify the amount, if any, of the Series 2024B Debt Service Reserve Requirement and determine whether it shall be met entirely with (A) cash and Permitted

Investments (as defined in the Indenture); (B) a Qualified Reserve Credit Facility (as defined in the Indenture); or (C) a specified combination of (A) and (B); and (iv) include any additional information that may be required or permitted to be stated therein by the terms of this Resolution and the Bond Purchase Agreement. A separate Certificate of Award may be delivered for each subseries of the Series 2024B Bonds, and each reference in this Resolution to the Certificate of Award shall refer to each and all such Certificates of Award. A separate Bond Purchase Agreement, Remarketing Agreement, Standby Bond Purchase Agreement and Continuing Disclosure Agreement may be entered into for each subseries of the Series 2024B Bonds, and each reference in this Resolution to the Bond Purchase Agreement Remarketing Agreement, Standby Bond Purchase Agreement or to the Continuing Disclosure Agreement shall refer to each and all such Bond Purchase Agreements Remarketing Agreements, Standby Bond Purchase Agreements or Continuing Disclosure Agreements, respectively.

(d) Authorization of Bond Insurance and Qualified Reserve Credit Facilities. The submission of any applications to: (i) recognized providers of municipal bond insurance requesting the issuance of one or more municipal bond insurance policies to insure the Authority's obligation to make payments of principal of and interest on any of the Series 2024B Bonds, and (ii) potential providers of Qualified Reserve Credit Facilities, is hereby ratified and approved. The Authorized Officials are, and each of them is, hereby authorized to specify in the Certificate of Award that the Authority shall accept one or more commitments for insurance from such providers, and one or more commitments for a Qualified Reserve Credit Facility. There is hereby authorized to be paid from the moneys deposited in the Series 2024B Costs of Issuance Subaccount such amount as is required to pay the premium and expenses for such insurance policies and Qualified Reserve Credit Facilities relating to the Series 2024B Bonds. The Authorized Officials are, and each of them is, hereby further authorized to enter into a reimbursement agreement with the provider of any Qualified Reserve Credit Facility to provide for the Authority's reimbursement of the provider for any amounts drawn under the Qualified Reserve Credit Facility in a manner consistent with the Indenture. Any determination of the Authorized Officials under this paragraph shall be based on the written advice of the Financial Advisor.

(e) Certificates. The Authorized Officials are, and each of them is, authorized and directed, in their official capacities, to execute and deliver to the Original Purchasers, the certificates required by the Bond Purchase Agreement to be executed on behalf of the Authority.

(f) Delivery of Bonds. The Authorized Officials are, and each of them is, authorized and directed to make the necessary arrangements with the Original Purchasers to establish the date, location, procedure and conditions for the delivery of the Series 2024B Bonds to the Original Purchasers. The Authorized Officials are, and each of them is, further authorized and directed to make the necessary arrangements for the printing of the Series 2024B Bonds, and the execution, authentication and delivery of the Series 2024B Bonds to DTC for the accounts of the Original Purchasers, in accordance with this Resolution and the Indenture, and upon the receipt of payment of

the purchase price, to cause such amount to be applied in accordance with the terms and provisions of this Resolution and the Indenture.

Section 5. Allocation of Proceeds of the Series 2024B Bonds; Tax Covenants.

(a) Allocation of Proceeds of the Series 2024B Bonds. The proceeds from the sale of the Series 2024B Bonds shall be allocated, deposited and credited for the purposes approved in this Resolution and as specified in the Thirty-Fourth Supplemental Indenture.

(b) Tax Covenants. The Board authorizes the Authorized Officials to approve the tax covenants, authorizations and agreements necessary to achieve and maintain the tax-exempt status of the Series 2024B Bonds.

Section 6. Thirty-Fourth Supplemental Indenture, Escrow Agreement and Other Documents. The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2024B Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Thirty-Fourth Supplemental Indenture, the Remarketing Agreement with each of the initial Remarketing Agents and the Standby Bond Purchase Agreement, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those changes shall be conclusively evidenced by the execution of the document by an Authorized Official.

The Authorized Officials are, and each of them is, authorized in connection with the issuance of the Series 2024B Bonds, to execute, acknowledge and deliver in the name of and on behalf of the Authority, the Escrow Agreement, substantially in the form thereof submitted to the Authority at or prior to this meeting, but with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. If in the Certificate of Award, an Authorized Official determines that it is in the Authority's best interest to authorize the purchase of open-market securities to effect the current refunding of the Refunded Bonds, the Authorized Official is authorized to engage an agent for the purchase of such securities. With respect to the Escrow Agreement and to the extent any escrow securities are to be purchased thereunder, the Certificate of Award shall designate an independent firm experienced in the preparation of verification reports to verify or certify such escrow securities to be of such maturities and interest payment dates, and to bear such interest, as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom, be sufficient together with any cash deposited with and to be retained in that form by the Escrow Agent, to pay the principal of and interest and any premium on the Refunded Bonds, on their respective maturity or redemption date or dates, as provided in the Escrow Agreement.

The Authorized Officials and any other member, officer or employee of the Authority are each authorized to execute and deliver, on behalf of the Authority, such

other certificates, documents and instruments related to the Series 2024B Bonds as are necessary in connection with the transactions authorized in this Resolution, and to do all other things required of them or the Authority pursuant to the Indenture, the Thirty-Fourth Supplemental Indenture, the Bond Purchase Agreement, the Escrow Agreement, the Remarketing Agreement, the Standby Bond Purchase Agreement and this Resolution.

Following the issuance of the Series 2024B Bonds, if a successor Remarketing Agent is appointed by the Authority, the Authorized Officials are, and each of them is, authorized to execute, acknowledge and deliver, in the name of and on behalf of the Authority, the Remarketing Agreement with the successor Remarketing Agent in a form then determined by the Authorized Officer executing the document on behalf of the Authority to be consistent with the Indenture and this Resolution. The determination of such consistency shall be conclusively evidenced by the execution of the document by an Authorized Official.

No covenant, agreement or obligation contained herein shall be deemed to be a covenant, agreement or obligation of any present or future member of the Board or officer, employee or agent of the Authority in his or her individual capacity, and neither the members of the Board nor any officer of the Authority executing the Series 2024B Bonds shall be liable personally thereon or be subject to any personal liability or accountability by reason of the issuance thereof. No member of the Board or officer, employee, agent or advisor of the Authority shall incur any personal liability with respect to any other action taken by him pursuant to this Resolution or the Indenture or any other document authorized by this Resolution, provided such member, officer, employee, agent or advisor acts in good faith.

Section 7. Official Statement; Continuing Disclosure. The Authorized Officials shall cause to be prepared and issued on behalf of the Authority, an official statement (the "Official Statement") relating to the original issuance of the Series 2024B Bonds. The Authorized Officials are, and each of them is, authorized to execute the Official Statement on behalf of the Authority, which shall be in substantially the form of the Official Statement submitted to the Authority at this meeting, with such changes as the Authorized Official who executes it may approve, the execution thereof on behalf of the Authority by an Authorized Official to be conclusive evidence of such authorization and approval (including approval of any such changes), and copies thereof are hereby authorized to be prepared and furnished to the Original Purchasers for distribution to prospective purchasers of the Series 2024B Bonds and other interested persons.

The distribution by the Authority and by the Original Purchasers of the Official Statement, in such form and with any changes as may be approved in writing by an Authorized Official, is hereby authorized and approved.

The Authority shall make sufficient copies of the Official Statement, with any supplements, available to the Original Purchasers to sell book entry interests in the Series 2024B Bonds, and will provide copies as appropriate to the Municipal Securities

Rulemaking Board through its Electronic Municipal Market Access website at www.emma.msrb.org.

The Authorized Officials are each hereby authorized to furnish such information, to execute such instruments and to take such other action in cooperation with the Original Purchasers as may be reasonably requested to qualify the Series 2024B Bonds for offer and sale under the Blue Sky or other securities laws and regulations and to determine their eligibility for investment under the laws and regulations of such states and other jurisdictions of the United States of America as may be designated by the Original Purchasers; provided, however, that the Authority shall not be required to register as a dealer or broker in any such state or jurisdiction or become subject to the service of process in any jurisdiction in which the Authority is not now subject to such service.

The Authorized Officials are each hereby further authorized : (i) to complete the Official Statement with the approved and agreed upon terms of Series 2024B Bonds, and (ii) to make such other changes to the Official Statement as are, in the judgment of an Authorized Official, necessary and appropriate in order to make the Official Statement not materially misleading and to comply with applicable securities laws or otherwise to enable the Authority to fulfill its obligations regarding the Official Statement under the Bond Purchase Agreement.

The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Resolution or the Indenture, failure of the Authority to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, any Holder of Series 2024B Bonds may, and the Trustee may (and, at the request of the Holders of at least 25% in aggregate principal amount of Outstanding Series 2024B Bonds, shall) take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Authority to comply with its obligations under this paragraph. The Authorized Officials are, and each of them is, hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in substantially the form submitted to the Authority at or prior to this meeting with such changes therein as may be approved by the officer executing the Continuing Disclosure Agreement. The approval of those changes shall be conclusively evidenced by the execution of the Continuing Disclosure Agreement by an Authorized Official.

Section 8. General. The appropriate officers and employees of the Authority will do all things necessary and proper to implement and carry out the orders and agreements set forth or approved in this Resolution for the proper fulfillment of the purposes thereof. The Authority shall furnish to the Original Purchasers of the Series 2024B Bonds a true and certified transcript of all proceedings relating to the authorization and issuance of the Series 2024B Bonds along with other information as is necessary or proper with respect to the Series 2024B Bonds.

2. This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 3, 2024

**Subject: Approving the Final Form of Certain Documents,
Authorizing the Sale and Setting Terms and Details of the
Commercial Paper Notes**

**#24-41
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority (the "Authority"), at its meeting on July 3, 2024, upon consideration of a joint-use matter, decided by a vote of _____ () in favor and _____ () opposed Approving the Substantially Final Form of Certain Documents, Authorizing the Sale and Setting Terms and Details of the Commercial Paper Notes.

WHEREAS, pursuant to Resolution #10-60, dated May 6, 2010, the Authority previously issued its Commercial Paper Notes, Series A (the "Series A Notes"), in an aggregate principal amount not to exceed \$100,000,000 outstanding at any one time, its Commercial Paper Notes, Series B (the "Series B Notes"), in an aggregate principal amount not to exceed \$50,000,000 outstanding at any one time, and its Commercial Paper Notes, Series C (the "Series C Notes" and, together with the Series A Notes and Series B Notes, the "Prior Notes"), in an aggregate principal amount not to exceed \$75,000,000 outstanding at any one time; and

WHEREAS, pursuant to Resolution #13-41, dated April 4, 2013, the Authority, among other things, decreased the authorized maximum aggregate principal amount of the Series A Notes from \$100,000,000 to \$75,000,000; and

WHEREAS, pursuant to Resolution #15-42, dated May 7, 2015, the Authority authorized (i) the decrease of the authorized maximum aggregate principal amount of the Series A Notes from \$75,000,000 to \$0; (ii) the increase of the authorized maximum aggregate principal amount of the Series B Notes from \$50,000,000 to \$100,000,000; (iii) the decrease of the authorized maximum aggregate principal amount of the Series C Notes from \$75,000,000 to \$50,000,000; and

WHEREAS, the Authority intends to authorize and establish a new commercial paper program that will replace the Prior Notes and therefore intends to issue its Commercial Paper Notes, (the "Notes"), in an aggregate principal amount not to exceed \$250,000,000 outstanding at any one time; and

WHEREAS, the Authority will use the proceeds from the sale of the Notes: (i) to finance certain costs incurred in connection with the construction of certain capital improvements to its wastewater collection treatment and disposal system and its water system (collectively, and as further defined in the Master Indenture (as defined herein), the "System"), (ii) to pay the obligations of TD Bank, N.A. (the "Bank") under the Bank Note (as defined below) resulting from draws made under the Letter of Credit (as defined below); (iii) to finance certain costs of issuance of the Notes and (iv) for any other purpose permitted by law under the Indenture that in the opinion of Bond Counsel will not, in and of itself, adversely affect the exclusion from gross income for federal tax purposes of interest on the Notes issued as tax-exempt obligations (collectively, the "Project"); and

WHEREAS, the Notes will be secured by a letter of credit (the "Letter of Credit") to be issued by the Bank; and

WHEREAS, in accordance with the WASA Act, the Authority and Computershare Trust Company, N.A., as trustee (the "Trustee") (its predecessors in that capacity having been Norwest Bank Minnesota, N.A., Wells Fargo Bank Minnesota, N.A. and Wells Fargo Bank, N.A.), entered into the Master Indenture of Trust, dated as of April 1, 1998 (the "Master Indenture" and, as supplemented and amended, the "Indenture"), to provide for financing or refinancing the acquisition, construction, operation, maintenance and extension of the System (as defined in the Master Indenture) by the issuance of bonds, notes and other obligations payable solely from Net Revenues (as such terms are defined in the Master Indenture); and

WHEREAS, the Authority has heretofore entered into thirty-two (32) supplemental indentures of trust with the Trustee in connection with the issuance of Senior Debt and Subordinate Debt (both as defined in the Indenture) or to amend and clarify the Master Indenture and further intends to enter into the Thirty-Third Supplemental Indenture in connection with the issuance of the Public Utility Subordinate Lien Revenue Refunding Bonds, Series 2024A, and the Thirty-Fourth Supplemental Indenture in connection with the issuance of the Public Utility Subordinate Lien Multimodal Revenue Refunding Bonds, Series 2024B; and

WHEREAS, there have been presented at this meeting drafts of the substantially final forms of the following documents that the Authority proposes to execute to carry out the transactions described above, copies of which documents shall be filed with the records of the Authority:

(a) a Thirty-Fifth Supplemental Indenture of Trust dated as of August 1, 2024 (the "Thirty-Fifth Supplemental Indenture"), between the Authority and the Trustee;

(b) an Issuing and Paying Agency Agreement (the "Issuing and Paying Agency Agreement") dated as of August 1, 2024, between the Authority and US Bank Trust Company National Association, as Issuing and Paying Agent (the "Issuing and Paying Agent");

(c) the form of the Authority's Commercial Paper Note, attached as an exhibit to the Issuing and Paying Agency Agreement;

(d) the Letter of Credit and Reimbursement Agreement (the "Reimbursement Agreement") dated as of August 1, 2024, between the Authority and TD Bank, N.A., pursuant to which the Letter of Credit will be issued;

(e) the form of the Bank Note (the "Bank Note") attached as an exhibit to the Reimbursement Agreement to bear interest at the Bank Rate or the Default Rate or as otherwise provided in the Reimbursement Agreement;

(f) the form of Dealer Agreement dated as of August 1, 2024 (the "Dealer Agreement"), between the Authority and each of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC (the "Dealers"), relating to the public offering and sale of the Notes; and

(g) the form of Offering Memorandum dated as of August 1, 2024; and

WHEREAS, the Finance and Budget Committee met on May 23, 2024, to review the issuance of the Notes and has recommended approval of this Resolution by the Board.

NOW, THEREFORE BE IT RESOLVED THAT:

1. Unless otherwise defined herein and unless the context indicates otherwise, the terms used herein and defined in the Indenture (including the Thirty-Fifth Supplemental Indenture as hereby approved) shall have the meanings assigned to them therein. In addition, the following terms used as defined terms in this Resolution shall have the meaning assigned to them in this Section:

"Authorized Officials" means the Chairman and Vice Chairman of the Board and the CEO and General Manager, the Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, the Vice President and Controller, the Vice President, Budget, the Vice President, Finance, and the Vice President, Rates and Revenue of the Authority, including any of the foregoing who are in an interim, acting or similar capacity, provided that any official other than the Chairman shall be designated by the Chairman as his designee for the purpose of executing and delivering any document authorized hereunder.

"Thirty-Fifth Supplemental Indenture" means the Thirty-Fifth Supplemental Indenture of Trust by and between the Authority and the Trustee, dated as of the same date as and relating to the Notes.

Any reference to the Authority or the Board, or to their members or officers, or to other public officers, boards, commissions, departments, institutions, agencies, bodies or entities, shall include those who or which succeed to their functions,

duties or responsibilities by operation of law and also those who or which at the time may legally act in their place.

2. Each of the Dealers is authorized to distribute the Offering Memorandum to prospective purchasers of the Notes.
3. The aggregate principal amount of the Notes shall not exceed \$250,000,000 outstanding at any one time.
4. The Notes shall be issued, from time to time, as taxable and/or tax-exempt obligations as the Authority shall determine, in book-entry form in minimum denominations of \$100,000 and increments of \$1,000 in excess thereof.
5. The Notes shall be issued from time to time as the proceeds thereof are needed to pay the costs of the Project, and are to be repaid pursuant to a subordinate lien on Net Revenues as defined in the Master Indenture of Trust dated as of April 1, 1998, between the Authority and the Trustee (as amended and supplemented to the date hereof, the "Master Indenture"), and from the Pledged Funds as described in the Issuing and Paying Agency Agreement.
6. The Authorized Officials are, and each of them is, authorized and directed to execute the Thirty-Fifth Supplemental Indenture, the Issuing and Paying Agency Agreement, the Reimbursement Agreement, the Bank Note, the Dealer Agreements, and the initial Offering Memorandum, and the Secretary is authorized and directed to affix the Seal of the Authority on such documents as required and to attest to the same.
7. The Authorized Officials are, and each of them is, authorized and directed to execute, by manual or facsimile signature, the Notes and the Bank Note, the Secretary is authorized and directed to affix the Seal of the Authority or a facsimile thereof on the Notes and the Bank Note, and to attest the same, by manual or facsimile signature, and any of such persons is authorized and directed to deliver the Notes to the Issuing and Paying Agent for authentication upon the terms provided in the Issuing and Paying Agency Agreement and to deliver the related Bank Note to the Bank.
8. The Authorized Officials are, and each of them is, appointed as an "Authorized Representative of the Authority" under the Issuing and Paying Agency Agreement and shall determine the date of issuance, principal amount, interest rate and maturity of any Note issued hereunder and under the Issuing and Paying Agency Agreement, all within the parameters and limitations set forth herein and in the Issuing and Paying Agency Agreement, and to take all other actions in the name of and on behalf of the Authority to accomplish the issuance and sale of the Notes from time to time. Each Authorized Representative of the Authority or others designated by any Authorized Representative of the Authority shall approve the issuance and award the sale of the Notes to the Dealers or to the purchaser or

purchasers obtained by the Dealers pursuant to the Dealer Agreements, provided that the Notes shall be sold at a purchase price equal to 100% of the principal amount thereof ("par amount"), if issued as tax-exempt obligations, and at either (i) a discount from the par amount to reflect an interest component to the maturity date (with an implied yield not exceeding the Maximum Rate, as defined below), or (ii) at par and bearing interest at an interest rate to the maturity date agreed to by the Dealer and the Authority, the maturity date of each Note shall be a date (which shall be a Business Day, as defined in the Issuing and Paying Agency Agreement) not later than 270 days from the date of issuance thereof or no fewer than 10 calendar days prior to the termination date of the Letter of Credit, and the interest rate on any Note shall not exceed twelve percent per annum ("Maximum Rate").

9. The Notes and the Authority's obligations under the Bank Note constitute Subordinate Debt under the Master Indenture payable from Net Revenues on a parity with other Subordinate Debt outstanding thereunder from time to time.
10. The Authorized Officials are hereby individually authorized to approve any changes, modifications or updates of the Offering Memorandum from time to time.
11. The Thirty-Fifth Supplemental Indenture, the Issuing and Paying Agency Agreement, the Reimbursement Agreement, the Dealer Agreement, the Notes, and the Bank Note shall be in substantially the forms submitted to the Board at or prior to this meeting, which hereby are approved, with such completions, omissions, insertions and changes necessary to reflect the note principal amount and other terms of the Notes and the Bank Note, and with such changes therein as may be permitted by the Indenture and this Resolution and approved by the Authorized Officer executing the document on behalf of the Authority. The approval of those completions, omissions, insertions and changes shall be conclusively evidenced by the execution of the document by an Authorized Official.
12. The Authorized Officials are, and each of them is, authorized with respect to the Notes to execute, if necessary, a tax certificate on behalf of the Authority in implementation of the covenants and agreements set forth in the Issuing and Paying Agency Agreement, or to make any election permitted by the Internal Revenue Code of 1986, as amended, and determined by such officer to be to the advantage of the Authority; and the representations, agreements, and elections set forth therein shall be deemed the representations, agreements and elections of the Authority, as if the same were set forth in the Issuing and Paying Agency Agreement.
13. The Authorized Officials are, and each of them is, authorized to execute, deliver and file, from time to time, all other certificates and instruments, and any agreement with the provider of any credit facility or liquidity facility for the Notes, including, without limitation, the Banks, and to take all such further actions, from

time to time, as they may consider necessary or desirable in connection with the issuance, sale and distribution of the Notes.

14. The Authority is authorized and directed to take such actions necessary to terminate the commercial paper program for the Prior Notes upon the execution and delivery of the documents authorized by this Resolution regarding the Notes. The Authorized Officials are, and each of them is, authorized to execute, deliver and file, from time to time, such documents to effectuate such termination.
15. This Resolution is effective immediately.

Secretary to the Board of Directors

Presented and Approved: July 3, 2024

SUBJECT: Approval to Execute Change Order No. 007 of Contract No. 190010, Rehabilitation of the Potomac Interceptor (PI) Between MH31 and MH30, Ulliman Schutte Construction, LLC

**#24-49
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 July 3, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Change Order No. 007 of Contract No. 190010, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 007 of Contract No. 190010, Ulliman Schutte Construction, LLC. The purpose of this contract is to provide final design and construction services to renew three pipe segments. This change order will be designated as a contingency and will be administered through work change directives on a time and material basis. The total amount of this change order is \$9,000,000.00.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**PROGRESSIVE DESIGN-BUILD CONTRACT - PHASE 2
CHANGE ORDER**

**Rehabilitation of The PI Between MH31 and MH30
(Joint Use)**

Approval to execute Change Order No. 007 for \$9,000,000.00. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Ulliman Schutte Construction, LLC 14420 Albemarle Point Place Suite 110. Chantilly, VA 20151 <u>Headquarters</u> Miamisburg, OH 45342	*DBE: *WBE:	21.0 % 0.9 %

*This project is still on pace to meet the overall utilization goals of 21.0% DBE and 0.9% WBE for construction phase 2. Ulliman Schutte has committed to meeting or exceeding the DBE and WBE goals. Ulliman Schutte will partner with DC Water to identify certified businesses as the scope of work is more defined.

DESCRIPTION AND PURPOSE

Phase 1 Value (Design development) guaranteed max price:	\$ 2,561,444.00
Phase 2 Value (Final Design & Construction) guaranteed max price:	\$29,932,284.00
Total of Previous Change Orders	(\$84,064.83)
Current Contract Value:	\$32,409,663.17
Value of this Change Order:	\$9,000,000.00
Total Contract Value, including this CO:	\$41,409,663.17
Original Contract Time:	605 Days (1 Year, 8 Months)
Time extension, this CO:	81 Days**
Total CO contract time extension:	231 Days (0 Years, 8 Months)
Contract Start Date (NTP):	04-07-2022
Anticipated Final Contract Completion Date:	07-21-2024**
Cumulative CO % of Original Contract (Phase 1 & 2):	21.73%
Contract completion %:	70.59%

** 81 days represents the initial direct delay, the total delay resulting from the emergency will be finalized following completion of the ongoing response.

Purpose of the Contract:

The Potomac Interceptor (PI) provides wastewater conveyance for Loudon, Fairfax, and Montgomery Counties. This contract provides final design and construction services to renew three pipe segments. As a Progressive Design-Build contract, work is completed in two phases:

- Phase I: Design up to 60%.
- Phase II: Completion of design, construction, and restoration.

Phase 1 Scope:

- Complete Phase 1 which was design up to 60%

Phase 2 Scope:

- Complete 60% - 100% design, obtain construction permits, and environmental studies for Land Water Conservation Fund (LWCF).
- Slip line approximately 140 linear feet of existing 78 inch diameter pipe to reduce the collapse risk of existing deteriorated pipe and facilitate the construction of the downstream junction chamber.
- Build new 66 inch and 78 inch diameter HOBAS pipes to replace the existing deteriorated 78 inch diameter pipe and 54 inch diameter steep sloped pipe.

- Build three new junction chambers to facilitate the flow diversion from existing pipe to new pipe.
- Install a vortex flow insert to dissipate energy at new MH31 and reduce high flow velocities.

Previous Change Order Scope:

- Exterior bitumastic coating for MHs was deleted from the contract scope of work, resulting in a credit.
- Time extensions resulting from late permit issuance and differing site conditions.

Current Change Order Scope:

- On 02/12/2024, the Design Builder noticed a large void adjacent to MH-31. There was active flow in the void, indicating a collapse had occurred at the existing 54" Reinforced Concrete Pipe from Loudoun County VA, triggering the activation of the project's Emergency Response Plan.
- This change order will be designated as a Contingency and will be administered through Work Change Directives on a Time and Materials basis.
- Emergency response actions prevented the Design Builder to progress base contract work as originally planned. The total delay resulting from the emergency will be finalized following completion of the ongoing response.

PROCUREMENT INFORMATION

Contract Type:	Guaranteed Maximum Price	Award Based On:	Qualifications, Technical and delivery Proposals
Commodity:	Design and Construction	Contract Number:	190010
Contractor Market:	Open Market		

BUDGET INFORMATION

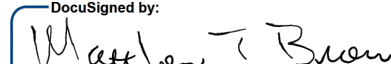
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary	Department Head:	William Elledge
Project:	LZ		

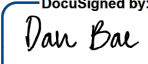
ESTIMATED USER SHARE INFORMATION


User	Share %	Dollar Amount
District of Columbia	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	48.60%	\$ 4,374,000.00
Loudoun County & Potomac Interceptor	51.40%	\$ 4,626,000.00
Total Estimated Dollar Amount	100.00%	\$ 9,000,000.00

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 Jeffrey F. Thompson / Date
 Chief Operating Officer and EVP

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 Matthew T. Brown / Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

DocuSigned by:

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 Dan Bae / Date
 VP and Chief Procurement Officer

 / 6/28/2024
 For David L. Gadis / Date
 Chief Executive Officer and General Manager

Presented and Approved: July 3, 2024

SUBJECT: Approval to Add Additional Funding to Option Year 4 of Contract No. 19-PR-DWT-21A, Supply and Delivery of Methanol, Colonial Chemicals, Inc.

**#24-50
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 July 3, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve additional funding for Option Year 4 of Contract No. 19-PR-DWT-21A, Colonial Chemicals, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funding for Option Year 4 of Contract No. 19-PR-DWT-21A. The purpose of this contract is to secure the consistent supply and delivery of methanol to the Blue Plains Advanced Wastewater Treatment Plant. Methanol is used as the nutrient for bacteria in the Nitrification section of Blue Plains, where nitrogen is removed to comply with DC Water’s environmental permits as required by the Environmental Protection Agency. The total amount of this modification is \$4,000,000.00.

This Resolution is effective immediately.

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 OPTION YEAR
Supply and Delivery of Methanol
(Joint Use)**

This contract action is to add \$4,000,000.00 in funds to option year 4.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Colonial Chemicals, Inc. 916 West Lathrop Avenue Savannah, GA 31415	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$7,000,000.00
Base Contract Period:	01-13-2020 – 01-12-2021
Option Year 1 – 3 Value:	\$29,770,000.00
Option Year 1 – 3 Dates:	01-13-2021 – 01-12-2024
Option Year 4 Value:	\$0.00
Option Year 4 Dates:	01-13-2024 – 12-31-2024
Option Year 4 Add Funds Value:	\$4,000,000.00
Option Year 4 Add Funds Dates:	07-01-2024 – 12-31-2024

Purpose of the Contract:

Methanol is used as the nutrient for bacteria in the Nitrification section of Blue Plains, where nitrogen is removed to comply with DC Water’s environmental permits as required by the EPA. DC Water dual-sources methanol to assure continuity of supply. Colonial Chemical was awarded 90% of our volume requirements, and Mitsubishi was awarded 10%.

Contract Scope:

Under the Colonial contract, supplier will deliver and provide all necessary equipment required to offload methanol into the designated storage tanks at the Blue Plains Wastewater Treatment.

Requesting additional funds as the previously approved funds which remained unspent at the start of option year 4, \$4,496,253, are being depleted and are not enough to cover DC Water’s expected invoices through the end of the contract. As of June, the remaining balance is \$1,538,000. With an estimated monthly spend of approximately \$800,000, DC Water requires an additional \$4,000,000 to ensure the supply of this critical chemical during the second half of calendar year 2024. Separately, DC Water will update its methanol supply strategy which includes working with other local utilities on the possibility of combining purchase volume as well as issuing a July 2024 RFQ.

Spending Previous Contract Years:

Cumulative Contract Value:	01-13-2020 to 12-31-2024: \$36,770,000.00
Cumulative Contract Spending:	01-13-2020 to 05-31-2024: \$35,231,588.00

Spending Current Contract Year:

Remaining Contract Value (01-01-2024):	\$4,496,253.00
Remaining Contract Value (06-01-2024):	\$1,538,000.00

Contractor’s Past Performance:

According to the COTR: the Contractor’s quality of products and services; timeliness of deliverables; conformance to DC Water’s policies, procedures and contract terms; and invoicing all meet expectations and requirements.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Methanol	Contract Number:	19-PR-DWT-21A
Contractor Market:	Open Market		

BUDGET INFORMATION

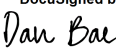
Funding:	Operating	Department:	Wastewater Treatment
Service Area:	Blue Plains	Department Head:	Nicholas Passarelli


ESTIMATED USER SHARE INFORMATION


User	Share %	Dollar Amount
District of Columbia	43.08%	\$1,723,200.00
Washington Suburban Sanitary Commission	41.90%	\$1,676,000.00
Fairfax County	9.60%	\$384,000.00
Loudoun Water	4.71%	\$188,400.00
Potomac Interceptor	0.71%	\$28,400.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$4,000,000.00

DocuSigned by:

 Jeffrey F. Thompson / 6/5/2024
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 Chief Operating Officer and EVP

DocuSigned by:

 Dan Bae / 6/6/2024
3154BD68F882417... Date
 VP and Chief Procurement Officer

DocuSigned by:

 Matthew T. Brown / 6/6/2024
262C5D98CC1C4D3... Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance


 For David L. Gadis / 6/7/2024
 Date
 CEO and General Manager

Presented and Approved: July 3, 2024

SUBJECT: Approval to Award Base Year and Two Option Years of Contract No. 10450, Supply and Delivery of Ferric Chloride, PVS Technologies

**#24-51
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 July 3, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of Base Year and Two Option Years of Contract No. 10450, PVS Technologies.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Base Year and Two Option Years of Contract No. 10450, PVS Technologies. The purpose of this contract is to supply and deliver liquid ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility which removes phosphorous from the wastewater within the plant’s primary and secondary treatment stages, as well as odor-causing compounds. The total amount of the base year and two option years is \$17,018,000.00.

This Resolution is effective immediately.

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 OPTION YEAR
FERRIC CHLORIDE
(Joint Use)**

Approval to exercise base award year and to approve funding for the base year and all option years (OY1 - OY2) for the supply and delivery of ferric chloride in the amount of \$17,018,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: PVS Technologies 10900 Harper Avenue Detroit, MI 48213	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Based Period Contract Value:	\$5,452,000.00
Original Contract Dates:	08-01-2024—07-31-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$11,566,000.00
Option Year 1-2 Dates:	08-01-2025—07-31-2027

Purpose of the Contract:

This contract is to supply and deliver liquid ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. Ferric chloride removes phosphorous from the wastewater within the plant’s primary and secondary treatment stages, as well as odor-causing compounds. Ferric chloride also works with a polymer to coagulate and remove suspended solids. All of these functions are needed for DC Water to comply with its water discharge permits.

Contract Scope:

To ensure supply security, ferric chloride requirements were awarded to two companies with independent supply chains. PVS Technologies is awarded 45% (this request) and Kemira Water Solutions is awarded 55% of DC Water requirements.

This contract action exercises the base year. Option years will be exercised annually.

Supplier Selection

Two companies responded to an RFP that can supply DC Water’s ferric chloride requirements. Both suppliers are incumbent providers of ferric chloride to DC Water, with Kemira utilizing a distributor. DC Water negotiated with two suppliers. The final selection is based on a technical evaluation and pricing and both companies’ final score is very competitive; it was decided to split the contracts 45% of the total volume to PVS Technologies and 55% of total volume to Kemira Water Solutions.

PROCUREMENT INFORMATION

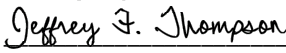
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Ferric Chloride	Contract Number:	10450
Contractor Market:	Open Market with 0% goals for DBE and WBE Participation		

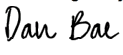
BUDGET INFORMATION


Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Nicholas Passarelli


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	43.08%	\$7,331,354.40
Washington Suburban Sanitary Commission	41.90%	\$7,130,542.00
Fairfax County	9.60%	\$1,633,728.00
Loudoun Water	4.71%	\$801,547.80
Potomac Interceptor	0.71%	\$120,827.80
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$17,018,000.00

DocuSigned by:

 Jeffrey F. Thompson / 6/5/2024
 Date
 Chief Operating Officer, EVP

DocuSigned by:

 Dan Bae / 6/6/2024
 Date
 VP and Chief Procurement Officer

DocuSigned by:

 Matthew I. Brown / 6/6/2024
 Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance


 For David L. Gadis / 6/28/2024
 Date
 CEO and General Manager

Presented and Approved: July 3, 2024

SUBJECT: Approval to Award Base Year and Two Option Years of Contract No. 10449, Supply and Delivery of Ferric Chloride, Kemira Water Solutions, Inc.

**#24-52
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 July 3, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the Award of Base Year and Two Option Years of Contract No. 10449, Kemira Water Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Base Year and Two Option Years of Contract No. 10449, Kemira Water Solutions, Inc. The purpose of this contract is to supply and deliver liquid ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility which removes phosphorous from the wastewater within the plant’s primary and secondary treatment stages, as well as odor-causing compounds. The total amount of the base year and two option years is \$20,863,000.00.

This Resolution is effective immediately.

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 YEAR
FERRIC CHLORIDE
(Joint Use)**

Approval to exercise base award year and to approve funding for the base year and all option years (OY1 - OY2) for the supply and delivery of ferric chloride in the amount of \$20,863,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Kemira Water Solutions, Inc. 4321 W. 6 th Street Lawrence, KS 66046	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Based Period Contract Value:	\$6,663,000.00
Original Contract Dates:	08-01-2024—07-31-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$14,200,000.00
Option Year 1-2 Dates:	08-01-2025—07-31-2027

Purpose of the Contract:

This contract is to supply and deliver liquid ferric chloride to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. Ferric chloride removes phosphorous from the wastewater within the plant’s primary and secondary treatment stages, as well as odor-causing compounds. Ferric chloride also works with a polymer to coagulate and remove suspended solids. All of these functions are needed for DC Water to comply with its water discharge permits.

Contract Scope:

To ensure supply security, ferric chloride requirements were awarded to two companies with independent supply chains. Kemira Water Solutions is awarded 55% (this request) and PVS Technologies is awarded 45% of DC Water requirements.

This contract action exercises the base year. Option years will be exercised annually.

Supplier Selection

Two companies responded to an RFP that can supply DC Water’s ferric chloride requirements. Both suppliers are incumbent providers of ferric chloride to DC Water, with Kemira utilizing a distributor. DC Water negotiated with two suppliers. The final selection is based on a technical evaluation and pricing and both companies’ final score is very competitive; it was decided to split the contracts 55% of the total volume to Kemira Water Solutions and 45% of total volume to PVS Technologies.

PROCUREMENT INFORMATION

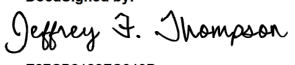
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Ferric Chloride	Contract Number:	10449
Contractor Market:	Open Market with 0% goals for DBE and WBE Participation		

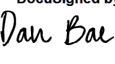
BUDGET INFORMATION


Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Nicholas Passarelli


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	43.08%	\$8,987,780.40
Washington Suburban Sanitary Commission	41.90%	\$8,741,597.00
Fairfax County	9.60%	\$2,002,848.00
Loudoun Water	4.71%	\$982,647.30
Potomac Interceptor	0.71%	\$148,127.30
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$20,863,000.00

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 Jeffrey F. Thompson / 6/5/2024
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 Date
 Chief Operating Officer, EVP

DocuSigned by:

 Dan Bae / 6/6/2024
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 Date
 VP and Chief Procurement Officer

DocuSigned by:

 Matthew F. Brown / 6/6/2024
262C5D96CC1C4D3
 Date
 CFO and Executive Vice-President of
 Finance, Procurement and Compliance

FOR  / 6/28/2024
 David L. Gadis / Date
 CEO and General Manager

Presented and Approved: July 3, 2024

SUBJECT: Approval to Add Additional Funding to Contract No. 18-PR-DFS-28, Small Construction Contract for Phase II Sidewalk Project, Mid-Atlantic General Contractors, Inc.

**#24-53
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 July 3, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve additional funding for Contract No. 18-PR-DFS-28, Mid-Atlantic General Contractors, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funding for Contract No. 18-PR-DFS-28, Mid-Atlantic General Contractors, Inc. The purpose of this contract is to acquire the services of a qualified general contractor who is licensed and bonded in the Washington, DC metropolitan area to provide sidewalks, concrete and asphalt work at DC Water Headquarters and O Street Pumping Station. The total amount of this change order is \$1,176,746.70.

This Resolution is effective immediately.

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
Small Construction
(Joint Use)**

Approval to add additional fund of \$1,176,746.70 to a Small Construction Services Contract for Phase II sidewalk project at HQO and O Street Pumping Station.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Mid-Atlantic General Contractors, Inc. 12216 Distribution Place Beltsville, MD. 20705 (DBE)	SUBS:	PARTICIPATION: 100%
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$398,677.00
Base Period Contract Dates:	9-28-2023 – 12-31-2024
This Change Order Value:	\$1,176,746.70
Period of Change Order:	7-01-2024 – 6-30-2025
Total	\$1,575,423.70

Purpose of the Contract:

Department of Facilities requires the services of a qualified general contractor, licensed, and bonded in the Washington, DC metropolitan area to provide sidewalks, concrete, and asphalt work, at HQO and O Street Pumping Station.

Contract Scope:

Department of Facilities selected this firm for Phase I of the project. This change order is added for additional work identified in the surrounding areas of HQO and O Street Pumping Station.

Supplier Selection:

The supplier was awarded Phase I to provide sidewalks and concrete work on the gate side of the O Street Pumping Station. Additional similar work (Phase II) was identified to be performed on the other three sides of the O Street Pumping Station. For continuity of services and to avoid duplicate mobilization, the original contractors (Mid-Atlantic General Contractors) performing Phase I will perform Phase II of this project.

PROCUREMENT INFORMATION

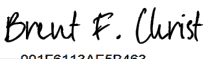
Contract Type:	Fixed Fee	Award Based On:	Best Value (Phase I) Sole Source (Phase II)
Commodity:	Small Construction Projects	Contract Number:	18-PR-DFS-28
Contractor Market:	Solicitation with IDIQ Contractors		

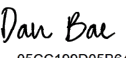
BUDGET INFORMATION

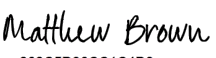
Funding:	Capital	Department:	Department of Facilities
Service Area:	Sewer	Department Head:	Brent Christ
Project	FQ		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	89.71 %	\$1,055,659.46
Washington Suburban Sanitary Commission	10.29%	\$121,087.24
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,176,746.70

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 Brent Christ Date
 Director, Facilities Management

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 Dan Bae Date
 VP and Chief Procurement Officer

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 Matthew T. Brown Date
 Chief Financial Officer and Executive Vice-President of
 Finance, Procurement and Compliance


 / 6/28/2024
 For David L. Gadis Date
 CEO and General Manager

Presented and Adopted: July 3, 2024

SUBJECT: Approval to Transfer the Projected FY 2024 Net Cash Surplus of \$14,141,091 to PAYGO and Ending Cash Balance

#24-54
RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at the Board meeting held on July 3, 2024, upon consideration of a joint-use matter decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to transferring \$14,141,091 of the FY 2024 Net Projected Cash Surplus to PAYGO and Ending Cash Balance.

WHEREAS, on December 4, 1997, the Board, in Resolution #97-121, approved establishing the Financial Policies for the Authority, which were subsequently amended in Resolutions #98-08, dated March, 1998, Resolution #04-30, dated April 2, 2004, Resolution #09-86, dated July 2, 2009; Resolution #13-57, dated May 2, 2013 to establish strong levels of cash reserves, strong debt service coverage, set the level of debt service coverage, and set operating and renewal & replacement reserve levels; and

WHEREAS, on October 7, 2021, the Board, through Resolution #21-84, further revised the Statement of Financial Policies, rescinding the PAYGO (pay-as-you-go) Policy and incorporating it into the Statement of Financial Policies, making other revision including establishing a minimum cash balance of 250 days of operating expenses and coverage of 160%, and conforming the debt service coverage requirements in the Debt Policy and Guidelines with those in the proposed Statement of Financial Policies; and

WHEREAS, the Statement of Financial Policies includes a requirement for the CEO and General Manager to report a forecast of expenditures and revenues and a recommendation for use of any projected surplus; and

WHEREAS, on October 5, 2023, the Board, through Resolution #23-58, revised the Statement of Financial Policies to amend the current operating cash reserve requirement of 250 days to be the minimum required reserve requirement and set a goal to achieve an operating cash reserve requirement of 350 days by 2032 by prioritizing the allocation of year-end surplus to achieve this goal; and

WHEREAS, on June 26, 2024, the Finance and Budget Committee met and the General Manager presented the FY 2024 projected net cash surplus of \$14,141,091; and

WHEREAS, on June 26, 2024, the General Manager recommended the Finance and Budget Committee recommend to the Board transferring \$6,141,091 of the net projected

cash surplus to PAYGO to reduce future borrowing and \$8,000,000 to FY 2024 ending cash balance to carryover to FY 2025 for the refund of developer deposits; and

WHEREAS, on June 26, 2024, upon further discussion and consideration of the General Manager's recommendation, the Finance and Budget Committee recommended the Board approve transferring \$6,141,091 of the net projected cash surplus to PAYGO to reduce the future borrowing and \$8,000,000 to ending cash balance to carryover to FY 2025 for the refund of developer deposits.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the transfer of \$14,141,091 from the Authority's projected FY 2024 net cash surplus to (i) \$6,141,091 to PAYGO to reduce future borrowing and (ii) \$8,000,000 to the ending cash balance to carryover to FY 2025 for the refund of developer deposits.
2. This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Approved: July 3, 2024

**SUBJECT: Approval to Award Contract No. DCW-SOL-23-10335,
Public Outreach and Engagement Services for CIP Projects,
LINK Strategic Partners**

**#24-55
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 July 3, 2024, upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to approve the Award of Contract No. DCW-SOL-23-10335, LINK Strategic Partners.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Contract No. DCW-SOL-23-10335, LINK Strategic Partners. The purpose of this contract is to assist the Office of Marketing and Communications in providing outreach services in support of DC Water’s Capital Improvement Projects. The total amount of this contract is not to exceed \$2,000,000.00 for a base term of three years plus two option years.

This Resolution is effective immediately.

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

**Public Outreach and Engagement Services for CIP Projects
(Non-Joint Use)**

Approval to execute a goods and services contract not to exceed \$2,000,000.00 for the contract period of three years plus two renewal periods of one year each. The renewal periods will be approved at DC Water’s sole discretion pending acceptable performance

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: LINK Strategic Partners 1300 Pennsylvania Avenue NW Suite G-3 Washington, DC 20004	SUBS: Designgreen, LLC Washington, DC DBE CRP, Incorporated Washington, DC WBE	PARTICIPATION: 30.0% 10.0%
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$2,000,000.00
Base-Term of Contract:	07-31-2024 – 07-31-2027
No. of Option Years in Contract:	2
This Request Value	\$2,000,000.00
This Request Dates	07-31-2024 – 07-31-2027

Purpose of the Contract:

Assist the Office of Marketing and Communications’ Community Outreach team in providing outreach services in support of DC Water’s Capital Improvement Projects.

Contract Scope and Purpose of This Request:

Outreach services will include detailed communications plans describing the methods for reaching out to impacted customers from project planning/design/mobilization through construction/restoration. More specifically, the outreach services will include, but not necessarily be limited to, the following:

- Regular bi-weekly meetings to go over updates with our project management and outreach teams, while brainstorming on new outreach activities.
- Coordinate site visits to project locations, as requested or needed.
- Coordinate site visits and walkthroughs with community members, as needed.
- Regular correspondence with customers during projects, via email, telephone, text messaging, etc.
- Maintaining project information on DC Water’s website.
- Coordinate timely responses to community questions and concerns during construction.
- Send weekly emails to community stakeholders, containing a list of upcoming construction activities in their neighborhood.
- Attendance at ANC and other community meetings to provide project updates, as needed.
- Schedule our own hosted community meetings, as needed.

- Schedule community events as additional touch points with customers to discuss projects.
- Assist in coordination with other federal and District government partners, as needed.
- Assist in creation of mitigation plans as a part of the overall communications plans to help ease the burdens of construction on impacted customers.

PROCUREMENT INFORMATION


Contract Type:	Fixed Price	Award Based On:	Highest Ranking Score
Commodity:	Professional Service	Contract Number:	DCW-SOL-23-10335
Contractor Market:	Open Market		


BUDGET INFORMATION

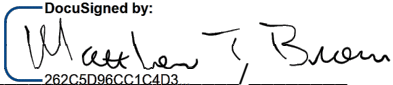
Funding:	Capital (Project G5)	Department:	Office of Marketing and Communications
Project Area:	District of Columbia	Department Head:	Kirsten Williams


ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	100.00%	\$2,000,000.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,000,000.00

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 Kirsten Williams Date
 Chief Communications & Stakeholders Engagement Officer, and EVP

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 Dan Bae Date
 VP and Chief Procurement Officer

DocuSigned by:

 262C5D96CC1C4D3
 Matthew T. Brown Date
 Chief Financial Officer and EVP, Finance, Procurement and Compliance

 6/28/2024
 For David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: July 3, 2024

**SUBJECT: Approval to Award of Contract No. DCFA-542-WSA,
Creekbed Sewer Rehabilitation Glover Archbold Park,
Brown and Caldwell**

**#24-56
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 July 3, 2024, upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to approve the Award of Contract No. DCFA-542-WSA, Brown and Caldwell.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Contract No. DCFA-542-WSA, Brown and Caldwell. The purpose of this contract is to provide engineering and environmental services necessary for the design and rehabilitation of sewer and storm structures that have exceeded their design life and/or are structurally deficient and the protection of exposed assets to the extent practicable in the stream beds. The total amount of this contract is not to exceed \$10,000,000.00 of a five-year base period.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES:

**Creekbed Sewer Rehabilitation Glover Archbold Park
Non-Joint-Use**

Approval to execute an architectural and engineering services contract not to exceed \$10,000,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Brown and Caldwell 1725 Duke Street, Suite 250 Alexandria, Virginia 22314 <u>Headquarters</u> Walnut Creek, CA 94596	AB Consultants, Inc. Lanham, MD	DBE 10.0%
	Interagency, Inc Washington, DC	DBE 6.0%
	Savin Pleasantville, NY	DBE 4.0%
	Phoenix Engineering Parkton, MD	DBE 2.0%
	Wave Civil Alexandria, VA	DBE 2.0%
	DP Consultants Washington, DC	DBE 6.0%
	R2T, Inc. Philadelphia, PA	WBE 7.0%
	SZ PM Consultants Washington, DC	WBE 3.0%

DBE Participation = 30.0% WBE Participation 10.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$ 10,000,000.00
 Contract Time: 1826 Days (5 Years)
 No. of Option Years in Contract: None
 Anticipated Contract Start Date: 07-25-2024
 Anticipated Contract Completion Date: 07-25-2029

Other firms submitting proposals/qualification statements:
 Greeley & Hansen, A TYLin Company
 RK&K*

* Asterisk indicates short listed firms.

Purpose of the Contract:

To provided engineering and environmental services necessary for the design and rehabilitation of sewer and storm structures that have exceeded their design life and/or are structurally deficient and the protection of exposed assets to the extent practicable in the stream beds. The services will be performed for Glover Archbold Park, Dumbarton Oaks, and portions of Normanstone Park. The work will be performed via a Contract Manager at Risk (CMAR) project delivery method.

Contract Scope:

- Rehabilitation of sewer and storm pipes that have exceeded their design life and/or are structurally deficient.
- Rehabilitation of selected defective manholes.
- Protect exposed assets to the extent practicable in the stream bed that are subject to structural damage caused by erosion and debris in the stream.

- Rehabilitate several storm water outfalls, perform topographic survey, forest stand delineation, Geotechnical, pipe inspection, and flow monitoring.
- Comply with National Environmental Policy Act (NEPA), regulatory agencies and permitting.

PROCUREMENT INFORMATION

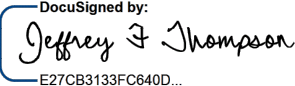
Contract Type:	Cost-Plus-Fixed-Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Design Services	Contract Number:	DCFA-542-WSA
Contractor Market:	Open Market		

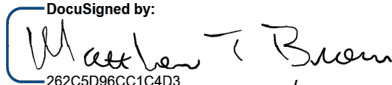
BUDGET INFORMATION

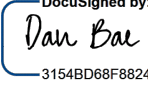
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sewer	Department Head:	Ryu Suzuki
Project:	G5		


ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 10,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 10,000,000.00

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 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP

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 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

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 Dan Bae Date
 VP and Chief Procurement Office

 / 6/28/2024
 For David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: July 3, 2024

**SUBJECT: Approval to Execute the Award of Contract No. 160070,
Sanitary Sewer Rehabilitation 10, Insituform Technologies,
LLC**

**#24-57
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 July 3, 2024, upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to approve the Award of Contract No. 160070, Insituform Technologies, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Contract No. 160070, Insituform Technologies, LLC. The purpose of this contract is to monitor, inspect, maintain, rehabilitate, and replace failing infrastructure within the wastewater collection system. The total amount of this two-year base contract is not to exceed \$23,980,505.40.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Sanitary Sewer Rehabilitation 10
(Non-Joint Use)**

Approval to execute a construction contract for \$23,980,505.40.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Insituform Technologies, LLC 132 Town Line Road Southington, CT 06489 <u>Headquarters</u> Chesterfield MO 63005	P&P Sewer Techs, Inc. Fort Washington, MD	DBE 1.6%
	Metro Paving Corporation Hyattsville, MD	DBE 1.1%
	Sunrise Safety Glen Burnie, MD	DBE 13.7%
	TBD	DBE 4.5%
	TFE Resources Owings Mills, MD	WBE 4.5%

DBE Participation = 20.9% WBE Participation 4.5%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$23,980,505.40
Contract Time:	730 Days (2 Years, 0 Months)
Anticipated Contract Start Date (NTP):	07-25-2024
Anticipated Contract Final Completion Date:	07-25-2026
Bid Opening Date:	04-23-2024
Bids Received:	2
Other Bids Received	
Spiniello Companies	\$ 31,123,300.00
Evaluation Bid Amount:	\$ 22,597,384.00

Purpose of the Contract:

The Purpose of this contract is to monitor, inspect, maintain, rehabilitate, and replace failing infrastructure within the wastewater collection system.

Contract Scope:

- Cured In Place Pipe (CIPP) lining of 109,498 linear feet of sewers ranging in size from 6 inches to 42 inches in diameter.
- Rehabilitate Twelve (12) external repair points.
- Rehabilitation of approximately 119 manholes.

Federal Grant Status:

- This Construction Contract is not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION

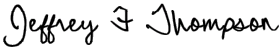
Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	160070
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sewer	Department Head:	William Elledge
Project:	JX		

***ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 23,980,505.40
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 23,980,505.40

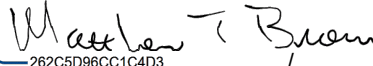
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 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP


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 Dan Bae Date
 VP and Chief Procurement Officer

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 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

 6/28/2024
 For David L. Gadis Date
 Chief Executive Officer and General Manager

Presented and Approved: July 3, 2024

SUBJECT: Approval of a Commitment Between District of Columbia Department of Transportation (DDOT) and DC Water, Improvement of Pennsylvania Avenue and Minnesota Avenue Intersection

**#24-58
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 July 3, 2024, upon consideration of a non-joint use matter, decided by a vote of ____ () In favor and ____ () opposed to approve the commitment between District of Columbia Department of Transportation (DDOT) and DC Water, Improvement of Pennsylvania Avenue and Minnesota Avenue Intersection.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the commitment between District of Columbia Department of Transportation (DDOT) and DC Water, Improvement of Pennsylvania Avenue and Minnesota Avenue Intersection. The purpose of this contract is to replace small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia. The total amount of this contract is not to exceed \$1,393,459.00 over a three-year period.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

PARTICIPATION IN DDOT PROJECT:

**DDOT – Improvement of Penn Ave and Minn. Ave Intersect.
(Non-Joint Use)**

Approval for a commitment between District of Columbia Department of Transportation (DDOT) and DC Water for an amount up to \$1,393,459. The commitment exceeds the General Manager’s approval authority.

PARTY INFORMATION

PARTY:	SUBS:	PARTICIPATION:
District Department of Transportation 55 M Street, SE, Suite 400, Washington, DC 20003	DBE and WBE fair share objectives will follow DDOT goals.	

DESCRIPTION AND PURPOSE

Commitment Value, Not-To-Exceed::	\$1,393,459
Construction Duration Time:	1096 Days (3 Years)
Anticipated Construction Start Date:	April 01, 2025
Anticipated Construction Completion Date:	April 01, 2028

Purpose of the Commitment:

Replacement of small diameter water mains that have experienced failures, or have a history of low water pressure, or water quality issues within the District of Columbia.

Commitment Scope:

- Replace 0.40 miles of water mains ranging from six (6) inches to twenty (20) inches and associated valves and appurtenances.
- Replace copper water services two (2) inch diameter and smaller in public and private space.
- Replace curb stop/curb stop box, meter box and penetration through building wall and connection to first fitting inside the building including installation of a shut-off valve and pressure reducing valve.
- Provide permanent pavement and surface restoration for 0.40 miles within the project scope.

Federal Grant Status:

- Although the work scope is generally eligible for grant funding, grant funding was not applied to the project because it was procured through DDOT.

AGREEMENT INFORMATION

Contract Type:	DDOT Participation	Award Based On:	N/A
Commodity:	Design and Construction	Contract Number:	N/A

BUDGET INFORMATION

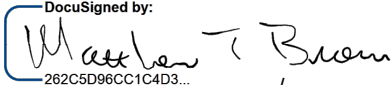
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Water	Department Head:	William Elledge
Project:	KJ		


ESTIMATED USER SHARE INFORMATION


User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 1,393,459.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 1,393,459.00

DocuSigned by:

 E27CB3133FC640D... / _____
 Jeffrey F. Thompson / Date
 Chief Operating Officer and EVP

DocuSigned by:

 262C5D96CC1C4D3... / _____
 Matthew T. Brown / Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

DocuSigned by:

 3154BD68F882417... / _____
 Dan Bae / Date
 VP and Chief Procurement Officer

 / 6/28/2024
 For David L. Gadis / Date
 Chief Executive Officer and General Manager

Presented and Adopted: July 3, 2024

SUBJECT: Approval to Publish Notice of Final Rulemaking for Fiscal Years 2025 and 2026 Retail Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRIAC), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate

**#24-59
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on July 3, 2024 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposed Fiscal Year 2025 and Fiscal Year 2026 Retail Metered Water and Sewer Rates, Clean Rivers Impervious Area Charge (CRIAC), Right-of-Way Occupancy Fee (ROW), Payment In Lieu of Taxes Fee (PILOT), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate.

WHEREAS, pursuant to Resolution 11-10, dated January 6, 2011, the Board has adopted a revised rate setting policy that calls for rates, charges and fees that, together with other revenue sources, yield a reliable and predictable stream of revenues and will generate sufficient revenues to pay for DC Water’s projected operating and capital expenses; and

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

WHEREAS, on February 27, 2024, the DC Retail Water and Sewer Rates Committee met to consider the proposed rate, charges and fee adjustments for Fiscal Year (“FY”) 2025 and FY 2026 developed in accordance with the 2024 Cost of Service Study and recommended the Board approve the publication of the Notice of Proposed Rulemaking (NOPR) for public comment; and

WHEREAS, on March 7, 20224, the Board through Resolution #24-15, approved the publication of the NOPR and Notice of Public Hearing (NOPH) in the District of Columbia Register (*D.C. Register* or DCR) for public comment on the proposed FY 2025 & 2026 rates, charges and fee adjustments in accordance with D.C. Official Code § 34-

2202.16(b), 21 DCMR Chapter 40, and the District of Columbia's Administrative Procedure Act; and

WHEREAS, on March 22, 2024, DC Water published the NOPR in the *D.C. Register* at 71 DCR 003286, and published the NOPH at 71 DCR 003217 to receive public comments on the NOPR during the public comment period ending May 16, 2024 and at a Public Hearing on May 9, 2024; and

WHEREAS, from April 4, 2024 to April 30, 2024, DC Water held: 2 in-person and 2 on-line Town Hall meetings, virtual briefings to business and non-profit partners, virtual briefings to Constituent Services Directors for District Councilmembers, and virtual briefings to Mayor's Office of Community Relations staff; and

WHEREAS, on May 9, 2024, the Board held a virtual Public Hearing on the FY 2025 & 2026 the proposed rate, charges and fees adjustments presented in the NOPR to receive comments and testimony from the General Manager, Chief Financial Officer, Arcadis, and public witnesses: Office of the Peoples Counsel and other members of the public; and

WHEREAS, on June 25, 2024, the DC Retail Water and Sewer Rates Committee met to consider the General Manager's response to comments received at the Public Hearing and during the public comment period, and recommendations for the final proposed FY 2025 & 2026 the proposed rate, charges and fee adjustments; and

WHEREAS, the General Manager discussed DC Waters response to comments submitted by the Office of the Peoples Counsel and members of the public; and

WHEREAS, the General Manager recommended the DC Retail Water and Sewer Rates Committee recommend to the Board to adopt and approve as final the FY 2025 & 2026 rate and fee adjustments as presented in Resolution # 24-15 and published in the NOPR; and

WHEREAS, on June 25, 2024, after having evaluated the revenue requirements and projections, anticipated capital and operating expenditures, various funding sources, the public comments, and the recommendation of the General Manager, the DC Retail Water and Sewer Rate Committee recommended the Board adopt and approve the FY 2025 & FY 2026 retail water and sewer rate adjustments, increased groundwater sanitary and high flow backwash sewer rates, decreased CRIAC in FY 2025 and increased CRIAC in FY 2026, and increased Payment-In-Lieu-of-Taxes and Right-of-Way Fee as proposed in the NOPR; and

WHEREAS, on July 3, 2024, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the recommendation of the General Manager, and comments received during the public comments period, in-person and virtual Town Hall meetings and the May 9, 2024 virtual Public Hearing, the District members of the Board of Directors, upon further consideration and discussion, approved the FY 2025 & 2026 the rate, charges and fee adjustments.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopts and approves the following adjusted rates, charges and fees:

Retail Metered Water Service Rates

- a. An increase in the rate for metered water services:

	Metered Water Services									
	FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024		FY 2026 vs. FY2025	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential – Lifeline (0- 4 Ccf)	\$4.38	\$5.86	\$5.21	\$6.97	\$5.78	\$7.73	\$0.83	\$1.11	\$0.57	\$0.76
Residential – (> 4 Ccf)	\$5.70	\$7.62	\$6.81	\$9.10	\$7.60	\$10.16	\$1.11	\$1.48	\$0.79	\$1.06
Multi-family	\$5.00	\$6.68	\$5.82	\$7.78	\$6.47	\$8.65	\$0.82	\$1.10	\$0.65	\$0.87
Non-Residential	\$5.89	\$7.88	\$7.03	\$9.40	\$7.84	\$10.48	\$1.14	\$1.52	\$0.81	\$1.08

Retail Sewer Service Rates

- b. An increase in the rate for sanitary sewer services:

	Metered Sewer Services									
	FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024		FY 2026 vs. FY2025	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$11.70	\$15.64	\$12.07	\$16.14	\$12.52	\$16.74	\$0.37	\$0.50	\$0.45	\$0.60
Multi-family	\$11.70	\$15.64	\$12.07	\$16.14	\$12.52	\$16.74	\$0.37	\$0.50	\$0.45	\$0.60
Non-Residential	\$11.70	\$15.64	\$12.07	\$16.14	\$12.52	\$16.74	\$0.37	\$0.50	\$0.45	\$0.60

Clean Rivers Impervious Area Charge (CRIAC)

- c. A decrease in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$262.32 to \$254.76 per Equivalent Residential Unit (ERU) in FY 2025 and an increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$254.76 to \$290.76 per Equivalent Residential Unit (ERU) in FY 2026.

The charge per ERU will be billed monthly at:

Clean River Impervious Area Charge (CRIAC)					
	FY 2024	FY 2025	FY 2026	FY 2025 vs. FY2024 Incr. /(Decr.)	FY 2026 vs. FY2025 Incr. /(Decr.)
	ERU	ERU	ERU	ERU	ERU
Residential Customers	\$21.86	\$21.23	\$24.23	(\$0.63)	\$3.00
Multi-family	\$21.86	\$21.23	\$24.23	(\$0.63)	\$3.00
Non-Residential	\$21.86	\$21.23	\$24.23	(\$0.63)	\$3.00

**District of Columbia Pass Through Charge
Right-of-Way Occupancy / PILOT Fee**

d. There is no increase in the **Right-of-Way Occupancy Fee** in FY 2025; and an increase in the Right-of-Way Occupancy Fee for FY 2026:

ROW										
	FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024 Incr. /(Decr.)		FY 2026 vs. FY2025 Incr. /(Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$0.19	\$0.25	\$0.19	\$0.25	\$0.20	\$0.27	\$0.00	\$0.00	\$0.01	\$0.02
Multi-family	\$0.19	\$0.25	\$0.19	\$0.25	\$0.20	\$0.27	\$0.00	\$0.00	\$0.01	\$0.02
Non-Residential	\$0.19	\$0.25	\$0.19	\$0.25	\$0.20	\$0.27	\$0.00	\$0.00	\$0.01	\$0.02

e. An increase in the **Payment-in-Lieu of Taxes Fee** for FY 2025 and FY 2026:

PILOT										
	FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024 Incr. /(Decr.)		FY 2026 vs. FY2025 Incr. /(Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$0.61	\$0.82	\$0.61	\$0.82	\$0.62	\$0.83	\$0.00	\$0.00	\$0.01	\$0.01
Multi-family	\$0.61	\$0.82	\$0.61	\$0.82	\$0.62	\$0.83	\$0.00	\$0.00	\$0.01	\$0.01
Non-Residential	\$0.61	\$0.82	\$0.61	\$0.82	\$0.62	\$0.83	\$0.00	\$0.00	\$0.01	\$0.01

- f. There is no increase in the retail groundwater sewer service rate for FY 2025.
There is an increase in the retail groundwater sewer service rate for FY 2026:

Groundwater									
FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024 Incr. /(Decr.)		FY 2026 vs. FY2025 Incr. /(Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
\$3.50	\$4.68	\$3.50	\$4.68	\$3.76	\$5.03	\$0.00	\$0.00	\$0.26	\$0.35

- g. An increase in the high flow filter backwash sewer rate for FY 2025 and FY 2026:

High Flow Filter Backwash Wastewater retail Sewer Rate									
FY 2024		FY 2025		FY 2026		FY 2025 vs. FY2024 Incr. /(Decr.)		FY 2026 vs. FY2025 Incr. /(Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
\$3.30	\$4.41	\$3.32	\$4.44	\$3.54	\$4.73	\$0.02	\$0.03	\$0.22	\$0.29

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required to publish the Notice of Final Rulemaking to amend the District of Columbia Municipal Regulations to promulgate the adjusted rates, charges and fees in accordance with the District of Columbia Administrative Procedure Act.
3. This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: July 3, 2024

SUBJECT: Approval to Publish Notice of Final Rulemaking to Establish the New Customer Assistance Program, CAP Plus (CAP+) for Low-Income Residential Customers

#24-60

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

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on July 3, 2024 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposal to establish the new Customer Assistance Program, CAP Plus (CAP+) for Low-Income Residential Customers.

WHEREAS, on January 23, 2024, the DC Retail Water and Sewer Rates Committee met to consider a proposed DC Water Cares Program Expansion, which included the proposed new Customer Assistance Program, CAP Plus (CAP+) for low-income residential customers; and

WHEREAS, on January 23, 2024, the General Manager presented the new CAP+ Program, that would assist customers with greater affordability needs based on 20% median household income (MHI). The eligible customers will receive all CAP benefits plus two (2) CCF of water and sewer credits, effective October 1, 2024 (FY 2025); and

WHEREAS, on February 27, 2024, the DC Retail Water and Sewer Rates Committee met to consider expanding the DC Water Cares programs by amending the Customer Assistance Programs regulations to establish a new Customer Assistance Program, CAP Plus (CAP+) program for low-income residential customers; and

WHEREAS, on February 27, 2024, the General Manager presented the new CAP+ assistance program that will assist customers with greater affordability needs based on 20% area median income (AMI), now known as the Washington Metropolitan Statistical Area Median Family Income (MFI) for the District of Columbia. The eligible customers will receive all CAP benefits plus two (2) CCF of water and sewer credits, effective October 1, 2024 (FY2025); and

WHEREAS, on February 27, 2024, DC Retail Water and Sewer Retail Rates Committee, after having evaluated the new Customer Assistance Program, CAP+ for low-income residential customers, and the recommendation of the General Manager, recommended that the Board approve the publication of the Notice of Proposed Rulemaking for immediate implementation and public comment; and

WHEREAS, after consideration of the recommendations of the DC Retail Water and Sewer Rates Committee and the recommendation of the General Manager, the District members of the Board of Directors, upon further consideration and discussion, agreed to approve for publication the Notice of Proposed Rulemaking (NOPR) to amend the Customer Assistance Program regulations as provided in attachment A, to establish the rules for the new Customer Assistance Program, CAP+ for low-income residential customers; and

WHEREAS, on March 7, 2024, the Board through Resolution #24-15, approved the publication of the NOPR and Notice of Public Hearing (NOPH) in the *District of Columbia Register* (*D.C. Register* or DCR) for public comment on the proposed new CAP+ program for low- income residential customers; and

WHEREAS, on March 22, 2024, DC Water published the NOPR in the *D.C. Register* at 71 DCR 003291 and published the NOPH at 71 DCR 003218 to receive public comments on the NOPR during the public comment period ending May 16, 2024 and at a Public Hearing on May 9, 2024; and

WHEREAS, from April 4, 2024 to April 30, 2024, DC Water held: 2 in-person and 2 on-line Town Hall meetings, virtual briefings to business and non-profit partners, virtual briefings to Constituent Services Directors for District Councilmembers, and virtual briefings to Mayor's Office of Community Relations staff; and

WHEREAS, on May 9, 2024, the Board held a virtual Public Hearing on the proposed new CAP+ program presented in the NOPR to receive comments and testimony from the General Manager, Director of Customer Care and the public; and

WHEREAS, on June 25, 2024, the DC Retail Water and Sewer Rates Committee met to consider the General Manager's response to comments received at the Public Hearing and during the public comment period, and recommendations for the final proposal to establish the CAP+ program for low income residential customers; and

WHEREAS, on June 25, 2024, the General Manager reported that there was only one comment submitted in response to the NOPR; and

WHEREAS, the General Manager recommended publishing a Notice of Final Rulemaking with some non-substantive revisions to clarify household income limit qualification requirements for CAP+, CAP, CAP 2: CAP+: 1) revising "below" 20% MFI to "at or below" 20% MFI; 2) CAP: revising "at or above" 20% MFI and "below" 60% SMI to "above 20% MFI and "at or below" 60% SMI; and 3) CAP 2: revising "equal to or above" 60% SMI and "below" 80% MFI to "above" 60% SMI and "at or below" 80% MFI; and

WHEREAS, on June 25, 2024, after having evaluated the new CAP+ program and the recommendation of the General Manager, the DC Retail Water and Sewer Rate Committee recommended the Board adopt and approve the new CAP+ program for low-

income customers as revised; and

WHEREAS, on July 3, 2024, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the recommendation of the General Manager, and comments received during the public comments period, in-person and virtual Town Hall meetings and the May 9, 2024 virtual Public Hearing, the District members of the Board of Directors, upon further consideration and discussion, approved the publication of the Notice of Final Rulemaking (NOFR) for the new CAP+ program.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the publication of the Notice of Final Rulemaking (NOFR) to amend 21 DCMR 4102 Customer Assistance Program as recommended by the DC Retail Water and Sewer Rates Committee and the General Manager to establish the new Customer Assistance Program, CAP+ program for low-income residential customers as presented in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to publish the Notice of the Final Rulemaking in the *D.C. Register*, effective October 1, 2024, in accordance with the District of Columbia Administrative Procedure Act.
3. This resolution is effective immediately.

Secretary to the Board of Directors

ATTACHMENT A

**DC Water's CAP Expansion CAP+
Final Rulemaking, effective October 1, 2024**

Chapter 41, RETAIL WATER AND SEWER RATES AND CHARGES, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:

**Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:
4102 CUSTOMER ASSISTANCE PROGRAMS**

4102.1 CUSTOMER ASSISTANCE PROGRAM PLUS (CAP+)

- (a) Participation in the Customer Assistance Program (CAP+) shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant is responsible for paying for water and sewer services and/or the Clean Rivers Impervious Surface Area Charge (CRIAC); and
 - (2) The Department of Energy & Environment (DOEE) has determined that the CAP+ applicant's annual household income is at or below twenty percent (20%) of the Washington Metropolitan Statistical Area Median Family Income (MFI) for the District of Columbia, previously referred to as the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved CAP+ customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Six Hundred Cubic Feet (6 Ccf) per month of water used. If the customer uses less than Six Hundred Cubic Feet (6 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
 - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
 - (3) Credit of seventy-five percent (75%) off of the monthly billed CRIAC.

- (c) Upon DC Water's receipt of notice from DOEE that the CAP+ applicant meets the bill payment and financial eligibility requirements of 4102.1(a), DC Water shall apply the CAP+ benefits to the CAP+ customer's account from the date that DOEE accepts a completed CAP application to the end of the fiscal year in which the application was submitted.
- (d) To continue receiving CAP+ benefits without interruptions, the CAP+ customer must submit a renewal CAP application to DOEE in accordance with the Utility Discount Program renewal deadline. A CAP+ customer that submits their renewal CAP application after this period, and is subsequently approved by DOEE, will receive CAP+ benefits as of the date of the application.

4102.2 CUSTOMER ASSISTANCE PROGRAM (CAP)

- (a) Participation in the Customer Assistance Program (CAP) shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or CRIAC; and
 - (2) The Department of Energy & Environment (DOEE) has determined that the CAP applicant's annual household income is above twenty percent (20%) of the Washington Metropolitan Statistical Area Median Family Income (MFI) for the District of Columbia and at or below sixty percent (60%) of the State Median Income (SMI) for the District of Columbia.
- (b) An approved CAP customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Four Hundred Cubic Feet (4 Ccf) per month of water used. If the customer uses less than Four Hundred Cubic Feet (4 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
 - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
 - (3) Credit of seventy-five percent (75%) off of the monthly billed CRIAC.

- (c) Upon DC Water's receipt of notice from DOEE that the CAP applicant meets the bill payment and financial eligibility requirements of 4102.2(a), DC Water shall apply the CAP discounts to the CAP customer's account from the date that DOEE accepts a completed CAP application to the end of the fiscal year in which the application was submitted.
- (d) To continue receiving CAP benefits without interruptions, the CAP customer must submit a renewal CAP application to DOEE in accordance with the Utility Discount Program renewal deadline. A CAP customer that submits their renewal CAP application after this period, and is subsequently approved by DOEE, will receive CAP benefits as of the date of the application.

4102.3 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (a) Participation in the CAP2 Program shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or CRIAC; and
 - (2) DOEE has determined that the CAP2 applicant's annual household income is above the household income-eligibility limits for the District's LIHEAP of sixty percent (60%) of the SMI for the District of Columbia and at or below eighty percent (80%) of the Washington Metropolitan Statistical Area Median Family Income (MFI), previously referred to as the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved CAP2 customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Three Hundred Cubic Feet (3 Ccf) per month of water used. If the customer uses less than Three Hundred Cubic Feet (3 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage; and
 - (2) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the bill payment and financial eligibility requirements of 4102.3(a), DC Water shall provide the CAP2 benefits for not more than the entire fiscal

year, beginning October 1st and terminating on September 30th, subject to the availability of budgeted funds.

- (1) Approved CAP2 customers that submitted a complete application to DOEE before November 1st, shall receive CAP2 benefits retroactive to October 1st and terminating on September 30th of that fiscal year.
 - (2) Approved CAP2 customers that submitted a complete application on or after November 1st, shall receive CAP2 benefits as of the date of submittal and terminating on September 30th of that fiscal year.
 - (3) Customers shall reapply each year for CAP2 benefits to receive CAP2 benefits.
- (d) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP2 benefits, DC Water may:
- (1) Suspend the process for accepting CAP2 applicants; or
 - (2) Suspend or adjust providing CAP2 benefits to CAP2 recipients.

4102.4 Eligibility for the CAP+, CAP, and CAP2 Programs shall be determined by DOEE based on the income eligibility criteria provided in § 4102.1(a)(2), § 4102.2(a)(2), and § 4102.3(a)(2).

4102.5 DOEE CUSTOMER ASSISTANCE PROGRAM III FOR SINGLE-FAMILY AND INDIVIDUALLY METERED HOUSEHOLDS

- (a) DC Water shall apply DOEE Customer Assistance Program III (CAP3) benefits to an eligible single-family or individually-metered Residential Customer's account in accordance with the following:
- (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC;
 - (2) DOEE has notified DC Water that the customer has met the requirements of applicable laws and regulations and is eligible to receive the CAP3 benefits;
 - (3) DOEE has notified DC Water of the amount of the CAP3 benefits to be applied to the CAP3 customer's account; and
 - (4) DOEE has transferred funds to DC Water for the benefits applied to the customer's account.

- (b) DC Water shall stop applying CAP3 benefits to a CAP3 customer's account upon receipt of notice from DOEE that the customer is no longer eligible for the CAP3 benefits, or receipt of notice from DOEE regarding the unavailability of funds.
- (c) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP3 benefits, DC Water may:
 - (1) Suspend the process for accepting CAP3 applicants; or
 - (2) Suspend providing CAP3 benefits to CAP3 recipients.

4102.6

DOEE CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE RELIEF PROGRAM FOR NONPROFIT ORGANIZATIONS

- (a) DC Water shall apply DOEE CRIAC Relief Program for Nonprofit Organizations (CRIAC Nonprofit Relief Program) benefits to an eligible non-profit organization's account in accordance with the following:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for the CRIAC charges;
 - (2) DOEE has notified DC Water that the customer has met the requirements of applicable laws and regulations and is eligible to receive CRIAC Nonprofit Relief Program benefits;
 - (3) DOEE has notified DC Water of the amount of the benefits to be applied to the nonprofit organization's account each billing period; and
 - (4) DOEE has transferred funds to DC Water for the CRIAC Nonprofit Relief Program benefits applied to the customer's account.
- (b) DC Water shall stop applying CRIAC Nonprofit Relief Program benefits to a customer's account upon notice from DOEE that the customer is no longer eligible for the CRIAC Nonprofit Relief Program benefits.
- (c) If DC Water determines that the remaining budgeted funds are insufficient to provide CRIAC Nonprofit Relief Program benefits, DC Water may:
 - (1) Suspend the process for accepting CRIAC Nonprofit Relief Program applicants; or
 - (2) Suspend or adjust providing CRIAC Nonprofit Relief Program benefits to CRIAC Nonprofit Relief Program recipients.

- 4102.7 Nothing in this section shall be interpreted to mean that the benefits provided through DC Water's CAP+, CAP or CAP2 Programs or DOEE's CAP3 or CRIAC Nonprofit Relief Programs are an entitlement, continuing or otherwise.
- 4102.8 For the purposes of this section, the term "SMI" means the state median income as determined on an annual basis by the U.S. Department of Health and Human Services (HHS).
- 4102.9 For the purposes of this section, the term "MFI" means the Washington Metropolitan Statistical Area Median Family Income previously referred to as "AMI," which means the Area Median Income (AMI), and alternately referred to as the HUD Area Median Family Income (HAMFI), determined on an annual basis by the U.S. Department of Housing and Urban Development (HUD).
- 4102.10 [RESERVED]

Presented and Adopted: July 3, 2024

**SUBJECT: Approval to Publish Notice of Final Rulemaking to Amend
the Fire Protection Service Fee Regulations**

#24-61

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

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the DC Water”) at the Board meeting held on May 2, 2024 decided, in a non-joint use matter, by a vote of ___ () in favor and ___ () opposed, to take the following action with respect to approving the publication of the Notice of Final Rulemaking to Amend Fire Protection Service Fee Regulations.

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

WHEREAS, DC Water provides fire protection services to the District, including but not limited to the delivery of water for firefighting, inspection, maintenance and upgrading of public fire hydrants in the District of Columbia pursuant to a Memorandum of Understanding (MOU) between the DC Water and District of Columbia Fire Emergency Medical Services (FEMS) Department, effective May 3, 2013; and

WHEREAS, pursuant to Section 3.0 of the MOU, DC Water is required to establish the Fire Protection Service Fee “through the DC Rate Making process that applies to all DC Water rates and fees and is outlined in the DC Municipal Regulations”; and

WHEREAS, the MOU also requires the Fire Protection Service Fee to be “reviewed and revisions proposed every three years through an independent Cost of Services study”; and

WHEREAS, DC Water prepared a Cost of Services Study entitled, “Report Regarding Fire Services Charges,” dated April 23, 2024, which, based on the escalation of costs and past underpayments, DC Water recommends increasing the Fire Protection Service Fee to Seventeen Million Five Hundred Seventy Five Thousand Dollars (\$17,575,000) for FY 2025, FY 2026, and FY 2027; and

WHEREAS, on April 23, 2024, the DC Retail Water and Sewer Rates Committee met to consider the proposed Fire Protection Service Fee adjustments; and

WHEREAS, on April 23, 2024, the DC Retail Water and Sewer Rates Committee recommended the Board authorize the General Manager to publish the proposed Fire Protection Service Fee adjustments, effective October 1, 2024 for public comment; and

WHEREAS, on May 2, 2024, the Board considered the recommendation from the DC Retail Water and Sewer Rates Committee, and the proposed Fire Protection Service Fee adjustment and approved publishing the proposed amendments to 21 DCMR Section 4103 (Fire Protection Service Fee); and

WHEREAS, on May 17, 2024, DC Water published for public comment a Notice of Proposed Rulemaking in the *D.C. Register* at 71 DCR 6231, which, if adopted, would increase the annual Fire Protection Service Fee to \$17,575,000 per fiscal year for FY 2025, FY 2026, and FY 2027; and

WHEREAS, on June 25, 2024, the DC Retail Water and Sewer Rates Committee met to consider comments received during the public comment period and the final recommendations of the General Manager; and

WHEREAS, on June 25, 2024, the General Manager reported that there were no comments submitted in response to the Notice of Proposed Rulemaking and recommended publishing a Notice of Final Rulemaking as proposed; and

WHEREAS, on June 25, 2024, the DC Retail Water and Sewer Rates Committee recommended to the Board approving the publication of the Notice of Final Rulemaking to increase the annual Fire Protection Service Fee to \$17,575,000 per fiscal year for FY 2025, FY 2026 and FY 2027; and

WHEREAS, on July 3, 2024, upon consideration of the Cost of Service Study, the recommendations of the General Manager and the DC Retail Water and Sewer Rates Committee, the District members of the Board of Directors, upon further consideration and discussion, agreed to take final action adopt and approve the publication of the Notice of Final Rulemaking to amend the Fire Protection Service Fee Regulations. increasing the annual Fire Protection Service Fee from \$11,535,000 to \$17,575,000 per fiscal year for FY 2025, FY 2026, and FY 2027.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds that DC Water's Cost of Service Study entitled, "Report Regarding Fire Services Charges," dated April 23, 2024, justifies increasing the Fire Protection Service Fee to \$17,575,000 per fiscal year for FY 2025, 2026 and 2027 and publishing amendments to 21 DCMR § 4103 (Fire Protection Service Fee) as provided below:

4103 FIRE PROTECTION SERVICE FEE

- 4103.1 Effective October 1, 2024, the District of Columbia shall be charged the Fire Protection Service Fee of Seventeen Million Five Hundred Seventy Five Thousand Dollars (\$17,575,000) each fiscal year for fire protection service, including, but not limited to the delivery of water flows for firefighting as well as maintaining and upgrading public fire hydrants in the District of Columbia, plus the cost of fire hydrant inspections performed by the DC Fire and Emergency Medical Services.
- 4103.2 The fee may be examined every three years to determine if the fee is sufficient to recoup the actual costs for providing this service.
- 4103.3 In the event the actual costs are not being recouped, the District of Columbia shall pay the difference and the fee will be appropriately adjusted pursuant to the rulemaking process.
- 4103.4 In the event the costs paid by the District of Columbia exceed DC Water's actual costs, the fee shall be adjusted pursuant to the rulemaking process.
2. The General Manager is authorized to take all steps necessary in his judgement and as otherwise required, to publish the Notice of Final Rulemaking in the *D.C. Register*, effective October 1, 2024, in accordance with the District of Columbia Administrative Procedure Act.
3. This resolution shall be effective immediately.

Secretary to the Board of Directors