



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
314th MEETING OF THE BOARD OF DIRECTORS
Thursday, December 5, 2024
9:30 am

This meeting will be broadcasted via livestream: <https://dcwater.com/watch-board-meetings>

- I. **Call to Order (Rachna Butani Bhatt, Interim Chairperson)**
- II. **Roll Call (Michelle Rhodd, Board Secretary)**
- III. **[Approval of the November 7, 2024, Meeting Minutes](#)**
- IV. **Chairperson’s Overview**
- V. **Committee Reports**
 - 1. [Executive Committee \(Rachna Butani Bhatt\)](#)
 - 2. [Environmental Quality and Operations Committee \(Sarah Motsch\)](#)
- VI. **[CEO and General Manager’s Report \(David L. Gadis\)](#)**
- VII. **Consent Items (Joint Use)**
 - 1. [Approval to Execute the Award of Three Base Years and Two Option Years of Contract No. DCFA #555, Sewer Program Management, Brown and Caldwell - Resolution No. 24-81](#) (Recommended by the Environmental Quality and Operations Committee 11-20-24)
 - 2. [Approval to Execute the Award of Base Year and Two Option Years of Contract No. 10496, Supply and Delivery of Methanol, Colonial Chemicals, Inc. – Resolution No. 24-82](#) (Recommended by the Environmental Quality and Operations Committee 11-20-24)
 - 3. [Approval to Execute the Award of Base Year and Two Option Years of Contract No. 10497, Supply and Delivery of Methanol, Mitsubishi International Corp – Resolution No. 24-83](#) (Recommended by the Environmental Quality and Operations Committee 11-20-24)
 - 4. [Approval to Add Additional Funds to Base Years of Contract No. 10403, Small Construction, Eastern Contractors Corporation – Resolution No. 24-84](#) (Recommended by the Environmental Quality and Operations Committee 11-20-24)
 - 5. [Approval to Add Additional Funds to Option Year 4 of Contract No. 20-PR-WWT-45A, High Pressure/High Vacuum Cleaning Services, Jet Blast, Inc. – Resolution No. 24-85](#) (Recommended by the Environmental Quality and Operations Committee 11-20-24)
- VIII. **Consent Items (Non-Joint Use)**
 - No Actions
- IX. **Executive Session¹ (Rachna Butani Bhatt, Acting Chairperson)**

X. Adjournment (Rachna Butani Bhatt, Acting Chairperson)

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

- December 6th @ 3:00 pm Emergency Meeting of the Executive Committee
- December 17th @ 9:30 am DC Retail Water and Sewer Rates Committee
- December 17th @ 11:00 am Finance and Budget Committee
- December 19th @ 9:30 am Environmental Quality and Operations Committee

Next Board of Directors' Meeting

January 9, 2024 @ 9:30 am (In-Person)

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.



**313TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
NOVEMBER 7, 2024
(Via Microsoft Teams)**

DIRECTORS PRESENT

District of Columbia Members

1. Rachna Bhatt, Acting Chairperson
2. Anthony Giancola, Principal
3. Howard Gibbs, Principal
4. Richard Jackson, Principal
5. Jed Ross, Alternate

Prince George's County Members

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

Montgomery County Members

1. Jon Monger, Principal
2. Fariba Kassiri, Principal
3. Jeffrey Seltzer, Alternate
4. Amy Stevens, Alternate

Fairfax County Member

1. Christopher Herrington, Principal
2. Sarah Motsch, Alternate

DC WATER STAFF

1. David Gadis, Chief Executive Officer, and General Manager
2. Marc 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 313th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Acting Chairperson Rachna Bhatt at 9:41 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

Acting Chairperson Rachna Bhatt asked for a motion to approve the minutes of the October 3, 2024, meeting.

Upon a motion made the Board of Directors approved the minutes of the meeting on October 3, 2024, as presented.

II. CHAIRPERSON'S OVERVIEW

Ms. Bhatt opened the meeting and thanked the Board for participating in the recent Board retreat. She advised the board members that a post-retreat survey would be distributed to gather the Board's feedback.

III. COMMITTEE REPORTS

*Governance Committee Report
Reported by Christopher Herrington*

Governance Committee Chairperson Christopher Herrington reported on the meeting held on October 9.

Korey Gray, Vice President, Contract Compliance and Business Development, presented the FY24 DC Water Works program update. Water Works aims to fill 75% of new jobs with local residents and includes wrap-around support services. The program also includes a skills training and development component to prepare local residents for job opportunities identified by contractors, including an apprenticeship program creating pathways for in-house hires.

One hundred and nineteen local residents were placed in jobs, achieving 85.7% local hire participation. Twenty-seven firms participated in local hiring, and the majority of hires were from the District of Columbia and surrounding areas -- 102 local residents hired and 17 from outside the user jurisdiction. Interim Board Chair Rachna Bhatt expressed disappointment about the number of labor positions filled by people outside the user jurisdiction. To which Mr. Gray explained that some work is performed outside the district, and contractors hire where the work is located. Mr. Gray agreed to provide more clarity

on the numbers in future reports, including a breakdown of labor positions by construction, labor, and goods and services to better understand the hiring distribution.

Mr. Gray discussed the DC Water Apprenticeship Program, which provides a direct pathway to employment with DC Water. The program includes classroom experience and on-the-job learning. Two cohorts ran in FY 2024, with 70% to 85% of apprentices graduating on time and continuing their careers with DC Water.

In his update on the Lead Free DC program, Mr. Gray reported that the first cohort completed the program with 14 out of 15 participants retained. The second cohort started in August with 12 participants, all from the District of Columbia. The program includes initial training with the Department of Employment Services, followed by soft skills training, financial literacy, and on-the-job learning with the Lead Free DC team. Participants are paid during the training period.

Next, Mr. Gray introduced the high school youth internship program, a pilot initiative in partnership with the Department of Employment Services and DC Public Schools. Four interns participated, three have completed the program, two are continuing to college and one was placed with the Lead Free DC Activator Training Program. The program aims to provide hands-on experience and career pathways for high school students. The program ensures continued support for interns, helping them build careers with DC Water or pursue their interests. The goal is to keep them engaged with the DC Water family beyond the internship period.

Mr. Gray announced a new initiative, the High School Engagement and Workforce Development Program, in partnership with the Office of Marketing and Communications and external partners. The program targets Anacostia High School and IDEA Public Charter School, aiming to develop curriculum and provide internships and pre-apprenticeship opportunities. Participants will be identified through applications, with a focus on juniors and seniors maintaining a 2.0 GPA and good standing. The program will start with up to 10 participants in its first year. The program aims to create pathways for employment, ensuring that training and education lead to career opportunities. Interns and pre-apprentices will receive paid training and support to transition into careers at DC Water or with contractors.

Barbara Mitchell Associate General Counsel and Interim Director of Government Affairs provided an update on the EPA's finalization of the Lead and Copper Rule, which requires drinking water systems across the country to identify and replace lead pipes within ten years.

*Environmental Quality and Operations Committee Report
Reported by Sarah Motsch*

Environmental Quality and Operations Committee Chairperson Sarah Motsch reported on the meeting held on October 17.

Nicholas Passarelli, VP, Wastewater Operations, summarized the performance of the Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) noting that all parameters were within the national pollution discharge elimination standards permit limits. The tunnel systems and wet weather treatment facilities captured 130 million gallons with no overflows. Onsite energy generation from the Combined Heat and Power (CHP) facility and solar panels was 26% of the average consumption. Approximately 2,100 wet tons of biosolids were sold as Bloom, working toward a goal of 65,000 tons for the fiscal year. To date, 55,000 tons have been marketed.

William Elledge, Director, Engineering & Technical Services, presented an update on the service line material identification pilot program. The program is investigating multiple cheaper and faster methods of service line material identification that do not require disruptive test pit excavation. The Lead and Copper Rule Improvements (LCRI) require DC Water to replace 10% of the service lines that are either verified lead, suspected lead, suspected non-lead, or no information, to be compliant; this equates to around 9,000 replacements per year. In contrast DC Water estimates only 34,000 lead service lines remain to be replaced, with an annual replacement goal of 3,400. Therefore, it is critical to verify suspected non-lead pipes as quickly as possible. Four technologies were identified for the pilot, and two have been approved to move forward for additional accuracy testing; Electro Scan's "Swordfish", and EDT's Service Line Material Identification Testing (SMIT)

The Committee recommended three action items to Board for approval

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

DC Retail Water and Sewer Rates Acting Committee Chair Howard Gibbs reported on the meeting held on October 22.

Chief Financial Officer Matthew Brown presented the monthly financial report for September 30, 2024. Overall, revenue was slightly favorable to budget by approximately 2.7%. Accounts delinquent over 90 days increased by dollar amount and the number of accounts, with the Multi-family category accounting for approximately 54% of these delinquencies. Mr. Brown reviewed the Developer Deposits report that now summarizes deposit balances owing for both over and under 10 years.

Meisha Thomas, Director of Customer Care, presented the results of the FY24 Voice of the Customer Satisfaction Survey administered by Walker Information Systems, a third-

party survey vendor. The survey showed a 76% favorability rating, which was slightly down from 2022. Blueprint 2.0 sets a favorability target of 82% for 2024 and 85% by 2029.

Mr. Brown reviewed the Committee's proposed work plan for 2025, which will include the 2025 Potomac Interceptor Cost of Service Study and the 2025 Cost of Service Study to Establish Miscellaneous Fees and Charges.

*Finance and Budget Committee Report
Reported by Anthony Giancola*

Finance and Budget Committee Chairperson Anthony Giancola reported on the meeting held on October 24.

Mr. Brown discussed the recent TD Bank investigation and settlement over money laundering allegations and noted that bonds issued by TD Bank had been downgraded from an A1+ to A1. Finance is tracking the impact of this downgrade.

Lola Oyeyemi, VP Budget, presented the September 2024 Financial Report, which was the final report for FY24. Based on preliminary numbers, the Authority ended the year with estimated revenues of approximately 2.7% above budget, estimated operating expenditures approximately 2.2% below budget, and capital disbursements approximately 6.1% below budget. These results are consistent with projections.

The year-end delinquent accounts balance was approximately \$33.9 million for 11,832 delinquent accounts. Overtime was over budget by approximately 26%. Mr. Giancola noted that inflation and a change in investment policy resulted in a significant increase in income. He highlighted the performance of the developer deposits team to get down to just over \$26 million in deposits held by the Authority. He also noted the high cost of overtime and advised that the Authority may need to budget more for this item going forward.

Mr. Brown reviewed the Committee's proposed work plan for 2025 and highlighted the 26th consecutive unqualified audit opinion on the financial statements. The Authority maintained its AAA, Aa I and AA+ bond ratings. The FY 2025 operating expenditure budget, 10-year capital program, and 10-year financial plan were completed, and customers were provided lower two-year rates for FY 2025 and FY 2026 compared to previous forecasts. The Customer Assistance Program was expanded with a new payment plan incentive and leak assessment program.

Mr. Brown highlighted the achievement of winning the coveted Triple Crown award from the Government Finance Officers Association for the Authority's audit, budget and annual financial report.

Chris Collier, Vice President, Water Operations, provided a detailed overtime analysis. Mr. Giancola noted that the most significant increase was over the last year and inquired

whether there was a single event that led to this increase. Chief Executive Officer and General Manager David Gadis noted that there had been several boil water issues due to the management of the Washington Aqueduct facility that drastically increased overtime. Mr. Collier informed the Committee that he is working with the Finance team and People and Talent team to create five new full time employees (FTEs) to address the workload and discussed the training pathway for new staff in Operations.

Ms. Bhatt congratulated Mr. Brown on winning the Triple Crown and asked whether the Authority was reimbursed for special events. Mr. Brown stated that the Authority was reimbursed in some cases so long as time was tracked and coded.

*Audit and Risk Committee Report
Reported by Floyd Holt*

Audit and Risk Committee Chairperson Floyd Holt reported on the meeting held on October 24.

Francis Cooper, Director of the Enterprise Program Management Office (EPMO), discussed the transition to the Authority's new internal auditor, Cherry Bekaert. Christian Fuellgraf of Cherry Bekaert introduced his team and provided an overview of Cherry Bekaert and its core services.

Dan Whelan of RSM presented an audit update, noting that all audits had been completed and the transition process with Cherry Bekaert was going very well. Sophie Tomeo with RSM reviewed the Open High-Risk Findings dashboard, which included four items: the Department of Water Operations (DWO) Work Order Management Audit, the Fleet Management Audit, the Genesys ITGC Review, and Internal and External Penetration Testing.

Emily Lowein with RSM reviewed the open high-risk prior audit findings, noting that none were open from before 2023. There were four items in "pending testing" status, and four open audit findings from the FY 2023 audit. Of all prior audit findings from FY 2017 to FY 2023, 94% were closed.

Stephanie McKee with RSM presented a training and recruiting audit update. She reported that the average time to hire for a position was 58.7 days. There were 78 total active vacancies as of June 2024 and the total active headcount was 1,219 employees. There were two moderate risk findings as a result of the audit.

Samantha Bement with RSM presented the Fraud, Waste, and Abuse Hotline update. The call volume was low at just three calls in Q4. All previous calls for the year had been closed out. Of the three new calls, two were related to policy issues and one was a workplace violence issue. None of the new calls were related to fraud, waste, or abuse.

Ms. Bement reviewed the risk assessment survey results and Ms. Tomeo reviewed the nine risk themes identified during the risk assessment and noted some themes were interdependent. Ms. Tomeo also reviewed the results of the Board and DC Leadership survey. There was alignment on the following top three enterprise-wide risks identified by both survey groups: Operational – Reliability (e.g., single source of water, asset failure, aging infrastructure); Financial – Revenue erosion and expenditure increase; and Technological – Cybersecurity

Ms. Tomeo reviewed the FY 2025 audit plan, beginning with those items that were completed as cycle audits. The next planned cycle audit is SCADA penetration Testing.

Emergency Meeting of the Human Resources and Labor Relations Committee Report Reported by Jed Ross

Human Resources and Labor Relations Committee Chair Jed Ross reported on the emergency meeting held on October 31. The Committee reviewed the Master Compensation Agreement and recommended moving the Agreement to the Board for approval.

IV. CEO AND GENERAL MANAGER'S REPORT

In his CEO report, Mr. Gadis provided an update on the leadership transitions the People and Talent Department. Keith Lindsey, Chief of Staff, assumed the role of Interim Chief People Officer while Amber Jackson, Assistant General Counsel, Office of Government & Legal Affairs has accepted the position as Vice President of Employment, Labor, and Compliance.

On October 23, Ward 6 Councilmember Charles Allen, and Chair of the DC Council Committee on Transportation and Environment, joined DC Water staff -- Marc Battle, Barbara Mitchell, William Elledge, and Hamza Masud -- for a tour of the Lead Free replacement activity. The visit provided an opportunity for the DC Water team to discuss the significance of the program. It also helped illustrate challenges from construction, funding, and operational standpoints, and the overall complexity of the project. Councilmember Allen was impressed with the innovative technology used to accelerate the replacement process with minimal disruption of infrastructure. The Lead Free Mandate Bill is expected to be voted on by the full Council by the end of 2024.

Earlier in October, President Joe Biden set a 10-year nation-wide deadline for replacing lead pipes in US cities. To date, more than 7,000 lead service lines have been replaced. The recent memorandum of understanding with the District Department of Transportation will further expedite the process through coordinated permitting efforts.

On October 14, four DC Water employees were deployed to Asheville, North Carolina, to support water and wastewater recovery efforts. The team received appreciation from residents for their assistance.

Board member Anthony Giancola inquired whether DC Water representatives had asked Councilmember Allen about underfunding of the Lead Free DC program. Mr. Gadis noted that the topic was not raised as the current phase for the first 28,000 identified lead services lines, is fully funded. The focus now is on 2030 to 2037 for the remaining additional 14,000 lead service lines.

Mr. Giancola inquired whether the Lead Free Mandate Bill being considered by Council includes a deadline for the Authority. Mr. Gadis stated that this is not the case.

Mr. Giancola inquired about why the fleet priority equipment in service value on Page 9 of the CEO's Report appeared to go from 85% to 63%, but the bottom narrative on fleet justification implies that priority one vehicle availability was 84%. He asked why those numbers appear inconsistent. Mr. Gadis stated he would follow up with more information on this metric.

V. CONSENT ITEMS (JOINT USE)

1. Approval to Award Base Year and Two Option Years of Contract No. 10491, Calcium Hydroxide, W.K. Merriman, Inc. – **Resolution No. 24-77** (Recommended by the Environmental Quality and Operations Committee 10-17-24)
2. Approval to Award Base Year and One Option Year of Contract No. 250030, On Call Structural Rehabilitation, Structural Preservation Systems, LLC – **Resolution No. 24-78** (Recommended by the Environmental Quality and Operations Committee 10-17-24)
3. Adoption of Master Agreement on Compensation between District of Columbia Water and Sewer Authority and the Unions Comprising Compensation Unit 31 (AFGE Locals 631, 872 and 2553; AFSCME Local 2091; and NAGE Local R3-06) – **Resolution No. 24-79** (Recommended by the Human Resources and Labor Relations Committee 10-31-24)

Upon a motion duly made, the Board of Directors voted to approve Joint Use Resolutions 24-77 through 24-79 as presented.

VI. Consent Items (Non-Joint Use)

1. Approval to Execute Change Order No. 002 of Contract No. 220160, Major Sewer Rehabilitation 1-5 Northeast Boundary, Spiniello Companies – **Resolution No. 24-**

80 (Recommended by the Environmental Quality and Operations Committee 10-17-24)

Upon a motion duly made, the Board of Directors voted to approve Joint Use Resolution 24-80 as presented.

VII. ADJOURN

There being no further business to come before the Board, the meeting adjourned at 10:31 a.m.

Michelle Rhodd
Secretary to the Board of Directors



**MINUTES OF THE MEETING
EXECUTIVE COMMITTEE**

NOVEMBER 19, 2024
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Acting Chairperson, District of Columbia
2. Fariba Kassiri, Montgomery County
3. Jared McCarthy, Prince George's County
4. Christopher Herrington, Fairfax County
5. Richard Jackson, Principal, District of Columbia

DC WATER STAFF

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

I. CALL TO ORDER

Acting Chairperson Rachna Bhatt called the Executive Committee meeting to order at 4:03 p.m. via Microsoft Teams. Board Secretary Michelle Rhodd called the roll for attendance.

II. NOMINATE 2025 OFFICERS OF THE BOARD

Acting Chairperson Bhatt initiated the discussion around the Board Officers nomination. Mr. McCarthy confirmed the officers for Prince George's County would be himself as 1st Vice Chairperson and Floyd Holt as the 2nd Vice Chairperson. The Committee agreed to hold off finalizing its recommended slate of Officers for 2025 until January at which time the new Chairperson could potentially be confirmed by DC Council and would become a member and Chairperson of the Executive Committee.

III. 2025 BOARD AND COMMITTEE MEETINGS

The Committee reviewed the schedule of meetings for 2025 and there were no notable conflicts. There was a concern about the July 3rd board meeting due to potential travel

conflicts. Ms. Rhodd agreed to survey the Board well in advance to confirm a quorum for that meeting.

IV. EXECUTIVE SESSION

After a motion and majority vote, the Committee moved into executive session to discuss a legal, confidential, or privileged matter personnel under D.C. Official Code § 2-575(b)(4)(A).

V. ADJOURNMENT

The Committee reconvened in open session and hearing no further business, the meeting adjourned the meeting at 5:03 p.m.

Follow-up:

- **Nomination Confirmation:** Send an official communication to Ms. Rhodd from Prince George's County confirming the nominees of Officers for 2025 (Jared McCarthy)
- **July Meeting Attendance:** Survey the Board well in advance to confirm attendance for the July 3rd board meeting. (Michelle Rhodd)



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
November 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. Andrea Crooms, Alternate, Prince George's County
4. Richard Jackson, Principal, District of Columbia
5. Jonathan Butler, Alternate, Prince George's County
6. Amy Stevens, Alternate, Montgomery County

DC WATER STAFF PRESENT

1. Wayne Griffith, Chief Administration Officer and EVP, Administration
2. Marc Battle, Chief Legal Officer and EVP, Government and Legal Affairs
3. Michelle Rhodd, Secretary to the Board
4. Jeffrey Thompson, Chief Operating Officer and EVP, Operations & Engineering

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

Nicholas Passarelli, Vice President, Wastewater Operations, presented a summary of the performance of the Blue Plains Advanced Wastewater Treatment Plant (BPAWTP) for October. The average flow through to complete treatment was 240 million gallons per day (MGD) for the month, and the peak daily flow was 345 MGD which occurred on October 1st. It was reported that all NPDES permit requirements were met.

Mr. Passarelli discussed the performance of the Anacostia tunnel system and wet weather treatment at BPAWTP. It was noted that precipitation for the month was 1.5-

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inches and the combined wet weather flow captured by the tunnel system was 30 million gallons. There were no flows through Outfall 001 and no overflows from the Tunnel System during the month.

Mr. Passarelli 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 27% of the average consumption at BPAWTP. The CHP Facility generated an average of 7.8 megawatts (MW), of which 6.6 MW was transferred to the Blue Plains grid. The solar system generated an average of 0.65 MW for the month. The average electrical consumption for the month was 27 MW and the total purchased power from PEPCO averaged 20 MW. DC Water saved approximately \$4.5 million cumulatively in FY24 through August due to power generated onsite at BPAWTP (instead of purchasing from PEPCO).

Mr. Passarelli discussed biosolids production and Bloom marketing at BPAWTP. During October, over 14,000 wet tons of biosolids were produced; approximately 3,700 wet tons were sold as Bloom, and the remaining 10,500 wet tons were land applied through existing land application contracts. Progress continues to be made to achieve Bloom marketing goals for FY25. To date, 3,748 tons have been marketed, compared to the goal of 70,000 tons for the fiscal year.

Board member Jonathan Butler enquired what the annual target is for onsite power generation at BPAWTP; Mr. Passarelli confirmed that the target is 20% and that DC Water was currently exceeding the target. It was noted that onsite power generation fluctuates at times in the year due to equipment performance or warmer weather.

Committee member Howard Gibbs thanked DC Water staff for the report on cost savings and emphasized the importance of informing the rate payers of the tremendous savings generated by the CHP facility and solar panels projects at BPAWTP.

II. Lead Free DC Quarterly Update

William Elledge, Director, Engineering & Technical Services, presented the quarterly update for the Lead-Free DC (LFDC) Program. Mr. Elledge discussed some metrics from the program's data dashboards and shared key activities completed on the program in the last quarter.

Two of the program's dashboards were discussed – FY24 Key Performance Indicators (KPIs) and the Overall Program Dashboard. For the FY24 KPIs, it was noted that nine metrics were met. For the overall program performance, the current estimate of Lead Service Lines (LSLs) to be replaced is 41,157 and the program is 21% complete to date.

Mr. Elledge reported that the team achieved the yearly total for LSL replacements for FY24 – 2196 replacements were achieved compared to the 2180 goal. Mr. Elledge added that 544 of the replacements were achieved by the Lead Pipe Replacement Assistance Program; a District funded program targeted at replacing past partial LSLs. Mr. Elledge

reported the FY24 District funding has been spent entirely and the remaining money in the program will be used by January 2025. With the addition of DocuSign, Right of Entry Agreements are now easier for customers to sign. In compliance with the new Lead and Copper Rule Improvements 30,000 notification mailings are going out to homeowners. Mr. Elledge shared an update on the pilot program to find a less intrusive way to identify service line materials. The field-testing phase is complete, and the team are now conducting field verification to identify those materials.

In closing, Mr. Elledge discussed ongoing collaboration efforts with the District Department of Transportation (DDOT). A memorandum of understanding (MOU) for LFDC was signed by DDOT and DC Water, representing a significant milestone for the program. In addition, DC Water has collaborated with DDOT's Pave DC Program to reduce paving costs associated with restoration following LSL replacements. To date, \$140,000 has been saved through collaboration with this program.

Ms. Motsch thanked Mr. Elledge and the LFDC team for their efforts in accomplishing the KPIs for FY24.

III. CIP Quarterly Update

Paul Guttridge, Director of CIP Infrastructure Management and David Parker, Vice President, Engineering presented the quarterly CIP update for the 4th quarter of 2024. The presentation provided was aligned with the information on pages 9 to 32 of the meeting package. Key points from the presentation are summarized below.

Mr. Guttridge presented FY24 Capital Improvement Program (CIP) spending. It was noted that spending for FY24 was 98% of the baseline budget. In reviewing spending by Service Area, it was noted that spending for the Water, Sewer and Lead service areas all met their targets. Spending for the Clean Rivers service area was \$20 million ahead of the target for the year, which offset spending for the Wastewater Treatment area, which underspent for the year. Ryu Suzuki, Director, Department of Wastewater Engineering clarified that underspending for the Wastewater Treatment area was due to the deferral of the Renewable Natural Gas project.

Mr. Guttridge discussed the KPI report, which tracks design starts, construction starts and construction substantial completions for the CIP. Of the 36 KPIs due in FY24, 18 were completed within the 90-day threshold, while 18 were completed outside the threshold. The lower success rate for KPI achievement was due to the change in delivery of CIP projects to collaborative delivery – the missed KPIs were predominantly design start milestones, which will instead be undertaken by Desing Build teams rather than separate design contacts. Mr. Gibbs enquired whether the 18 KPIs completed outside the threshold have been completed. Mr. Guttridge clarified some were completed and others will be completed in FY25. Going forward, it was requested to report which KPIs were completed outside of the threshold and which KPIs are still ongoing.

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Mr. Parker shared some of the accomplishments across the Wastewater, Sewer, and Water services areas in FY24. For the Wastewater area, over 30 planning studies were completed and over 54 task orders were executed under Miscellaneous Facilities Upgrades (MFU) contracts. Notice to Proceed (NTP) was issued for numerous design and construction projects, which are underway. Mr. Parker noted the solicitation for the Floodwall Project and Construction Management at Risk (CMAR) projects at BPAWTP have started. For the Floodwall Project, it was noted that the FEMA grant letter for Phase I of the project was received and 70% of the project will be funded by the grant. It was noted that the contract for the Process Facilities Program Manager was awarded.

Mr. Parker shared accomplishments for the Sewer service area. It was noted that numerous inspections and assessments of local and large sewers were completed. This area has been identified as a high-risk area following the number of failures and imminent failures to these assets over the last couple of years. Numerous reports, studies and design projects were completed. Construction NTP was issued for four projects, and support was provided to numerous ongoing emergency responses highlighted on page 17.

Mr. Parker shared accomplishments for the Water service area which included; completing inspection and condition assessment of linear and vertical assets, preparing concept design reports for 14 water projects, completing the water storage facilities plan and the water pumping station facilities plan, update to the cross-connection control manual, completion of water pumping station operation & maintenance (O&M) manuals and 11 standard operation procedures (SOPs), and review of almost 100 third-party agency design submittals. DC Water also confirmed our participation in 4 DDOT projects.

Mr. Parker discussed the Transition to Collaborative Delivery. In FY2025, there will be approximately \$2 billion of work advertised for design and construction contractors. A large industry outreach event has been planned for December 3, 2024. DC Water has invited the contracting community to come to DC Water to hear more about the work coming up in FY25.

Mr. Parker discussed some of the projects advertised and planned to be advertised across the different service areas. For the Wastewater service area, two portfolios of Construction Manager at Risk (CMAR) projects will be advertised. Projects include Filter Underdrain and Backwash System Upgrades, Miscellaneous Filtration and Disinfection Facility Upgrades, Headworks Electrical Upgrades and Primary Treatment 20-year Upgrades.

For the Water service area, eight projects will be consolidated into a single Progressive Design Build (PDB) contract. Bundling the projects will lessen the administrative burden on DC Water and are intended to attract a larger pool of Contractors.

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For the Sewer service area, the Anacostia Main Interceptor (AMI) and Anacostia Force Main (AFM) are two large sewers parallel to the Anacostia River that will be rehabilitated via PDB Contracts. Other large sewers to be rehabilitated through PDB contracts include the East West Outfall Sewer (EWOS), East West Outfall Relief Sewer (EWORS), North Interconnecting Branch Sewer (NIBS) and South Interconnecting Branch Sewer (SIBS).

Mr. Parker presented a report on the task orders issued under the Master Service Agreement contracts. Mr. Parker discussed the number of approved Contractors, number of Task orders and the value of work executed under each of these MSAs to date.

IV. Clean Rivers Project Status Update

Dr. Moussa Wone, Vice President, DC Clean Rivers Project presented the quarterly update for the DC Clean Rivers Program. Key points from the presentation are summarized below.

Anacostia Area:

- a. The Anacostia Tunnel System continues to perform well. A graph was presented showing system performance since it was placed into service in March 2018. Through September 2024, over 17.6 billion gallons of overflows and over 11,000 tons of trash, debris, and other solids have been captured by the tunnel system. Committee Member Gibbs enquired how DC Water disposes of the trash and debris collected by the tunnel system. Mr. Passarelli clarified that the trash is removed with the other screening material captured at BPAWTP. The wet material (shown on the slide) can dry and is mixed with grit material, which is sent to landfill. The screening material, which tends to be more plastic and trash, is sent to the local incinerator for power generation.
- b. The Northeast Boundary (NEB) Tunnel is the last leg of the Anacostia Tunnel System. The tunnel was placed into operation in September 2023, ahead of the consent decree deadline of March 2025. Currently, site restoration for the project is 99% complete.

Potomac Area:

- a. The Design-Build Contractor for the Potomac River Tunnel (Potomac River Tunnel Contract B) is the CBNA-Halmar Clean Rivers Joint Venture. The Notice to Proceed (NTP) for the tunnel construction was issued in November 2023.
 - i. The Contractor is developing design packages.
 - ii. The Tunnel is planned to be placed in operation by February 2030.
 - iii. The Contractor has mobilized to the main tunnel mining site at West Potomac Park (WPP). The following activities are ongoing:

- Ohio Drive SW was closed on June 17th. Construction of the bypass road (renamed West Potomac Park Drive) is complete and opened to the public on November 18, 2024.
- Construction of the secant piles for the overflow and mining shaft (OMS) and the Near Surface Structure (NSS) is complete. Guidewalls for OMS are also complete.
- Next activities on this site include OMS excavation & blasting, and temporary mining shaft (TMS) secant piles construction.

Rock Creek Area:

a. Piney Branch Tunnel

- i. Piney Branch is the largest CSO discharging to Rock Creek. Piney Branch covers a drainage area of more than 2,300 acres.
- ii. The purpose of the tunnel is to intercept and store CSOs at the outfall of Rock Creek. Flows captured in the tunnel will be discharged into the sewer system (East Rock Creek sewer) for conveyance to BPAWTP by gravity.
- iii. The Environmental Assessment (EA) with the National Park Service (NPS) was released for public comment in October 2024, comments are due in December 2024. If no significant environmental impacts are established, a Finding of No Significant Impact (FONSI) will be signed by NPS and DC Water.
- iv. The Construction Manager at Risk (CMAR) for Piney Branch Tunnel Project was selected.
 - Clark Construction Group was selected as the CMAR, the first project they will undertake on the Clean Rivers program.
 - The notice to proceed (NTP) for Phase I Pre-Construction Services was issued on November 12, 2024. DC Water will be working with the CMAR Contractor to develop early packages.
 - The project's construction phase is expected to start in January 2026 and be finished in 2029. The consent decree deadline to complete the project is November 2029

b. Rock Creek Green Infrastructure (GI) Project C

- i. The project is to manage stormwater from 25 impervious acres with GI to the 1.2 inches retention standard. The project is in the pre-construction phase. Clean Rivers' team is also advancing the design with input from the CMAR. Fort Myer Construction has been awarded the CMAR contract and The NTP for Phase I Pre-Construction Services was issued On September 27, 2024 with Guaranteed Maximum Price negotiations expected to be complete in December 2024.

General:

- a. The Clean Rivers Program continues to engage the public through outreach efforts on all projects.

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

- b. Overall, the Clean Rivers Program is projected to complete \$46.4 million below budget.

Potomac Interceptor:

- a. Dr. Wone gave an overview of the PI Program and discussed some of the project's challenges and highlighted some risks that timely execution of these projects will address. The segment of the sewer between MH18 - MH19 has been identified as a high-priority project, which cannot wait for rehabilitation with the upcoming larger capital project. The CCTV inspection of this segment of the Potomac Interceptor (PI) has been completed, and the design for the repair of 800 Linear Feet (LF) is being finalized. The procurement approach for the delivery of this project is under development, and repair work is planned to be completed from February to March 2025.
- b. Planning for the remaining PI capital projects is ongoing.

V. ACTION ITEMS

Joint Use

1. **Contract No. A55500 – Sewer Program Management – Brown & Caldwell**
2. **Contract No. 10496 – Supply and Delivery of Methanol – Colonial Chemical, Inc**
3. **Contract No. 10497 – Supply and Delivery of Methanol – Mitsubishi International Corp.**
4. **Contract No. 10403 – Small Construction Add Funds – Eastern Contractors Corporation**
5. **Contract No. 20-PR-WWT-45A – High Pressure/High Vacuum Cleaning Services – Jet Blast, Inc.**

Mr. Parker presented Joint Use Action Item 1 and John Pappajohn, Director of Procurement, Goods & Services, presented the remaining Joint Use Items.

For Joint Use Item 1, Mr. Butler noted that the District will be responsible for over 97% of the costs for the \$75 million contract, yet the District-based firms appointed to the contract will be responsible for less than 5% of the value of the contract. Mr. Butler also enquired about efforts to retain more dollars in the district via appointment of District-based firms. Mr. Parker noted that DC Water's Compliance program requires that contractors perform good faith efforts to include disadvantaged and women-owned businesses in all its solicitations. Mr. Parker added that there are concerns about the local business community's capacity to participate in the growing number of projects in the CIP.

Korey Gray, Vice President, Contract Compliance and interim Chief Procurement Officer noted that DC water is committed to ensuring they work with local firms to make them

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

aware of opportunities and prepare them for opportunities in the CIP. DC Water is committed to capacity-building efforts for local companies, through the contractor's college and connecting firms with bonding support and other tools that are helpful to prepare them for future opportunities.

For Joint Use Items 2 and 3, Mr. Pappajohn noted that there was an RFP issued in July 2024. Two vendors responded, Colonial Chemicals and Mitsubishi. After evaluation of the bids and pricing, it is proposed to award 90% to Colonial Chemicals and 10% to Mitsubishi. This proposal is based on their pricing for the chemical and freight charges. It was noted that the chemical category is exempt from the requirements for DBE and WBE inclusion goals.

Mr. Gibbs queried that if the supply of chemicals is exempt from the inclusion goals for DBEs and WBEs, does DC Water look to appoint DBE and WBE suppliers. Mr. Pappajohn clarified that DC Water staff do look for DBE and WBE suppliers for these types of contracts and added that suppliers at the scale required by DC Water are often large manufacturers of chemicals who don't often have DBE and WBE status. Committee Member Gibbs suggested that DC Water consider looking for suppliers who partner with DBE and WBE firms who do shipping, to align with DC Water inclusion goals. Jamal Jones, Manager, Contract Compliance, added that DC Water are looking at ancillary ways to include DBE and WBE companies in these supply-type contracts for chemicals as suggested by Mr. Gibbs.

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

VI. Adjournment

The meeting was adjourned at 10:38am.



CEO's Report

DECEMBER
2024



WE SALUTE OUR VETERANS

Thank you, DC Water team, and our Board members, for your military service to our country, and for your leadership within our community.

ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

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Coat, Toy and Book Drive

Bread for the Soul is a tax-free, all volunteer, organization that provides toys, gift cards and money at Christmas to families living with HIV/Aids.

In lieu of or in addition to donated books and toys, employees may also support the drive by giving gift cards (Giant, Safeway, etc.). Please make checks out to Bread for the Soul. Cash donations also accepted. Bins will be located at COF, CMF, Ames Place, HQO, Bryant Street, O Street Pump Station and Fleet. Last day to donate is **Wednesday, December 18, 2024.**

Volunteers are also needed to deliver donations to families in Washington, DC on **Saturday, December 21, 2024.**

For more info, please contact:

- Lisa Barton x2613
- Chris Collier x3584
- Michelle Flowers x2160
- Kevin Jhingory x3857
- Nakeysha Minor x3611
- Anthony Nelson x2201
- Sercolia Newsome x3827
- Mercedes Pettus x2586
- Dustin Rawls..... x2126
- Jessica Simmons x4007

dc Highlights

Interim Chair Bhatt, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for December 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; Administrative; Customer Experience; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



Saluting our Veterans

On Friday, November 8, I issued a communication to employees on our annual observation of Veteran Day. The U.S. Department of Veteran Affairs set the theme of the 2024 celebration as 'A Legacy of Loyalty and Service.' I reminded our teams that whether through service in an armed conflict, disaster response efforts, or through delivering humanitarian aid, all those who have served in our military branches share a legacy of honor, loyalty, and service.

In service of their country, our veterans demonstrated honor, courage, loyalty, and service, and today, our veterans leverage those character traits on behalf of the Authority and our customers. I could not be more appreciative of the discipline and leadership they provide.

Additionally, to help our employees recognize our veterans, the One Water Council collected pictures of our veterans, which they shared along with their branch of service, across the Authority's plasma screens and screensavers.

DC WATER VETERANS, THANK YOU FOR YOUR SERVICE.

Darrell Aikens

Geoffrey Bagley

Charles Beard

Barry Benecke

Ivelisse Cassas

Christopher Collier

Sabrina Encarnacion

Howard Giles

Bobby Godwin

Erik Hicks

Kirk Johnson

Keith Lindsey

Akeem McFarlane

Ronney McMillian

Francis Peters

Jeffrey Proctor

Dennis Robinson

David Shaffer

Nelson Sims

Byron Smith II

Angelo Sterling

Joshua Tatel

Vincent Thomas

Sean Winn

dc Highlights



Equitable continued

Stars of Water

On Friday, November 8, I was joined by Board members Howard Gibbs, Jed Ross, Christopher Herrington, Fariba Kassiri and more than 600 attendees at the Eighth Annual Stars of Water Employee Recognition Gala.

Once again, Ellen Bryan and Reese Waters, two local broadcasters who also happen to be married, and very popular with Authority employees, served as our emcees for the evening at the MGM National Harbor.

The festivities began with cocktails at 6:00 pm, and the formal program concluded at 7:30 pm. During the program we acknowledged our most tenured employees by celebrating those with up to 55 years of committed service to the Authority and celebrated our merit-based award winners and teams.

I would like to thank **Toymeika Dingle** (Senior Program Manager, Business Analysis / Office of the CEO) and her Stars of Water Committee for delivering another spectacular evening of celebrating the best and brightest of Team Blue.

THE EIGHTH ANNUAL STARS OF WATER EMPLOYEE GALA

EMPLOYEE RECOGNITION, REIMAGINED.

The Eighth Annual Stars of Water Employee Gala will be held on
Friday, November 8, 2024!



ELLEN BRYAN AND REESE WATERS
Emcees

dc Highlights

Sustainable

DC Water Honored with GFOA Triple Crown

During November's Board meeting, Interim Chair Bhatt congratulated our teams on achieving the coveted 'Triple Crown' award from the Government Finance Officers Association (GFOA). To earn the Triple Crown, an organization must have received certifications of excellence in Budget, Financial Reporting, and Popular Financial Reporting.

I would like to echo her admiration for our teams, our efforts, and our results. Earning the Triple Crown requires outstanding performance and enhances our financial profile with rating agencies and investors.

I would also like to recognize the Office of Marketing and Communications for earning the Popular Financial Reporting recognition for the first time, which is a tremendous accomplishment.

Our recognition is a testament to the hard work of our teams, and I would like to thank **Matthew Brown** (Chief Financial Officer and EVP / Finance, Procurement, and Compliance), **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer and EVP / Marketing and Communications) and their respective teams for earning this prestigious recognition.

Battle Featured Panelist at the Association of Corporate Counsel Conference

On Thursday, November 14, **Marc Battle** (Chief Legal Officer and EVP / Government and Legal Affairs) served as a featured panelist in a session entitled 'Forge to Lead: Cultivating and Sustaining High-Performing Teams' at the Association of Corporate Counsel Conference.

Mr. Battle appeared alongside Jan Anne Dubin (CEO and Founder / Jan Anne Dubin Consulting), Jessica Nguyen (Deputy General Counsel, AI Innovation / Docusign), and Tracy LaLonde (Author & Chief Joychiever / Joychiever) as the panelists explored the principles of team building and leadership that are essential to fostering a culture of excellence.

I would like to thank Mr. Battle for representing DC Water in a forum that highlighted the leadership and high-performing teams of the Authority, and our position as an employer of choice within the region.



Resilient

EMAP Onsite Assessment

On Monday, November 4, accreditation assessors joined Authority staff for the kickoff meeting of our 2024 Emergency Management Accreditation Program (EMAP) effort. Throughout the week, these seven assessors were stationed at Bryant Street, and our teams were assessed across 73 emergency management standards.

You may recall that DC Water was the first utility nationwide to receive EMAP certification, which represents another first, and another innovation, from our teams. I would like to thank **Adam Baron** (Program Manager, Hazard Mitigation / Administration) for coordinating our recertification effort and for generating staff attendance for the kickoff.

 **Healthy, Safe and Well**

Lead Free DC Quarterly Webinar Series Launches

I am pleased to announce that on November 14, the Authority launched a new quarterly webinar series for our Lead Free DC program. The webinars are open to the public and will provide updates on LFDC and other useful information on getting lead service lines replaced. We have also arranged for expert speakers on a variety of related topics to engage attendees.

The quarterly update is timely as we are sending more than 30,000 notices to advise customers if their property is suspected of having lead services lines and, if so, the options available to the customer. The letters will be sent by November 15, as part of the continuing outreach required by the U.S. Environmental Protection Agency (EPA). The letters provide information on water service line materials, lead service line replacement programs, the health effects of lead, steps to reduce lead exposure in drinking water, and how to get children tested for lead exposure. I will keep the Board apprised of notable feedback and progress on these outreach initiatives.





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 CEOs Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	July-24	Aug-24	Sept-24	Oct-24
Operating Cash Balance (millions \$)	\$309.6	\$328.1	\$324.3	\$320.5	\$335.7
Delinquent Account Receivables (%)†	3.30%	4.26%	4.34%	4.48%	4.48%
On-time Vendor Payments (%)††	97%	96%	96%	96%	97%
Investment Earnings Data (Thousands \$)	\$9.5	\$9.7	\$10.8	\$12.1	\$1.2
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.4%	4.0%	3.7%	4.2%
Core Investment Yield Data (%) - Actual Monthly Yield †††	3.82%	4.5%	4.2%	4.0%	4.0%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		5.2%	4.9%	4.6%	4.5%
Short Term Investment Yield Data (%) - Actual Monthly Yield †††	4.06%	4.5%	4.0%	4.0%	3.9%
Days of Cash on Hand** and ***	267**	324	347	342	335***

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.

***335 days of cash is made up of 32 days in the Rate Stabilization Fund and 303 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

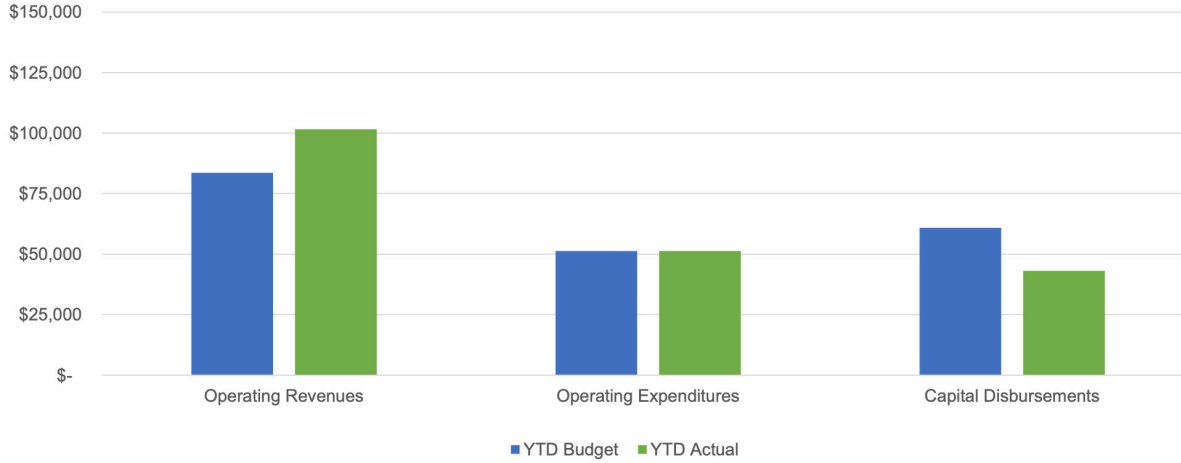
FY 2025 Financial Performance

At this early stage in the fiscal year, DC Water is on track with its budget. As of the end of October 2024, with 8 percent of the fiscal year completed, total operating revenues are \$101.6 million or 11 percent of the budget.

Total operating revenues at the end of October 2024 were 21.6 percent or \$18.0 million above the budget with higher receipts mainly from the Residential, Commercial and Multi-Family customers due to higher consumption than anticipated in the budget. Also, Fairfax and Loudoun counties made \$7.8 million payment for first quarter FY 2025 early in October although these payments were scheduled for November 2024.

Total operating expenditure was \$51.3 million or 6.5 percent and capital disbursements were \$43.1 million or 5.9 percent of the respective budgets.

FY 2025 Year to Date Performance Budget vs. Actuals (\$000's)



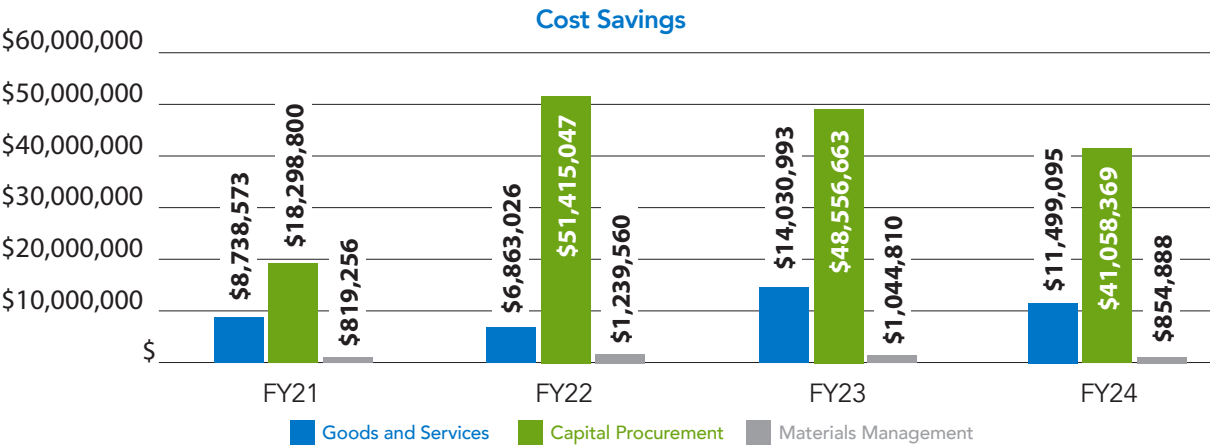
FY 2026 Budget Process

The Finance department continues to work with the various departments and Senior Executive Team to review and prioritize the competing business needs for the upcoming budget cycle. Management will deliver the FY 2026 operating expenditure, ten-year capital program and ten-year financial plan proposals to the Board in January 2025.

Procurement

Cost Savings (negotiated savings and cost avoidance):

The chart shows the cost savings for the beginning of FY 2021 to FY 2024 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 a total savings of \$53,412,352 in FY 2024.



Additional Highlights

- Contract 10073 Layermark - exercised remaining option years - Negotiated to hold mobile application maintenance costs flat in FY25 avoiding a 3 percent increase worth \$19,596.
- Successfully completed FY24 year-end process, including requisitions, change orders and purchase orders. Purchase orders with anticipated year-end invoices were carried forward, marking a smooth and efficient year-end closing.

- continued



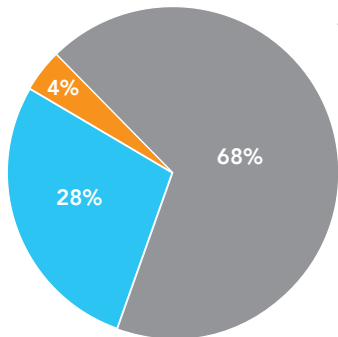
Finance, Procurement, and Compliance

Procurement – continued

- Along with Compliance and Engineering, Procurement hosted a “Collaborative Delivery” workshop for small and mid-size firms. The workshop included an overview of DC Water capital procurement plan going forward, the plans certified business utilization plan (Pathway to Inclusion), and a discussion led by representatives from the Design Building Institute of America (DBIA). Participants were eligible to receive credit towards their DBIA certification. 62 firms attended the event.
- DC Water participated at the DC Quality Initiative Conference hosted at Kellogg Conference Center Hotel on October 9th. Presented to construction, engineering and professional services firms on fiscal year budgets and projected projects.
- Continued our contractor engagement efforts to identify potential prime contractors for DC Water’s capital projects. Targeted outreach efforts focused on the pre-proposal meeting for the Floodwall project. Twenty-six firms participated in the meeting.

Contract Compliance

In October, six different procurement actions were approved. The value of the eligible procurement actions for this period totaled \$135.25 million. Of this total, the planned certified firm participation is \$43.38 million (in prime and subcontracting opportunities).



This pie chart summarizes the certified firm participation:

Certified Firm Participation July 2024 Awards

Participation:

DBE: \$37.89M

WBE: \$5.49M

Non-certified: \$91.87M

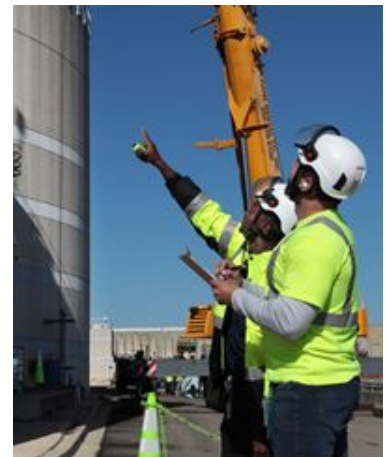
Highlights:

- 30 Certified Disadvantaged/Women Business Enterprises were awarded subcontracts on DC Water projects.
- Three new mentor protégé relationships were established.
- The second cohort of the Apprenticeship Program entered its 3rd year as of October 2024. Three apprentices graduated in October; two from Buildings & Grounds and one from Utility Services.
- DC Water participated at the District of Columbia’s contracting forum hosted at Catholic University on October 29th. Presented to over 1,000 firms on best practices for procurement and contractor engagement. Also, participated in a “lightning round” style Match Making Session. In all, met with 36 firms. As a result of the Match Making Session, follow-up vendor days will be scheduled with the interested firms.
- DC Water submitted procurement and certified business updates to the District’s Greenbook. DC Water updates highlighted the \$155.4M awarded to certified firms in FY ‘23. Also highlighted was the FY ‘25 Goods and services procurement forecast and the approach to “Collaborative Delivery” for the Capital Improvement Plan.

As of this report, DC Water Contractors have filled no new positions in FY 25.

Administration Metrics

Metric	Target	July-24	Aug-24	Sept-24	Oct-24
Security: Camera operational uptime	90%	96%	97%	96%	96%
Security: Smart card readers operational uptime	90%	97%	97%	96%	97%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	76%	77%	84%	97%
Facilities: Service Request Completion Rate	90%	86%	91%	91%	94%
Fleet: Priority One Vehicle Service	50% - 90%	79%	96%	86%	78%
Fleet: Priority Vehicles/Equipment (In-Service)	81%	91%	85%	63%	87%
Safety: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 4.9	1.8	1.7	1.7	2
Safety: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.7	1.6	1.5	1.4	0
Safety: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.5	0.6	0.8	1	0
Safety: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.1	0.3	0.3	0.5	0





New Fiscal Year Assistance Programs: **CAP+ and Leak Assessment and Repair**

Customer Assistance Program Plus (CAP+)

- Program started on October 1 and provides and monthly discount of approximately \$122.
- Provides a discount on the first 600 cubic feet (4500 gallons) of water and sewer services each month.
- Eligible households receive a 75 percent reduction in the monthly CRIAC fee and a waiver of the Water Service Replacement Fee.
- Initial funding is lower than planned due to customer bills being split between two months. November bills will capture program benefits from October 1 to the new bill date.

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)

- Begins in FY25.
- CAP, CAP+, and CAP2 customers with leaks identified through DC Water's High Usage or Consecutive Usage Alerts will be referred to a contracted plumber for leak assessment.
- If leaks are found and funding is available, eligible repairs will be fixed at no cost.
- MOU and contractor awards are being finalized through OGLA and Procurement. Assessments are slated to begin in early December.

Program	FY2024 Enrolled	FY2024 Dollars	Oct Enrolled	Oct Dollars	# FY25 Enrolled	FY2025 Dollars	FY2025 Budget
CAP +	0	\$0	112	\$2,909	112	\$2,909	\$1,700,000
CAP I	4,411	\$2,586,698	115	\$119,831	115	\$119,831	\$3,000,000
CAP II	360	\$160,586	12	\$6,626	12	\$6,626	\$300,000
CAP III	29	\$4,714	23	\$335	23	\$335	\$10,000
Non Profit CRIAC Relief	185	\$997,487	162	\$49,251	162	\$49,251	\$861,679
DC Water Cares Residential (RAP)*	1,660	\$1,105,135					
Low-Income Housing Water Assistance Program*	642	\$283,116					
Homeowners Assistance Fund*	68	\$38,871					

* Please note: These programs ended in FY 2024.



Customer Care

In October, the department worked to achieve and align its metrics so that we can monitor and report data that gives insight into the team's performance. See the change summary below:

Revised Metric: Estimated Bills as a Percent of Meters Read

The department aimed for four percent estimated reads but is still facing challenges that include:

- Meter changes due to CIP Projects.
- DCU uptime and Aclara infrastructure inconsistency.
- Customers that do not make the required private infrastructure repairs.
- Arboretum approvals for tree root removal.
- Other uncontrollable locations.

To address these issues, the department is strategizing solutions and working with our AMI vendor to increase transmission. Meanwhile, the metric has been adjusted from 4.0 percent to 4.5 percent, keeping DC Water below the 5 percent average for water utilities with AMI.

New Metric: Bill Investigation/Dispute Resolution Time (≤ 30 days)

This metric was introduced in response to concerns from the DC Council and customers about prolonged dispute resolution times. In FY24, the team improved the resolution rate to 80 percent. To maintain visibility, this target has been included in the metric report.

Removed Metric: Percent of OPC Inquiries Resolved

(< 14 days)

The department consistently achieved 100 percent on this monthly metric. We are shifting focus on dispute and investigation resolution time.

The department missed the Emergency Dispatch (< 10 minutes) by 12 percent due to one of eight emergency work orders being sent to the dispatcher three minutes late.

The Payment Plan Incentive Program participant and payment distribution:

Adjustment Month	Participants	Adjustments
September 2024	470	\$122,307
October 2024	147	\$36,068
November 2024	129	\$34,498
Total Distribution	746	\$192,873

Key Performance Indicators

Metric	Target/Service Level	Aug 24	Sept 24	Oct 24
% of bills issued on time (w/in 5 days)	97%	97%	98%	98.4%
% unbilled	< 2%	1.1%	1.0%	0.8%
Estimated bills as a percent of meters read	< 4.5%	4.1%	4.3%	4.3%
# of bill investigations (Disputes)	trend only	328	203	167
% Bill Investigations/Dispute Resolution ≤ 30 Days	80%	100%	100%	87%
% of calls answered in 40 Seconds (Call Center)	85%	88%	90%	92%
Monthly call volume served (Call Center)	trend only	11,665	11,050	11,100
Average Wait Time (minutes)	<0:30	:23	:23	:20
Abandon rate	3%	1%	3%	3%
Emergency dispatch ≤ 10 Min (ECC)	> 92%	100%	100%	88%

IT Monthly Report

SR/WO Type	SL Target / SLA	Aug 24	Sept 24	Oct 24
Number of tickets submitted	Trend only	1188	1057	1077
Number of open tickets	Trend only	35	39	68
Helpdesk SLA	96%	98.50%	98.80%	97.70%
Number of active projects	Trend only	9	8	9
Number of completed projects	Trend only	11	12	0
On schedule performance	90%	90.91	90.91	94.74
On budget performance	90%	90.91	90.91	100
% AMI transmission	95%	91.37%	91.18%	91.27%

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	July-24	Aug-24	Sept-24	Oct-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%	24%	22%	24%	27%
Reactive Maintenance , percent of total maintenance hours	<20%	31%	29%	31%	28%
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	98%	98%	96%	96%
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	14944	15009	15019	132
* Inspection of catch basins in the CSO Anacostia tributary area at least twice per year (Jan 1- Dec 31)	11,400	4299	5521	6698	8567
* NPDES Permit to Clean and Inspect 85% of 10,700 CSS Area C/B (Jan 1- Dec 31)	9,095	2513	4300	5843	7560
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	17.5	18.7	11	6.7
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	97%	98%	96%	97%
Number of SSO's	Report	2	2	1	2
SSO's to Body of Water	Report	2	1	0	1
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	2.2	2.4	2.4	0.15
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	1.06	1.14	1.14	0.076
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	July-24	Aug-24	Sept-24	Oct-24
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	13%	16%	16%	21%
Critical Asset Availability	>95%	98%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	23	22	21	22
Approved Hydrant Flow Tests (Non-Winter Months)	>180	141	123	108	117
Fire Hydrant Operational Rate	99%	99.8%	99.7%	99.5%	99.8%
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%	84%	86%	84%	100%
Water Main Breaks	<28/Month	53	23	25	24
Water Main Break Rate /100 Miles (National Average is 25)	25	39.64	39.49	40.56	40.41
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	85%	91%	96%	95%	96%

* 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.

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

In October, the hydrant crew conducted 187 hydrant flow tests. Out of these, 117 tests received approval, while 70 tests were retests due to the need for further investigation and other related activities. To consistently achieve the target of over 180 approved hydrant flow tests each month, additional resources are necessary. This will require a combination of filling existing internal positions and securing external support for the valve and hydrant assessment program.

dc DC Water Capital Improvement Program

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



Over 7,000 LSRs Complete – 243 in October

- As of October 31, 2024, there have been 243 lead service line replacements in FY25, exceeding the planned goal by 12 replacements. The program has now replaced more than 7,200 services since it was launched.
- LFDC replaced 243 LSLs in October which includes 49 replacements completed by the LPRAP Program
- LFG successfully completed field testing of pilot technologies for trenchless pipe material identification. Test pit confirmation of results is underway to complete the evaluation phase of the program.
- Construction packages 18 and 19 were awarded in August and October, respectively. These are the largest by-block packages awarded to date, with a combined estimated 4,400 replacements.
- Construction packages 20 and 21 are being expedited to go out for bid in November, with a combined estimated 3,000 replacements.
- Collaboration with DDOTs Pave DC Program has resulted in \$140,000 in cost reduction to date for the LFDC program.
- LFDC established a new Language Line account to expand our Customer Response and Outreach team's capability to engage people in their preferred language in real-time.



43 properties participated in LFDC's pipe material testing pilot.



LFDC attended the H Street Festival reaching over 500 customers and looked up 53 addresses on our inventory map.

Outreach Activity Summary

Canvassing Progress	
Construction Package	Right of Entry Forms Signed
15	36%
16	52%
18	28%
19	17%

Community Events Attended
Payne Elementary Fall Festival
Kingman Island Friends and Family Day
Imagine a Day Without Water
Road to Lead Free
DDOT Open Streets

ANC Presentations
1D
4C
4E
5D



Current Project Status

- **Northeast Boundary Tunnel (NEBT):** Substantial Completion was reached on October 31, 2024. Punchlist resolution is ongoing.
- **Potomac River Tunnel Contract B – Tunnel System Construction (PRT-B):** West Potomac Park Drive Road opened to the public as of November 18, 2024.
- **Rock Creek Green Infrastructure Project C (RC-C):** Fort Myer Construction Corporation was selected as the CMAR through a Best Value process and has been pursuing the Preconstruction Phase Contract requirements. The proposed GMP from Fort Myer was received on November 15, 2024, and they have received initial review comments from the Clean Rivers' team.
- **Piney Branch Tunnel:** Proposals received and evaluated. Clark Construction has been selected as the CMAR through a Best Value process and has signed the Preconstruction Phase Contract. Legal Sufficiency Memo is complete, and contract Notice to Proceed was issued on November 12, 2024.

People and Talent Metrics

Metric	Target	July-24	Aug-24	Sept-24	Oct-24
Vacancy Rate ¹	6%	10.9%	11.3%	9.6%	9.8%
Temporary Alternative Duty Program (TAD) ²	50% of WC claims eligible for TAD program	79% (27 out of 32)	79.5% (35 of 44)	79.5% (35 of 44)	60% (new FY25)
Self-Identified Veterans (Active) ⁴		28	28	28	28
Female Workforce (Active) ⁵		23.2%	23.0%	22.9%	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.
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.

Terminations

Resignation - Voluntary	4
Retirement - Voluntary	1
Dismissal Involuntary	2
Deceased	1

Absentees (hour)

Annual Leaves	14551
Sick Leave	7351
Total Leaves	21902
Absentee Rate	2.2

Annual Turnover metrics:

Year	2020	2021	2022	2023	YTD2024 (Annualized)
Involuntary	0.58%	1.01%	0.78%	1.97%	1.99%
Voluntary (Resignation, Retirement)	4.08%	4.15%	5.77%	5.55%	6.08%
Other	0.25%	0.55%	0.10%	0.09%	0.31%
Total Turnover Rate	4.92%	5.71%	6.65%	7.61%	8.38%

*AWWA Benchmark: 7% turnover rate.

Government Affairs Highlights

In October, the Government Affairs team invited Councilmember Charles Allen, Chair of the Committee on Transportation and the Environment, to observe a lead service line replacement in Ward 6. This visit underscored Councilmember Allen's commitment to understanding the lead service line removal process and customer outreach efforts firsthand. Engaging with Councilmember Allen and his staff has strengthened our partnership, fostering alignment with legislative priorities and advancing our Lead Free DC objectives. These engagements have been essential in building momentum for our shared mission to promote public health through strategic infrastructure improvements and to support our mandate, which is set for a vote before the end

of the year and this council period. With the Committee's commitment to passing the mandate, Government Affairs has crafted a comprehensive advocacy plan to support this timeline and ensure that DC Water's critical priorities are well-represented.

Follow-up meetings with DC Government officials, including Christopher Rodriguez from the Mayor's Office and Committee staff, focused on refining legislative language and preparing for the pivotal vote. The Committee emphasized several priorities, including a model to prioritize brass line replacements, enhanced customer notification protocols, and potential mandates for unionized contractors.

Legal Affairs Highlights

General Litigation

Includes cases filed by and against DC Water. DGLA tracks all ongoing litigation and provides quarterly updates.*

	4th Quarter FY 2024	FY 2024 YTD
Cases Managed	38	52
New Cases	7	26
Cases Closed	6	21
Amount Demanded of DC Water in Closed Cases	\$10,528,342.63	\$19,975,347.74
Amount Paid by DC Water in Closed Cases	\$15,000.00	\$69,150.00

*This data is current as of 9/30/24.

Revenue Recovery Cases Currently, DGLA is managing 95 open bankruptcy cases and 182 open foreclosure cases, in addition to the receiverships discussed below.

FY 24 Receivership Review*

Active Receiverships Appointed by Court	12 (ongoing)
Payment Plans Established	12 (post filing) 18 (pre filing) 30 total
Stayed Due to Bankruptcy Filing	5
Pending Hearing to Appoint Receivership	4
Paid in Full Before Filing	18 (\$781,837.39)
Paid in Full After Filing	10 (\$528,797.08)

*Receivership data is current as of 9/30/24.

Freedom of Information Act

DGLA manages requests from the public for information as required by the DC Freedom of Information Act (FOIA). FOIA requests received in October 2024 related to project budgets and customer's water consumption.

FOIA Data

Open Requests	31
Requests Opened this Month	2
Requests Closed this Month	6

Other Legal Matters

Type of Legal Matter	# Reviewed/ Processed
Contracts	6
Agreements	8
Easements	2
Subpoenas	0

Internal audit plan FY2024 timeline

This timeline represents the FY 2025 audit plan and the status of each project. The previous Internal Audit team, RSM, performed the FY 2025 risk assessment and developed the internal audit plan. Starting in FY 2025, the new Internal Audit team, Cherry Bekaert, will be executing the FY 2025 internal audit plan, following up on prior audit findings and monitoring the hotline.

	Oct - 24	Nov - 24	Dec - 24	Jan - 25	Feb - 25	Mar - 25	Apr - 25	May - 25	Jun - 25	Jul - 25	Aug - 25	Sept - 25	Oct - 25	Status
•Work Order Management Audit - Facilities														In - Progress
•N Policy Governance Assessment														In - Progress
•Safety Audit														Not Started
•Strategic Plan Monitoring														Not Started
•SCADA Penetration Testing (in-person)														Not Started
•Data Governance and Reporting Assessment														Not Started
•Budget Monitoring Audit														Not Started
•Contract Compliance Audit														Not Started
•Third-party Vendor Management Audit														Not Started
•Cloud Security Audit														Not Started
•FY 2026 Risk Assessment														Not Started
•Ongoing Follow-up Procedures														Ongoing
•Ongoing Hotline Monitoring														Ongoing

Open high risk prior audit findings*

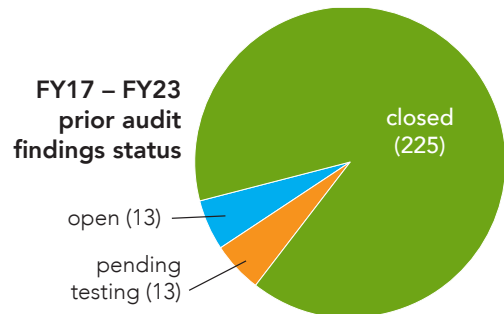
	Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions
1	2023	10/26/2023	Fleet Management Audit	Lack of current policies and procedures	9/1/2024	TBD	1
			<i>Fleet has drafted a RACI and 15 Authority wide Fleet policies. Legal provided commentary on the Fleet policies submitted and as a result the departement has requested an extension to allow time to implement edits identified during Legal's review. The one-month extension will allow for time for these changes to be made and Legal to confirm comfort over the updated policies.</i>				
2	2024	7/18/2024	Internal and External Penetration Testing	Finding Issued in Executive Session	1/31/2025	N/A	0
			<i>Two findings remain open.</i>				

*Note: the audit findings reported represent open findings.

Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Work Order Management Audit - DWO	7/27/2023	1
Fleet Management Audit	10/27/2023	2
P-Card Audit	1/1/2024	3
Training and Recruiting Audit	9/1/2024	2
Genesys ITGC Review	7/18/2024	1
Internal/External Network Penetration Testing	7/18/2024	4
		total 13

At least one original remediation target date has been extended



In total, 90 percent of all prior audit findings from FY17- FY24 are closed. Management's target closure rate is 95 percent.

5 Findings Closed this month:

- 1 FY23 DWO Work Order Management Audit Finding.
- 1 FY23 Fleet Management Audit Finding.
- 1 FY24 DPSO Work Order Management Audit Finding.
- 2 FY24 Contract Compliance Audit Findings

"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 Approved: December 5, 2024

SUBJECT: Approval to Execute the Award of Three Base Years and Two Option Years of Contract No. DCFA #555, Sewer Program Management, Brown and Caldwell

**#24-81
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 December 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award of Three Base Years and Two Option Years of Contract No. DCFA #555, Brown and Caldwell.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of Three Base Years and Two Option Years of Contract No. DCFA #555, Brown and Caldwell. The purpose of this contract is to provide program management, owners agent and construction management services required for planning and executing the Capital Improvement Program (CIP) and non-CIP tasks; and to provide design services, staff augmentation, and technical support to operations in the Sewer Service Area, and to serve as owner’s agent for collaborative project deliver. The total contract value including the two option years is not-to-exceed \$75,000,000.00.

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

ENGINEERING SERVICES:

**Sewer Program Management
(Joint Use)**

Approval to execute an architectural and engineering services contract not to exceed \$75,000,000 for the contract period of three years plus two renewable 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:	SUBS:	PARTICIPATION:
Brown and Caldwell 1725 Duke St Suite 250 Alexandria, VA 22314 <u>Headquarters</u> Walnut Creek, CA 94596	Total DBE Participation Total WBE Participation See Attachment A for list of DBE/WBE participants	30.0% 6.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$75,000,000.00
 Contract Time: 1825 Days (5 Years, 0 Months)
 No. of Option Years in Contract: 2
 Anticipated Contract Start Date: 01-09-2025
 Anticipated Contract Completion Date: 01-08-2030 (Including 2 Option years)

Other firms submitting proposals/qualification statements:

Arcadis*

* Asterisk indicates short listed firms.

Purpose of the Contract:

Provide program management, owners agent and construction management services required for planning and executing the Capital Improvement Program (CIP) and non-CIP tasks; provide design services, staff augmentation, and technical support to operations in the Sewer Service Area and serve as owner's agent for collaborative project delivery.

Contract Scope:

Services will include but not limited to:

- Provide general program management functions
- Assist DC Water in planning and executing all aspects of the Capital Improvement Program projects in the sewer service area
- Provide engineering services including:
 - Design and design review services
 - Technical support for inspection and condition assessment
 - Hydraulic modelling
 - Geographic Information System (GIS) Support
- Serve as Owner's Agent for collaborative delivery projects
- Provide construction management services
- Augment DC Water staff with experienced & qualified technical resources, project managers and construction managers

- Provide technical support and expertise to operational departments pertaining to existing or proposed assets and facilities and provide engineering response during emergencies.
- Other tasks as assigned

PROCUREMENT INFORMATION

Contract Type:	Lump Sum & Cost-Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Design Services	Contract Number:	DCFA 555
Contractor Market:	Open Market		

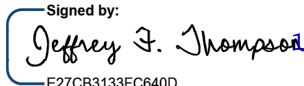
BUDGET INFORMATION

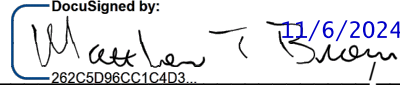
Funding:	Capital	Department:	Engineering and Technical Services
Service Area:	Sanitary, Storm, Combined	Department Head:	Ryu Suzuki
Project:	AU, AV, AT, AV, BO, DN, G5, G7, GY, HT, IE, IN, QH, QS, QT, QU, QZ, RC, RD, RE, RR, W1, WP, XS		

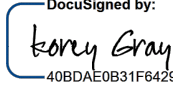
****ESTIMATED USER SHARE INFORMATION**

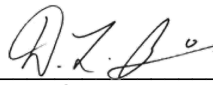
User	Share %	Dollar Amount
District of Columbia	97.67%	\$ 73,253,319.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	2.33%	\$ 1,746,681.00
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 75,000,000.00

** Work under this contract will be assigned as needed under specific work and task plans. It is anticipated that Joint Use work may be assigned during the contract period. As tasks are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed according to agreed cost-sharing.

Signed by:

 E27CB3133FC640D... / 11/6/2024
 Jeffrey F. Thompson Date
 Chief Operating Officer and EVP

DocuSigned by:

 262C5D96CC1C4D3... / 11/6/2024
 Matthew T. Brown Date
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

DocuSigned by:

 40BDAE0B31F6429... / 11/6/2024
 Korey R. Gray Date
 Vice President of Compliance
 and Interim Chief Procurement Officer


 / 11/28/2024
 David L. Gadis Date
 Chief Executive Officer and General Manager

**ENGINEERING SERVICES:
CONTRACT DCFA#550
Sewer Program Management
(Joint Use)**

Attachment A

PRIME	SUBS	DBE/WBE	PARTICIPATION
DCFA-555 Brown and Caldwell	River to Tap, Inc.(R2T) Philadelphia, PA	DBE	6.0%
	CES Consultant, Inc. Alexandria, VA	DBE	5.0%
	DMY Engineering Consultants, Inc. Chantilly, VA	DBE	4.0%
	Wave Civil LLC Alexandria, VA	DBE	4.0%
	DM Enterprises Baltimore, MD	DBE	3.0%
	BVF Engineering, Inc Columbia, MD	DBE	2.0%
	Environ-Civil Engineering, Ltd. Columbia, MD	DBE	2.0%
	InterAgency, Inc. Washington, DC	DBE	2.0%
	AB Consultant Lanham, MD	DBE	1.0%
	Shrewsberry and Associates Indianapolis, IN	DBE	1.0%
	SZ PM Consultants, Inc. Washington, DC	WBE	2.0%
	Robert B. Balter Company Owings Mills, MD	WBE	1.5%
	Dramby Environmental Consulting, Inc. Williamsburg, VA	WBE	1.0%
	V&A Consulting Engineers Columbia, MD	WBE	1.0%
	TFE Resources, Ltd. Owings Mills, MD	WBE	0.5%
	Carollo Engineers Arlington, VA	N/A	23.5%
	HydroDigital, LLC South Bend, IN	N/A	0.5%
Total DBE Participation = 30.0% Total WBE Participation = 6.0%			

Presented and Approved: December 5, 2024

SUBJECT: Approval to Execute a Base Year and Two Option Years of Contract No. 10496, Supply and Delivery of Methanol, Colonial Chemicals, Inc.

**#24-82
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 December 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award of a Base Year and Two Option Years of Contract No. 10496, Colonial Chemicals, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of a Base Year and Two Option Years of Contract No. 10496, Colonial Chemical, Inc. The purpose of this contract is to supply and deliver methanol to DC Water’s Blue Plains Advanced Wastewater Treatment Facility 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 EPA. The total amount of this contract including the two option years is \$24,980,000.00.

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
Supply and Delivery of Methanol
(Joint Use)**

Approval to exercise base year and to approve funding for the base year and all option years (OY1 – OY2) for the supply and delivery of Methanol in the amount of \$24,980,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

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

Base Period Contract Value:	\$8,000,000.00.
Base Period Contract Dates:	1-01-2025 – 12-31-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$16,980,000.00.
Option Year 1-2 Dates:	1-01-2026 – 12-31-2027
Proposals Received:	2

Purpose of the Contract:

The purpose of this contract is to supply and deliver methanol to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. The 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. To ensure supply security for this critical chemical, contracts were awarded to two independent supply chains.

Contract Scope:

During the base year, Blue Plains is anticipated to consume approximately 44,000,000 pounds of methanol. Methanol serves as a carbon source for bacteria in the Nitrification section at Blue Plains, facilitating the reduction of nitrates to nitrogen gas, which is subsequently removed from the water. Given the critical importance of nitrogen removal, it is essential to maintain a consistent and secure supply of methanol.

Supplier Selection:

Approximately every three years, DC Water re-evaluates methanol by issuing a new solicitation and researching suppliers to ensure we continue to have the best value in the market. The RFQ was issued to identify suppliers that can supply DC Water’s methanol requirements. Two companies responded to the RFQ, Colonial and Mitsubishi. After a complete evaluation, DC Water asked both vendors for their unit price, and the final selection is made based on the best and final offer (BAFO). The awarded unit pricing is based on industry indices prices which change monthly plus supplier discounts. The requested base year funding is 20 - 30% less than the previous year due to the higher discounts offered by the suppliers.

The decision on how to split the volume is driven by two factors, the discount from the index and freight charges. Colonial Chemical (10496) offered significant cost advantages and was awarded 90% of DC Water's requirements. The remaining 10% has been allocated to Mitsubishi International (10497).

Compliance DBE/WBE inclusion goals are not required due to the Chemical Category being exempt from the Business Development Plan.

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PROCUREMENT INFORMATION

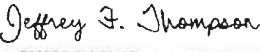
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Chemical	Contract Number:	10496
Contractor Market:	Open Market		

BUDGET INFORMATION

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

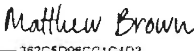
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	43.27%	\$10,808,846.00
Washington Suburban Sanitary Commission	41.18%	\$10,286,764.00
Fairfax County	10.02%	\$2,502,996.00
Loudoun Water	4.81%	\$1,201,538.00
Other (PI)	0.72%	\$179,856.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$24,980,000.00

Signed by:

 Jeffrey F. Thompson Date
 Chief Operating Officer, EVP

DocuSigned by:

 Corey Gray Date
 Vice-President of Compliance and
 Interim Chief Procurement Officer

DocuSigned by:

 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement
 and compliance


 David L. Gadis Date
 CEO and General Manager

Presented and Approved: December 5, 2024

SUBJECT: Approval to Execute a Base Year and Two Option Years of Contract No. 10497, Supply and Delivery of Methanol, Mitsubishi International Corp.

**#24-83
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 December 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award of a Base Year and Two Option Years of Contract No. 10497, Mitsubishi International Corp.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Award of a Base Year and Two Option Years of Contract No. 10497, Mitsubishi International Corp. The purpose of this contract is to supply and deliver methanol to DC Water’s Blue Plains Advanced Wastewater Treatment Facility 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 EPA. The total amount of this contract including the two option years is \$2,520,000.00.

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
Supply and Delivery of Methanol
(Joint Use)**

Approval to exercise base year and to approve funding for the base year and all option years (OY1 – OY2) for the supply and delivery of Methanol in the amount of \$2,520,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Mitsubishi International Corp. 655 Third Avenue New York, NY 10017	N/A	N/A

DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$800,000.00.
Base Period Contract Dates:	1-01-2025 – 12-31-2025
No. of Option Years in Contract:	2
Total Option Year 1-2 Value:	\$1,720,000.00.
Option Year 1-2 Dates:	1-01-2026 – 12-31-2027
Proposals Received:	2

Purpose of the Contract:

The purpose of this contract is to supply and deliver methanol to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. The 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. To ensure supply security for this critical chemical, contracts were awarded to two independent supply chains

Contract Scope:

During the base year, Blue Plains is anticipated to consume approximately 44,000,000 pounds of methanol. Methanol serves as a carbon source for bacteria in the Nitrification section at Blue Plains, facilitating the reduction of nitrates to nitrogen gas, which is subsequently removed from the water. Given the critical importance of nitrogen removal, it is essential to maintain a consistent and secure supply of methanol.

Supplier Selection:

Approximately every three years, DC Water re-evaluates methanol by issuing a new solicitation and researching suppliers to ensure we continue to have the best value in the market. The RFQ was issued to identify suppliers that can supply DC Water’s methanol requirements. Two companies responded to the RFQ, Colonial and Mitsubishi. After a complete evaluation, DC Water asked both vendors for their unit price, and the final selection is made based on the best and final offer (BAFO). The awarded unit pricing is based on industry indices prices which change monthly plus supplier discounts. The requested base year funding is 20 - 30% less than the previous year due to the higher discounts offered by the suppliers.

The decision on how to split the volume is driven by two factors, the discount from the index and freight charges. Colonial Chemical (10496) offered significant cost advantages and was awarded 90% of DC Water's requirements. The remaining 10% has been allocated to Mitsubishi International (10497).

Compliance DBE/WBE inclusion goals are not required due to the Chemical Category being exempt from the Business Development Plan.

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PROCUREMENT INFORMATION

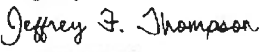
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Chemical	Contract Number:	10497
Contractor Market:	Open Market		

BUDGET INFORMATION

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

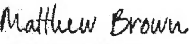
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	43.27%	\$1,090,404.00
Washington Suburban Sanitary Commission	41.18%	\$1,037,736.00
Fairfax County	10.02%	\$252,504.00
Loudoun Water	4.81%	\$121,212.00
Other (PI)	0.72%	\$18,144.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,520,000.00

Signed by:

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 Jeffrey F. Thompson Date
 Chief Operating Officer, EVP

DocuSigned by:

 4B50A20031F8477
 Korey Gray Date
 Vice-President of Compliance and
 Interim Chief Procurement Officer

DocuSigned by:

 262C5D98CC1C403...
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement
 and compliance


 David L. Gadis Date
 CEO and General Manager

Presented and Approved: December 5, 2024

**SUBJECT: Approval to Add Additional Funds to the Base Years of
Contract No. 10403, Small Construction, Eastern
Contractors Corporation**

**#24-84
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 December 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve additional funds for the Base Years of Contract No. 10403, Eastern Contractor Corporation.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funds for the Base Years of Contract No. 10403, Eastern Contractor Corporation. The purpose of this contract is to acquire the services of a qualified general contractor, licensed and bonded in the Washington, DC metropolitan area to provide general construction work. The total amount of funding to be added to the Base Years is \$9,853,000.00.

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 MODIFICATION
SMALL CONSTRUCTION ADD FUNDS
(Joint Use Capital)**

This contract action is to add funds in the amount of \$9,853,000.00 to existing Contract 10403.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Eastern Contractors Corporation 3011 Sutton Gate Dr. Site 250 Suwanee, GA. 30024	SUBS: Aquia 1300 I Street N.W. Washington, DC 20005	PARTICIPATION: DBE - 33%
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DESCRIPTION AND PURPOSE

Base Years Contract Value:	\$3,653,000.00
Base Years Contract Date:	11-01-2023 – 10-31-2025
Option Year 1 – Option Year 3 Value:	\$5,978,851.00
Option Year 1 – Option Year 3 Date:	11-01-2025 – 10-31-2028
Base Years Additional Value:	\$9,853,000.00
Base Years Add Funds Date:	12-01-2024 – 10-31-2025

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 general construction work.

Contract Scope:

DC Water requires the services of a qualified general contractor, licensed and bonded in the Washington, DC metropolitan area to provide general construction work for rough carpentry, finished carpentry, partition installation and removal, roof repairs, dry wall systems, toilet and bath accessories, doors and frames, (wood, plastic, metal, and hollow core), cast and place concrete, HVAC, electrical applications and repairs, demolition as applicable to the project, plumbing upgrades, painting, fall protection, ceiling and floor tiles, site design development documents, scaled site and construction drawings, and project phasing schedule at all of DC Water facilities as needed.

Adding Additional Scope of Work:

This contract modification aims to carry out two projects under the small construction contract.

- **Supply Building 1 Renovation:** This project will extensively renovate Supply Building 1 (SB-1), an old warehouse used for storage, so that the Facilities department offices and trade shops can be centrally located. This will improve efficiency and enhance collaboration within the Facilities department.
- **MPT Electrical Bldg. HVAC System Upgrade:** This project will add a redundant HVAC system to the MPT (Pre-Dewatering) Electrical building.

Spending Previous Year

Cumulative Contract Value:	11-01-2023 to 10-31-2028: \$9,631,851.00
Cumulative Contract Spending:	11-01-2023 to 09-30-2024: \$972,804.00

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.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	Construction	Contract Number:	10403
Contractor Market:	Open Market with DBE participation		

BUDGET INFORMATION

Funding:	Capital	Department:	Facilities
Service Area:	Non-Process Facilities	Department Head:	Brent Christ
Project:	HK, LS		

ESTIMATED USER SHARE INFORMATION

User - Capital	Share %	Dollar Amount
District of Columbia	68.35%	\$6,734,525.50
Washington Suburban Sanitary Commission	24.75%	\$2,438,617.50
Fairfax County	4.53%	\$446,340.90
Loudoun Water	2.01%	\$198,045.30
Other (PI)	0.36%	\$35,470.80
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$9,853,000.00

Signed by: Wayne Griffith / 11/12/2024
 Wayne Griffith
 Chief Administration Officer and EVP

DocuSigned by: Korey Gray / 11/12/2024
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 Korey Gray
 Vice-President of Compliance and Interim Chief Procurement Officer

DocuSigned by: Matthew Brown / 11/12/2024
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 Matthew T. Brown
 CFO and EVP of Finance, Procurement and Compliance

David L. Gadis / 11/28/2024
 David L. Gadis
 CEO and General Manager

Presented and Approved: December 5, 2024

SUBJECT: Approval to Add Additional Funds to Option Year 4 of Contract No. 20-PR-WWT-45A, High Pressure/High Vacuum Cleaning Services, Jet Blast, Inc.

**#24-85
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 December 5, 2024 upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve additional funds to Option Year 4 of Contract No. 20-PR-WWT-45A, Jet Blast, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funds for Option Year 4 of Contract No. 20-PR-WWT-45A, Jet Blast, Inc. The purpose of this contract is to provide high pressure/high vacuum cleaning services to DC Water used to clean and maintain some critical equipment such as anaerobic digesters and influent headworks screens, and other equipment and structures that require vigorous cleaning. The total amount to be added to Option Year 4 is \$1,445,000.00.

This Resolution is effective immediately.

Secretary to the Board of Directors