

Presented and Adopted: March 7, 2024

Subject: Approval of Proposed Fiscal Year 2024 - 2033 Capital Improvement Program

**#24-06
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at its meeting on March 7, 2024 upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2024 - 2033 Capital Improvement Program.

WHEREAS, pursuant to Resolution #10-76, dated July 1, 2010, the Board’s Rate Stabilization Fund Policy requires an annually updated 10-Year Financial Plan, which includes a 10-Year Capital Disbursement Plan; and

WHEREAS, on March 2, 2023, through Resolution #23-14, the Board approved the Proposed Fiscal Year (FY) 2023 - 2032 Capital Improvement Program, which includes the FY 2023 - 2032 Capital Disbursement Plan and related Lifetime Budget; and

WHEREAS, on January 4, 2024, during the FY 2025 Budget Workshop, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance, Procurement & Compliance, and Vice President, Engineering briefed Board members on the FY 2024 - 2033 Capital Improvement Program, which includes the proposed Revised FY 2024 CIP Disbursement Budget of \$514,726,712, the proposed 10-Year Disbursement Plan totaling \$7,743,235,326 and the proposed Lifetime Budget of \$16,082,284,099 and

WHEREAS, on January 18, 2024, the Environmental Quality and Operations Committee reviewed the budget proposals and discussed in detail the budget scenarios, budget drivers, budget assumptions, risks and customer impacts; and

WHEREAS, on January 23, 2024, the Finance & Budget Committee and the DC Retail Water and Sewer Rates Committee, in a joint meeting, reviewed the budget proposals and discussed in detail the budget scenarios, budget drivers, budget assumptions, risks, and customer impacts; and

WHEREAS, on February 15, 2024, the Environmental Quality and Operations Committee, reviewed the budget proposals, and discussed in detail the budget drivers and risks, and recommended that the Board adopt the FY 2024 - 2033 Capital Improvement Program, which includes the proposed Revised FY 2024 CIP Disbursement

Budget of \$514,726,712, proposed 10-Year Capital Disbursement Plan totaling \$7,743,235,326, and related Lifetime Budget, totaling \$16,082,284,099; and

WHEREAS, on February 22, 2024, the Finance & Budget Committee, reviewed the budget proposals and discussed in detail the budget drivers and budget assumptions, and recommended that the Board adopt the FY 2024 - 2033 Capital Improvement Program, which includes the proposed Revised FY 2024 CIP Disbursement Budget of \$514,726,712, proposed 10-Year Capital Disbursement Plan totaling \$7,743,235,326, and related Lifetime Budget, totaling \$16,082,284,099; and

WHEREAS, on February 27, 2024, the DC Retail Water and Sewer Rates Committee reviewed the budget proposals and discussed in detail the budget drivers, assumptions, and customer impacts.

NOW THEREFORE, BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water's FY 2024 - 2033 Capital Improvement Program, which includes the Revised FY 2024 CIP Disbursement Budget of \$514,726,712, Fiscal Year 2024 – 2033 Capital Improvement Program Disbursement Plan totaling \$7,743,235,326, and related Lifetime Budget totaling \$16,082,284,099; provided in Attachment A-1 and as further detailed in the Chief Executive Officer and General Manager's Proposed Fiscal Year 2025 Budget and accompanying materials presented on January 4, 2024.

This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Capital Improvement Program Proposed Budget

Attachment A-1

| | FY 2024 - FY 2033 Disbursement Plan | | | | | | | | | | | Lifetime | |
|--------------------------------------|-------------------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|----------------------|----------------------|----------------------|----------------------|------------------------|-------------------------|--------|
| | Revised Budget | | | | | | | | | | | | Budget |
| | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 | FY 2033 | 10-yr Total | | |
| NON PROCESS FACILITIES | | | | | | | | | | | | | |
| Facility Land Use | \$13,074,148 | \$19,899,722 | \$25,189,941 | \$27,460,830 | \$17,774,560 | \$35,413,360 | \$23,100,090 | \$13,282,590 | \$14,977,360 | \$7,345,430 | \$197,518,032 | \$362,044,066 | |
| | \$13,074,148 | \$19,899,722 | \$25,189,941 | \$27,460,830 | \$17,774,560 | \$35,413,360 | \$23,100,090 | \$13,282,590 | \$14,977,360 | \$7,345,430 | \$197,518,032 | \$362,044,066 | |
| WASTEWATER TREATMENT | | | | | | | | | | | | | |
| Liquid Processing | \$31,048,728 | \$37,484,373 | \$62,214,984 | \$82,863,496 | \$90,298,000 | \$109,684,150 | \$99,566,930 | \$106,730,770 | \$64,331,770 | \$59,904,400 | \$744,127,601 | \$1,383,302,353 | |
| Plantwide | \$21,440,084 | \$35,956,649 | \$43,146,688 | \$49,890,832 | \$43,836,600 | \$45,110,650 | \$27,192,330 | \$18,601,890 | \$3,488,790 | \$3,152,650 | \$291,817,163 | \$542,511,511 | |
| Solids Processing | \$11,166,208 | \$28,652,274 | \$27,041,176 | \$10,790,136 | \$29,141,904 | \$31,597,830 | \$34,274,930 | \$38,154,170 | \$23,316,940 | \$11,608,670 | \$245,744,238 | \$985,127,586 | |
| Enhanced Nitrogen Removal Facilities | \$1,495,382 | \$1,198,170 | \$1,084,272 | \$2,598,760 | \$1,324,256 | \$8,244,470 | \$24,198,440 | \$11,320,200 | \$449,580 | \$0 | \$51,913,531 | \$437,837,932 | |
| | \$65,150,402 | \$103,291,467 | \$133,487,120 | \$146,143,224 | \$164,600,760 | \$194,637,100 | \$185,232,630 | \$174,807,030 | \$91,587,080 | \$74,665,720 | \$1,333,602,533 | \$3,348,779,382 | |
| COMBINED SEWER OVERFLOW | | | | | | | | | | | | | |
| DC Clean Rivers Program | \$118,913,096 | \$204,033,452 | \$220,390,158 | \$212,583,113 | \$189,056,663 | \$147,147,462 | \$77,719,333 | \$0 | \$0 | \$0 | \$1,169,843,276 | \$3,266,221,697 | |
| Combined Sewer Overflow Program | \$4,879,708 | \$9,374,524 | \$10,932,822 | \$4,031,919 | \$4,693,032 | \$7,652,799 | \$14,643,837 | \$4,040,802 | \$0 | \$0 | \$60,249,443 | \$164,526,690 | |
| | \$123,792,803 | \$213,407,976 | \$231,322,980 | \$216,615,032 | \$193,749,695 | \$154,800,261 | \$92,363,170 | \$4,040,802 | \$0 | \$0 | \$1,230,092,719 | \$3,430,748,387 | |
| STORMWATER | | | | | | | | | | | | | |
| Storm Local Drainage Program | \$491,379 | \$3,461,292 | \$2,886,366 | \$430,646 | \$424,035 | \$226,443 | \$264,562 | \$302,681 | \$324,394 | \$302,681 | \$9,114,479 | \$38,639,859 | |
| Storm On-Going Program | \$224,568 | \$574,996 | \$642,534 | \$846,220 | \$1,083,740 | \$1,287,260 | \$935,100 | \$500,000 | \$500,000 | \$500,000 | \$7,094,418 | \$11,553,151 | |
| Storm Pumping Facilities | \$4,847,323 | \$8,068,698 | \$2,692,739 | \$1,050,183 | \$3,024,225 | \$1,754,650 | \$5,497,260 | \$8,490,700 | \$5,507,390 | \$3,747,260 | \$44,680,428 | \$64,226,628 | |
| Stormwater Program Managemet | \$1,287,865 | \$851,352 | \$337,770 | \$0 | \$0 | \$0 | \$0 | \$138,240 | \$439,760 | \$680,880 | \$3,735,867 | \$13,678,204 | |
| Stormwater Trunk/Force Sewers | \$441,724 | \$608,525 | \$1,398,672 | \$1,477,017 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,925,938 | \$28,976,732 | |
| | \$7,292,860 | \$13,564,862 | \$7,958,081 | \$3,804,066 | \$4,532,000 | \$3,268,353 | \$6,696,922 | \$9,431,621 | \$6,771,544 | \$5,230,821 | \$68,551,129 | \$157,074,574 | |
| SANITARY SEWER | | | | | | | | | | | | | |
| Sanitary Collection System | \$6,087,171 | \$26,323,390 | \$36,509,534 | \$26,783,380 | \$35,728,446 | \$108,246,910 | \$82,941,630 | \$61,528,530 | \$113,098,870 | \$95,611,860 | \$592,859,721 | \$774,096,236 | |
| Sanitary On-Going Projects | \$13,397,969 | \$14,489,438 | \$13,643,343 | \$13,383,880 | \$16,037,200 | \$29,818,230 | \$26,474,270 | \$26,465,890 | \$26,963,810 | \$26,176,970 | \$206,851,000 | \$292,096,297 | |
| Sanitary Pumping Facilities | \$3,639,346 | \$7,259,350 | \$9,040,344 | \$5,374,521 | \$9,016,038 | \$18,035,170 | \$20,116,590 | \$20,951,460 | \$32,230,670 | \$27,351,080 | \$153,014,569 | \$236,064,444 | |
| Sanitary Program Management | \$7,495,225 | \$3,382,364 | \$5,193,600 | \$7,889,814 | \$10,130,481 | \$9,192,210 | \$6,269,290 | \$748,620 | \$0 | \$0 | \$50,301,604 | \$171,900,257 | |
| Interceptor/Trunk Force Sewers | \$49,979,621 | \$40,780,436 | \$59,467,004 | \$65,207,396 | \$98,125,320 | \$122,523,184 | \$113,669,300 | \$118,076,130 | \$97,018,750 | \$87,705,880 | \$852,553,020 | \$1,423,347,320 | |
| | \$80,599,332 | \$92,234,977 | \$123,853,825 | \$118,638,991 | \$169,037,485 | \$287,815,704 | \$249,471,080 | \$227,770,630 | \$269,312,100 | \$236,845,790 | \$1,855,579,913 | \$2,897,504,554 | |
| WATER | | | | | | | | | | | | | |
| Water Distribution Systems | \$59,596,455 | \$99,259,710 | \$117,420,426 | \$96,830,370 | \$106,484,688 | \$113,946,380 | \$130,215,120 | \$133,780,750 | \$141,443,600 | \$152,827,460 | \$1,151,804,959 | 2,152,848,712 | |
| Lead Free DC Program | \$62,338,564 | \$83,332,632 | \$93,925,392 | \$98,920,812 | \$99,443,200 | \$101,674,367 | \$104,866,870 | \$42,753,261 | \$22,166,058 | \$22,166,058 | \$731,587,214 | \$1,827,131,910 | |
| Water On-Going Projects | \$14,106,682 | \$15,339,404 | \$15,041,104 | \$16,157,640 | \$15,132,392 | \$20,691,000 | \$21,601,000 | \$20,878,810 | \$22,622,770 | \$20,403,590 | \$181,974,392 | \$280,813,438 | |
| Water Pumping Facilities | \$6,276,940 | \$8,130,624 | \$8,562,160 | \$6,142,860 | \$7,451,730 | \$5,688,940 | \$3,625,010 | \$1,785,530 | \$0 | \$0 | \$47,663,793 | \$84,432,273 | |
| Water Storage Facilities | \$7,461,655 | \$5,812,826 | \$7,836,632 | \$21,093,345 | \$31,911,237 | \$26,562,030 | \$18,875,870 | \$8,037,130 | \$33,647,710 | \$32,582,080 | \$193,820,515 | \$306,733,553 | |
| Water Service Program Management | \$8,955,788 | \$10,618,571 | \$9,608,800 | \$11,132,559 | \$5,833,053 | \$28,750 | \$0 | \$0 | \$0 | \$0 | \$46,177,521 | \$86,144,167 | |
| | \$158,736,084 | \$222,493,766 | \$252,394,514 | \$250,277,586 | \$266,256,300 | \$268,591,467 | \$279,183,870 | \$207,235,481 | \$219,880,138 | \$227,979,188 | \$2,353,028,393 | \$4,738,104,052 | |
| CAPITAL PROJECTS | \$448,645,630 | \$664,892,769 | \$774,206,461 | \$762,939,728 | \$815,950,800 | \$944,526,245 | \$836,047,763 | \$636,568,154 | \$602,528,222 | \$552,066,949 | \$7,038,372,719 | \$14,934,255,015 | |
| CAPITAL EQUIPMENT | \$30,535,042 | \$31,476,501 | \$31,839,005 | \$30,523,141 | \$37,169,413 | \$37,169,413 | \$37,169,413 | \$37,169,413 | \$37,169,413 | \$37,169,413 | \$347,390,167 | \$347,390,167 | |
| WASHINGTON AQUEDUCT | \$35,546,040 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$35,769,600 | \$357,472,440 | \$357,472,440 | |
| ADDITIONAL CAPITAL PROJECTS | \$66,081,082 | \$67,246,101 | \$67,608,605 | \$66,292,741 | \$72,939,013 | \$72,939,013 | \$72,939,013 | \$72,939,013 | \$72,939,013 | \$72,939,013 | \$704,862,607 | \$704,862,607 | |
| LABOR | | | | | | | | | | | | \$443,166,477 | |
| TOTAL CAPITAL BUDGETS | \$514,726,712 | \$732,138,870 | \$841,815,066 | \$829,232,469 | \$888,889,813 | \$1,017,465,258 | \$908,986,776 | \$709,507,167 | \$675,467,235 | \$625,005,962 | \$7,743,235,326 | 16,082,284,099 | |

Presented and Adopted: March 7, 2024
Subject: Approval to Amend Fiscal Year 2024 Operating Budget

#24-07
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at the Board meeting on March 7, 2024, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Amended Fiscal Year 2024 Operating Budget.

WHEREAS, on March 2, 2023, through Resolution #23-13, the Board approved DC Water’s Fiscal Year 2024 Operating Budget that totaled \$737,566,811; and

WHEREAS, during the Fiscal Year 2025 Budget Workshop on January 4, 2024, the Chief Executive Officer and General Manager and Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance briefed Board members on the proposed amendment of DC Water’s Fiscal Year 2024 Operating Budget to reallocate \$10,318,201 from debt services to Cash Financed Capital Improvements (CFCI) and maintain the Approved Fiscal Year 2024 Operating Budget at \$737,566,811; and

WHEREAS, on January 23, 2024, the Finance and Budget Committee in a joint session with the Retail and Rates Committee, during which management presented proposed amendment of DC Water’s FY 2024 Operating Budget, to reallocate \$10,318,201 from debt service, due to a planned debt that was not issued in FY 2023, coupled with the release of the 1998 debt service reserves, to CFCI for PAYGO to reduce future borrowing costs and maintain the Approved Fiscal Year 2024 Operating Budget at \$737,566,811; and

WHEREAS, on February 22, 2024, the Finance and Budget Committee was further briefed on the proposed amendment of DC Water’s FY 2024 Operating Budget, to reallocate \$10,318,201 from debt service due to a planned debt that was not issued in FY 2023, coupled with the release of the 1998 debt service reserves, to CFCI for PAYGO to reduce future borrowing costs and maintain the Approved Fiscal Year 2024 Operating Budget at \$737,566,811; and

WHEREAS, on February 22, 2024, the Finance and Budget Committee after further consideration and discussion, recommended Board approval of the proposed amendment of DC Water’s FY 2024 Operating Budget as presented by management.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts the amendment of DC Water's Fiscal Year 2024 Operating Budget to reallocate \$10,318,201 from debt service to the Cash Financed Capital Improvements Fund for PAYGO to reduce future borrowing costs and maintain the Approved Fiscal Year 2024 Operating Budget at \$737,566,811.

This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Presented and Adopted: March 7, 2024
Subject: Approval to Amend Fiscal Year 2024 Revenue Budget

#24-08
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at the Board meeting on March 7, 2024, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Amended Fiscal Year 2024 Revenue Budget.

WHEREAS, on March 2, 2023, through Resolution #23-15, the Board approved the Fiscal Year 2023-2032 Ten Year Financial Plan, which included the Fiscal Year 2024 Revenue Budget (Operating Receipts) of \$878,515,674; and

WHEREAS, on January 23, 2024, the Finance & Budget Committee and Retail Water and Sewer Rate Committee met to consider revisions to the Fiscal Year 2024 year-end forecasts for revenue, operating expenditure, capital disbursements and net cash position and their impact on the projected Fiscal Year Revenue Budget; and.

WHEREAS, the General Manager proposed revising the Fiscal Year 2024 Revenue Budget (as shown below) for approval by the Board due to increases in Retail Revenue based on projected higher consumption, decreases in Other Revenue, and the transfer of \$2 Million from the Rate Stabilization Fund to the Authority General Fund for the new proposed Payment Plan Incentive Program as reflected in the Financial Plan for FY 2024-2033.

| | Approved FY 2024 Revenue Budget | Revised FY 2024 Revenue Budget | Increase/ Decrease |
|-----------------------------|--|---|-------------------------------|
| Retail Revenue | \$ 694,880,846 | \$ 705,362,252 | \$ 10,481,406 |
| Wholesale Revenue | \$ 106,519,069 | \$ 106,519,069 | \$ - |
| Other Revenue | \$ 77,114,759 | \$ 76,678,473 | \$ (436,286) |
| Rate Stabilization Fund | \$ - | \$ 2,000,000 | \$ 2,000,000 |
| Total Revenue Budget | \$ 878,514,674 | \$ 890,559,794 | \$ 12,045,120 |

WHEREAS, on February 22, 2024, the Finance & Budget Committee met to consider the final proposal to amend the Fiscal Year 2024 year-end forecasts and recommended the Board approve the amendments to the Fiscal Year 2024 Revenue Budget to \$890,559,794.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby approves and adopts the amended FY 2024 Revenue Budget to increase it to \$890,559,794 as presented in the Fiscal Year 2023-2032 Ten Year Financial Plan.
2. This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Presented and Adopted: March 7, 2024
Subject: Approval of Proposed Fiscal Year 2025 Operating Budget

#24-09
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at the Board meeting on March 7, 2024, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Proposed Fiscal Year 2025 Operating Budget.

WHEREAS, during the Fiscal Year 2025 Budget Workshop on January 4, 2024, the Chief Executive Officer and General Manager, Chief Financial Officer and Executive Vice President, Finance, Procurement and Compliance, and members of the Senior Executive Team (SET) briefed Board members on the Proposed Fiscal Year 2025 Operating Budget that totaled \$788,241,048; and

WHEREAS, on January 23, 2024, the Finance and Budget Committee in a joint session with the DC Retail Water and Sewer Rates Committee met to review the Proposed Fiscal Year 2025 Operating Budget and discussed in detail, the alternative budget and rate scenarios, budget drivers, budget assumptions, risks and customer impacts; and

WHEREAS, on February 22, 2024, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks and customer impact, and recommended the Board adopt the Proposed Fiscal Year 2025 Operating Budget that totals \$788,241,048, including \$15,000 for representation and \$15,000 for official meetings.

NOW THEREFORE BE IT RESOLVED THAT:

The Board hereby approves and adopts DC Water’s Proposed Fiscal Year 2025 Operating Budget totaling \$788,241,048, including \$15,000 for representation and \$15,000 for official meetings, and as further detailed in the Proposed Fiscal Year 2025 Operating Budget presented on January 4, 2024 and accompanying materials.

This resolution is effective immediately.

Michelle Rhodd
Secretary to the Board of Directors

Presented and Adopted: March 7, 2024

SUBJECT: Approval of Fiscal Year 2024-2033 Ten-Year Financial Plan

**#24-10
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on March 7, 2024, upon consideration of a joint-use matter decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to the Fiscal Year 2024-2033 Ten Year Financial Plan.

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, the Board, in Resolutions 11-10, dated January 6, 2011 and 23-58, dated October 5, 2023 (Board Policies), adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with the Board Policies and management financial targets, the General Manager has prepared a ten-year financial plan in conjunction with and based on the assumptions in the proposed FY 2025 Operating and Capital Budgets; and

WHEREAS, the proposed Fiscal Year 2024-2033 Ten Year Financial Plan is consistent with projections in the attached Schedules A, B and C of this Resolution; and

WHEREAS, on February 22, 2024, and February 27, 2024, the Finance and Budget Committee and the DC Retail Water and Sewer Rates Committee, respectively, met, reviewed and recommended the Board adopt the Fiscal Year 2024-2033 Ten Year Financial Plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the proposed Fiscal Year 2024-2033 Ten Year Financial Plan that is consistent with the projections in the attached Schedule A, B and C and the proposed Fiscal Year 2025 Operating and Capital Budgets.

This resolution is effective immediately.

Michelle Rhodd
Secretary to the Board of Directors

**District of Columbia Water & Sewer Authority
FY 2024 – FY 2033 Financial Plan**

| OPERATING | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 | FY 2033 |
|---|-------------------|-------------------|-------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <i>Retail</i> | 728,792 | 755,456 | 799,250 | 854,603 | 911,660 | 980,556 | 1,043,786 | 1,090,013 | 1,154,059 | 1,204,514 |
| <i>Wholesale</i> | 106,519 | 114,248 | 120,905 | 125,741 | 130,771 | 136,001 | 141,441 | 147,099 | 152,983 | 159,102 |
| <i>Other</i> | 53,249 | 54,557 | 57,301 | 62,364 | 67,922 | 70,592 | 69,584 | 70,092 | 65,216 | 64,505 |
| <i>RSF</i> | 2,000 | 2,000 | - | - | - | - | - | - | - | - |
| Operating Receipts ⁽¹⁾ | \$ 890,560 | \$ 926,261 | \$ 977,455 | \$ 1,042,708 | \$ 1,110,352 | \$ 1,187,149 | \$ 1,254,812 | \$ 1,307,204 | \$ 1,372,258 | \$ 1,428,121 |
| Operating Expenses | 425,383 | 444,207 | 464,947 | 482,959 | 501,685 | 521,151 | 541,388 | 562,427 | 584,299 | 607,038 |
| Debt Service | 221,635 | 249,495 | 277,000 | 307,289 | 340,180 | 372,492 | 402,816 | 425,524 | 446,587 | 462,941 |
| Cash Financed Capital Improvement | \$ 58,575 | \$ 60,436 | \$ 71,932 | \$ 76,914 | \$ 82,049 | \$ 88,250 | \$ 93,941 | \$ 98,101 | \$ 103,865 | \$ 108,406 |
| Net Revenues After Debt Service | \$ 184,967 | \$ 172,123 | \$ 163,576 | \$ 175,546 | \$ 186,439 | \$ 205,256 | \$ 216,667 | \$ 221,152 | \$ 237,507 | \$ 249,736 |
| Operating Reserve-Beg Balance | 286,889 | 296,600 | 309,600 | 324,600 | 337,600 | 351,600 | 365,600 | 380,600 | 395,600 | 411,600 |
| Other Misc (Disbursements)/Receipts | | | | | | | | | | |
| Wholesale/Federal True Up | (15,256) | (21,513) | (15,100) | - | - | - | - | - | - | - |
| Project Billing Refunds | (2,000) | (2,000) | - | - | - | - | - | - | - | - |
| Transfers to RSF | | | | | | | | | | |
| Pay-Go Financing | (158,000) | (135,609) | (133,476) | (162,546) | (172,439) | (191,256) | (201,667) | (206,152) | (221,507) | (233,736) |
| Operating Reserve - Ending Balance | \$ 296,600 | \$ 309,600 | \$ 324,600 | \$ 337,600 | \$ 351,600 | \$ 365,600 | \$ 380,600 | \$ 395,600 | \$ 411,600 | \$ 427,600 |
| Rate Stabilization Fund Balance RSF ⁽²⁾ | \$ 33,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 | \$ 31,644 |
| Senior Debt Service Coverage | 818% | 753% | 651% | 607% | 635% | 628% | 589% | 616% | 591% | 579% |
| Combined Debt Service Coverage | 213% | 193% | 188% | 190% | 186% | 186% | 183% | 181% | 182% | 183% |
| Actual/Projected Water/Sewer Rate Increases | 3.25% | 8.00% | 6.00% | 8.00% | 9.00% | 9.00% | 8.50% | 9.00% | 8.50% | 6.50% |
| Operating Receipts \$ Increase/Decrease | | | | | | | | | | |
| Retail | 26,565 | 26,664 | 43,794 | 55,353 | 57,057 | 68,896 | 63,230 | 46,227 | 64,047 | 50,455 |
| Wholesale | 1,269 | 7,729 | 6,657 | 4,836 | 5,030 | 5,231 | 5,440 | 5,658 | 5,884 | 6,119 |
| Operating Receipts % Increase/Decrease | | | | | | | | | | |
| Retail | 3.8% | 3.7% | 5.8% | 6.9% | 6.7% | 7.6% | 6.4% | 4.4% | 5.9% | 4.4% |
| Wholesale | 1.2% | 7.3% | 5.8% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |

⁽¹⁾ Includes interest earnings on senior lien revenue bonds' debt service reserve fund

⁽²⁾ \$2.0 million withdrawal from Rate Stabilization Fund in FY 2024 for new Payment Plan Incentive Program, leaving a balance of \$33.644 million

⁽²⁾ FY 2025 planned transfer of \$0.0 million to Rate Stabilization Fund and \$2.0 million utilization will keep the total fund balance at \$31.644 million.

**District of Columbia Water & Sewer Authority
Average Residential Customer Month
FY 2024 - 2033**

| | Units | FY 2023 | Current FY 2024 | Proposed FY 2025 | Proposed FY 2026 | FY 2027 | FY 2028 |
|--|-------|------------------|--------------------|---------------------|---------------------|------------------|-----------------|
| DC Water Water and Sewer Retail Rates ⁽¹⁾ | Ccf | 86.07 | \$ 89.03 | \$ 95.93 | \$ 101.77 | \$ 109.90 | \$ 119.8 |
| DC Water Clean Rivers IAC ⁽²⁾ | ERU | 18.14 | 21.86 | 21.23 | 24.23 | 26.99 | 28.2 |
| DC Water Customer Metering Fee | 5/8" | 7.75 | 7.75 | 7.75 | 7.75 | 7.75 | 7.7 |
| DC Water Water System Replacement Fee ⁽⁴⁾ | 5/8" | 6.30 | 6.30 | 6.30 | 6.30 | 6.30 | 6.3 |
| Subtotal DC Water Rates & Charges | | \$ 118.26 | \$ 124.94 | \$ 131.21 | \$ 140.05 | \$ 150.94 | \$ 162.1 |
| Increase / Decrease | | \$ 6.89 | \$ 6.68 | \$ 6.27 | \$ 8.84 | \$ 10.89 | \$ 11.1 |
| Percent Increase in DC Water Portion of Bill | | 6.2% | 5.6% | 5.0% | 6.7% | 7.8% | 7.4 |
| District of Columbia PILOT Fee ⁽¹⁾ | Ccf | 3.20 | 3.31 | 3.31 | 3.36 | 3.41 | 3.4 |
| District of Columbia Right-of-Way Fee ⁽¹⁾ | Ccf | 1.03 | 1.03 | 1.03 | 1.08 | 1.08 | 1.0 |
| District of Columbia Stormwater Fee ⁽³⁾ | ERU | 2.67 | 2.67 | 2.67 | 2.67 | 2.67 | 2.6 |
| Subtotal District of Columbia Charges | | \$ 6.90 | \$ 7.01 | \$ 7.01 | \$ 7.11 | \$ 7.16 | \$ 7.2 |

District of Columbia Water & Sewer Authority
Retail Rates, Charges and Fees
FY 2025 - FY 2026

| | | Current | Proposed | Proposed |
|---------------------------------------|--------------|----------------|-----------------|-----------------|
| | Units | FY 2024 | FY 2025 | FY 2026 |
| DC Water Retail Rates – Water: | | | | |
| Residential – Lifeline (0- 4 Ccf) | Ccf | \$4.38 | \$5.21 | \$5.78 |
| Residential – (> 4 Ccf) | Ccf | 5.70 | 6.81 | 7.60 |
| Multi-family | Ccf | 5.00 | 5.82 | 6.47 |
| Non-Residential | Ccf | 5.89 | 7.03 | 7.84 |
| DC Water Retail Rates – Sewer | Ccf | 11.70 | 12.07 | 12.52 |
| DC Water Clean Rivers IAC | ERU | 21.86 | 21.23 | 24.23 |
| DC Water Customer Metering Fee | 5/8” | 7.75 | 7.75 | 7.75 |
| DC Water System Replacement Fee | 5/8” | 6.30 | 6.30 | 6.30 |
| District of Columbia PILOT Fee | Ccf | 0.61 | 0.61 | 0.62 |
| District of Columbia Right of Way Fee | Ccf | 0.19 | 0.19 | 0.20 |
| District of Columbia Stormwater Fee | ERU | 2.67 | 2.67 | 2.67 |

Presented and Adopted: March 7, 2024

SUBJECT: Approval of Official Intent to Reimburse Fiscal Years 2024 and 2025 Capital Expenditures with Proceeds of a Borrowing

**#24-11
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at the Board meeting held on March 7, 2024, upon consideration of a joint-use matter, decided by a vote of ten (10) in favor and none (0) opposed, to take the following action with respect to Approval of Official Intent to Reimburse Fiscal Year 2024 and 2025 Capital Expenditures with Proceeds of a Borrowing.

WHEREAS, on February 22, 2024, the Finance and Budget Committee met to consider the proposed Original Intent to reimburse FY 2024 and FY 2024 capital expenditures from proceeds of a borrowing; and

WHEREAS, DC Water intends to acquire, construct and equip improvements to the “System,” which shall be considered “Costs of the System” as both terms are defined in the Master Indenture of Trust between DC Water and Wells Fargo Bank, N.A., dated April 1, 1998, including, but not limited to the items and List of Projects set forth in Exhibit A hereto (collectively, the “Projects”); and

WHEREAS, DC Water intends to utilize the proceeds of tax-exempt bonds, taxable bonds or notes (the “bonds”) or other debt in an amount not currently expected to exceed \$325,000,000 to pay the costs of capital projects; and

WHEREAS, DC Water’s plans for the Projects have advanced and DC Water expects to advance its own funds to pay capital expenditures related to the Projects (“Expenditures”) prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or notes or taxable debt, or both; and

WHEREAS, on February 22, 2024, the Finance and Budget Committee further reviewed the Projects and intended expenditures and recommended the Board adopt and approve the proposed Official Intent.

NOW THEREFORE BE IT RESOLVED THAT:

1. DC Water utilizes the proceeds of tax-exempt bonds, taxable bonds or notes (the "Bonds") or other debt in an amount not currently expected to exceed \$325,000,000 to pay costs of the Projects.
2. The Board approves the General Manager's "Official Intent" to use the proceeds of the Bonds to reimburse Expenditures with respect to the Projects made on or after the date that is 60 days prior to the date of this Resolution. DC Water reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds or other debt.
3. Each Expenditure was or will be, unless otherwise supported by the opinion of bond counsel, either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of DC Water so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of DC Water.
4. The Board authorizes the General Manager to make a reimbursement allocation, which is a written allocation by DC Water that evidences DC Water's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. DC Water recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain de minimis amounts, expenditures by "small issuers" and expenditures for any construction, the completion of which is expected to require at least five years.
5. The Board adopts this resolution confirming the DC Water's "Official Intent" within the meaning of Treasury Regulations 26 CFR § 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.
6. This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Exhibit A - List of Projects

Blue Plains Plantwide Projects
Blue Plains Enhanced Nitrogen Removal Facilities
Blue Plains Liquid and Solids Processing Projects
Sanitary Sewer System Projects
Combined Sewer System Projects
DC Clean Rivers Project
Stormwater Sewer System Projects
Water Pumping, Distribution and Storage Projects
Metering and Capital Equipment
Washington Aqueduct Projects

Presented and Adopted: March 7, 2024

SUBJECT: Approval of Transfers from the Rate Stabilization Fund to the Authority General Fund in FY2024 and FY2025 Operating Budgets

**#24-12
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on March 7, 2024, upon consideration of a joint-use matter decided by a vote of vote of ten (10) in favor and none (0) opposed, to take the following action with respect to transfers from the Rate Stabilization Fund to the Authority General Fund in FY2024 and FY2025 Operating Budgets.

WHEREAS, the Board, through Resolutions #11-10, dated January 6, 2011, and #23-58, dated October 5, 2023, adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, the Board, through Resolution #23-61, dated October 5, 2023, adopted and approved the Revised Rate Stabilization Fund Policy; and

WHEREAS, on January 23, 2024, the Finance and Budget Committee in a joint session with the DC Retail Water and Sewer Rates Committee met to review the Proposed Fiscal Year 2025 Operating Budget and discussed in detail, the alternative budget and rate scenarios, and Customer Assistance Programs, including the new Payment Plan Incentive Program; and

WHEREAS, the General Manager presented the proposal to transfer \$2 Million from the Rate Stabilization Fund in FY 2024 and FY 2024 to fund the new Payment Plan Incentive Program, which will assist residential customers with a balance of \$500 for 60 days or more would receive credits to pay their outstanding arrears by providing credit calculated based on 40% of the monthly payment of monthly charges and payment plan installment payment; and

WHEREAS, on February 22, 2024, the Finance and Budget Committee further reviewed the budget proposals and discussed in detail the budget drivers, strategic budget decisions, budget assumptions, risks and customer impact, and proposed funding to support the new Payment Plan Incentive Program that would begin on June 1, 2024 and will end on September 30, 2025 as presented below; and

The details of transfers from Rate Stabilization Fund for FY 2024 and FY 2025 are listed below:

RSF Transfer in FY 2024:

| | |
|--|---------------------|
| FY 2023 Rate Stabilization Fund Balance | \$35,643,912 |
| RSF Transfer to FY 2024 Authority General Fund | <u>\$ 2,000,000</u> |
| FY 2024 Rate Stabilization Fund Balance | \$33,643,912 |

RSF Transfer in FY 2025:

| | |
|--|---------------------|
| FY 2024 Rate Stabilization Fund Balance | \$33,643,912 |
| RSF Transfer to FY 2025 Authority General Fund | <u>\$ 2,000,000</u> |
| FY 2025 Rate Stabilization Fund Balance | \$31,643,912 |

WHEREAS, the Finance and Budget Committee considered the General Manager's proposed new Payment Plan Incentive Program and recommended for Board approval to transfer \$2 million from Rate Stabilization Fund to the Authority General Fund in FY 2024 and FY 2025 for new Payment Plan Incentive Program, leaving a balance in the Rate Stabilization Fund of \$33,643,912 in FY 2024 and \$31,643,912 in FY 2025, as presented in the Fiscal Year 2024-2033 Ten Year Financial Plan; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby approves and adopts the proposed transfer of \$2 Million from the Rate Stabilization Fund to the Authority General Fund in FY 2024 and FY 2025 Operating Budgets for the new Payment Plan Incentive Program that begins on June 1, 2024 and will end on September 30, 2025.
2. This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Presented and Approved: March 7, 2024

**SUBJECT: Approval to Participate in the District of Columbia
Department of Transportation (DDOT) Metro Branch Trail
Project Under the Terms of the 2002 Memorandum of
Understanding between DDOT and DC Water**

**#24-13
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 March 7, 2024 upon consideration of a non-joint use matter, decided by a vote of five (5) In favor and none (0) opposed to execute the Approval to Participate in the District of Columbia Transportation (DDOT) Metro Branch Trail Project Under the Terms of the 2002 Memorandum of Understanding between DDOT and DC Water.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the Approval to Participate in the District of Columbia Transportation (DDOT) Metro Branch Trail Project Under the Terms of the 2002 Memorandum of Understanding between DDOT and DC Water. The purpose of DC Water’s participation is to replace small diameter water mains that have experienced failure, or have a history of low water pressure, or water quality issues within the District of Columbia. The amount is not-to-exceed \$2,151,500.00.

This Resolution is effective immediately.

Michelle Rhodd
Secretary to the Board of Directors

Presented and Approved: March 7, 2024

SUBJECT: Approval to Execute Change Order No. 003 of Contract No. 200030, Small Diameter Water Main Replacement-16A, Capitol Paving of D.C., Inc.

**#24-14
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 March 7, 2024 upon consideration of a non-joint use matter, decided by a vote of five (5) in favor and none (0) opposed to approve the execution of Change Order No. 003 of Contract No. 200030, Capitol Paving of D.C., Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 003 of Contract No. 200030, Capitol Paving of D.C., Inc. The purpose of this modification is to clean and line approximately 2200 linear feet of the existing ductile iron water main located on Quebec PI NW between Fordham Road NW to University Avenue NW due to reported water quality and contaminated soil issues that have been deemed critical. The amount of this modification is \$2,042,049.00.

This Resolution is effective immediately.

Michelle Rhodd
Secretary to the Board of Directors

Presented and Adopted: March 7, 2024

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

**#24-15
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on March 7, 2024 upon consideration of a non-joint use matter, decided by a vote of five (5) in favor and none (0)) opposed, to approve the following action with respect to the proposed Fiscal Year 2025 and Fiscal Year 2026 Retail Metered Water and Sewer Rates, Clean Rivers Impervious Area Charge (IAC), Right-of-Way Occupancy Fee (ROW), Payment In Lieu of Taxes Fee (PILOT), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate.

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

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

WHEREAS, pursuant to Resolution 13-79, dated July 3, 2013 and Resolution 17-52, dated September 7, 2017, DC Water established three classes of customers: residential, multi-family and non-residential, as promulgated in Section 4104 of Title 21 of the District of Columbia Municipal Regulations (DCMR); and

WHEREAS, on February 27, 2024, the DC Retail Water and Sewer Rates Committee met to consider the proposed rate, charges and fees changes for Fiscal Year (“FY”) 2025 and FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$1.20 per one hundred cubic feet (“Ccf”) (\$1.61 per 1,000 gallons) for the first 4 Ccf of Residential customer’s water use (Lifeline) for FY 2025 and \$1.02 per Ccf (\$1.36 per 1,000 gallons) for the first 4 Ccf of Residential customer’s water use (Lifeline) for FY 2026; and

WHEREAS, the proposed increase in the Lifeline (Residential customer’s first 4 Ccf of water usage) retail metered water and sewer rates will result in a combined water and sewer rate of \$17.28 per Ccf (\$23.10 per 1,000 gallons) of metered water and sewer use for FY 2025 and a combined water and sewer rate of \$18.30 per Ccf (\$24.47 per 1,000 gallons) for FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$1.48 per Ccf (\$1.98 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers for FY 2025 and a combined retail water and sewer rate increase of \$1.24 per Ccf (\$1.66 per 1,000 gallons) for water usage greater than 4 Ccf for Residential customers for FY 2026; and

WHEREAS, the proposed increase for water usage greater than 4 Ccf and the sewer rates for Residential customers will result in a combined water and sewer rate of \$18.88 per Ccf (\$25.24 per 1,000 gallons) of metered water and sewer use for FY 2025 and a combined water and sewer rate of \$20.12 per Ccf (\$26.90 per 1,000 gallons) of metered water and sewer use for FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$1.19 per Ccf (\$1.60 per 1,000 gallons) for Multi-family customers for FY 2025 and a combined retail water and sewer rate increase of \$1.10 per Ccf (\$1.47 per 1,000 gallons) for Multi-family customers for FY 2026; and

WHEREAS, the proposed increase in the water and sewer rates for Multi-family customers will result in a combined water and sewer rate of \$17.89 per Ccf (\$23.92 per 1,000 gallons) of metered water and sewer use for FY 2025 and a combined water and sewer rate of \$18.99 per Ccf (\$25.39 per 1,000 gallons) of metered water and sewer use for FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, a combined retail water and sewer rate increase of \$1.51 per Ccf (\$2.02 per 1,000 gallons) for Non-Residential customers for FY 2025 and a combined retail rate increase of \$1.26 per Ccf (\$1.68 per 1,000 gallons) for Non-Residential customers for FY 2026; and

WHEREAS, the proposed increase in the water and sewer rates for Non-Residential customers will result in a combined water and sewer rate of \$19.10 per Ccf (\$25.53 per

1,000 gallons) of metered water and sewer use for FY 2025 and a combined water and sewer rate of \$20.36 per Ccf (\$27.22 per 1,000 gallons) of metered water and sewer use for FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment a decrease in the monthly Clean Rivers Impervious Area Charge of \$0.63 per Equivalent Residential Unit (“ERU”) for FY 2025 and an increase in the monthly Clean Rivers Impervious Area Charge of \$3.00 per ERU for FY 2026 to recover the \$3.27 Billion costs of the Combined Sewer Overflow Long-Term Control Plan (CSO-LTCP); and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board maintain the ROW fee at the current amount of \$0.19 per Ccf (\$0.25 per 1,000 gallons) of water used for FY 2025 and consider for public comment, an increase in the Row fee of \$0.01 per Ccf (\$0.02 per 1000 gallons) for FY 2026 to recover the full cost of the District of Columbia government charges; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board maintain the Pilot fee at the current amount of \$0.61 per Ccf (\$0.82 per 1000 gallons) of water used for FY 2025 and consider for public comment, an increase in the PILOT fee of \$0.01 per Ccf (\$0.01 per 1,000 gallons) for FY 2026 to recover the full cost of the District of Columbia government charges; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board maintain the retail groundwater sanitary sewer service rate of \$3.50 per Ccf (\$4.68 per 1,000 gallons) for FY 2025 and consider for public comment, and an increase in the retail groundwater sanitary sewer service rate of \$0.26 per Ccf (\$0.35 per 1,000 gallons) for FY 2026; and

WHEREAS, the DC Retail Water and Sewer Rates Committee recommended that the Board consider for public comment, an increase in the high flow filter backwash sewer rate of \$0.02 per Ccf (\$0.03 per 1,000 gallons) for FY 2025 and an increase in the high flow filter backwash sewer rate of \$0.22 per Ccf (\$0.29 per 1,000 gallons) for FY 2026; and

WHEREAS, adoption of these rate and fee changes would increase the monthly bill of the average Residential customer using 5.42 Ccf (or 4,054 gallons) by approximately \$6.27 per month or \$75.24 per year for FY 2025 and by approximately \$8.94 per month or \$107.28 per year for FY 2026; and

WHEREAS, the total revenues for FY 2025 and FY2026 are projected at \$926.26 million and \$977.46 million respectively; and

WHEREAS, DC Water’s retail revenue projections for Fiscal Year 2025 reflects an approximate \$26.28 million increase; and

WHEREAS, DC Water’s retail revenue projections for Fiscal Year 2026 reflect an approximate \$43.45 million increase; and

WHEREAS, on February 27, 2024, the DC Retail Water and Sewer Rates Committee recommended the Board approve the publication of the Notice of Proposed Rulemaking for the proposed rate and fee increases for public comment.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board finds that DC Water’s projected expenditures require that it propose, for public comment, the rate and fee increases as described below:

Retail Metered Water Service Rates

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

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

Retail Sewer Service Rates

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

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

Clean Rivers Impervious Area Charge (CRIAC)

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

The charge per ERU will be billed monthly at:

Clean River Impervious Area Charge (CRIAC)

| | FY 2024 | FY 2025 | FY 2026 | FY 2025 vs. FY2024 Incr. /(Decr.) | FY 2026 vs. FY2025 Incr. /(Decr.) |
|------------------------------|---------|---------|---------|--------------------------------------|--------------------------------------|
| | ERU | ERU | ERU | ERU | ERU |
| Residential Customers | \$21.86 | \$21.23 | \$24.23 | (\$0.63) | \$3.00 |
| Multi-family | \$21.86 | \$21.23 | \$24.23 | (\$0.63) | \$3.00 |
| Non-Residential | \$21.86 | \$21.23 | \$24.23 | (\$0.63) | \$3.00 |

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

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

ROW

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

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

PILOT

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

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

Groundwater

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

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

High Flow Filter Backwash Wastewater retail Sewer Rate

| FY 2024 | | FY 2025 | | FY 2026 | | FY 2025 vs. FY2024 Incr. /(Decr.) | | FY 2026 vs. FY2025 Incr. /(Decr.) | |
|---------|------------|---------|------------|---------|------------|--------------------------------------|------------|--------------------------------------|------------|
| Ccf | 1,000 Gal. | Ccf | 1,000 Gal. | Ccf | 1,000 Gal. | Ccf | 1,000 Gal. | Ccf | 1,000 Gal. |
| \$3.30 | \$4.41 | \$3.32 | \$4.44 | \$3.54 | \$4.73 | \$0.02 | \$0.03 | \$0.22 | \$0.29 |

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required to publish the Notice of Proposed Rulemaking and Notice of Public Hearing to provide notice of the proposed rate adjustments and fees and receive public comments and testimony at the public hearing in accordance with D.C. Official Code § 34-2202.16(b), 21 DCMR Chapter 40, and the District of Columbia's Administrative Procedures Act.
3. This resolution is effective immediately.

Michelle Rhodd
Secretary to the Board of Directors

Presented and Adopted: March 7, 2024

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

**#24-16
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at the Board meeting held on March 7, 2024 upon consideration of a non-joint use matter, decided by a vote of five (5) in favor and none (0) opposed, to approve the following action with respect to the proposal to establish the new Customer Assistance Program, CAP Plus (CAP+) for Low-Income Residential Customers.

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

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

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

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

WHEREAS, on February 27, 2024, DC Retail Water and Sewer Retail Rates Committee, after having evaluated the new Customer Assistance Program, CAP+

assistance program for low- income residential customers, and the recommendation of the General Manager, recommended that the Board approve the publication of the Notice of Proposed Rulemaking for immediate implementation and public comment.

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

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby approves the publication of the Notice of Proposed Rulemaking (NOPR) to amend 21 DCMR 4102 Customer Assistance Program as recommended by the DC Retail Water and Sewer Rates Committee and the General Manager to establish the new Customer Assistance Program, CAP+ assistance program for low-income residential customers.
2. The General Manager shall amend the Customer Assistance Programs regulations as provided in Attachment A.
3. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process and shall publish the Notice of the Proposed Rulemaking and Notice of Public Hearing in accordance with the District of Columbia Administrative Procedure Act and implementing rules.
4. This resolution is effective immediately.

Michelle Rhodd

Secretary to the Board of Directors

Attachment A

DC Water's CAP Expansion – Proposed Rulemaking Effective October 1, 2024

4102 CUSTOMER ASSISTANCE PROGRAMS

4102.1 CUSTOMER ASSISTANCE PROGRAM PLUS (CAP+)

- (a) Participation in the Customer Assistance Program (CAP+) shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant is responsible for paying for water and sewer services and/or the Clean Rivers Impervious Surface Area Charge (CRIAC); and
 - (2) The Department of Energy & Environment (DOEE) has determined that the CAP+ applicant's annual household income is below twenty percent (20%) of the Washington Metropolitan Statistical Area Median Family Income (MFI) for the District of Columbia, previously referred to as the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved CAP+ customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Six Hundred Cubic Feet (6 Ccf) per month of water used. If the customer uses less than Six Hundred Cubic Feet (6 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
 - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
 - (3) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon DC Water's receipt of notice from DOEE that the CAP+ applicant meets the financial eligibility requirements, DC Water shall apply the CAP+ benefits to the CAP+ customer's account from the date that DOEE accepts a completed CAP application to the end of the fiscal year in which the application was submitted.
- (d) To continue receiving CAP+ benefits without interruptions, the CAP+ customer must submit a renewal CAP application to DOEE in accordance with the Utility Discount Program renewal deadline. A CAP+ customer that

submits their renewal CAP application after this period, and is subsequently approved by DOEE, will receive CAP benefits as of the date of the application.

4102.2 CUSTOMER ASSISTANCE PROGRAM (CAP)

- (a) Participation in the Customer Assistance Program (CAP) shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the Clean Rivers Impervious Surface Area Charge (CRIAC); and
 - (2) The Department of Energy & Environment (DOEE) has determined that the CAP applicant's annual household income is at or above twenty percent (20%) of the Washington Metropolitan Statistical Area Median Family Income (MFI) for the District of Columbia and below sixty percent (60%) of the State Median Income (SMI) for the District of Columbia.
- (b) An approved CAP customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Four Hundred Cubic Feet (4 Ccf) per month of water used. If the customer uses less than Four Hundred Cubic Feet (4 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
 - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
 - (3) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon DC Water's receipt of notice from DOEE that the CAP applicant meets the financial eligibility requirements, DC Water shall apply the CAP discounts to the CAP customer's account from the date that DOEE accepts a completed CAP application to the end of the fiscal year in which the application was submitted.
- (d) To continue receiving CAP benefits without interruptions, the CAP customer must submit a renewal CAP application to DOEE in accordance with the Utility Discount Program renewal deadline. A CAP customer that submits their renewal CAP application after this period, and is subsequently approved by DOEE, will receive CAP benefits as of the date of the application.

4102.3 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (a) Participation in the CAP2 Program shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC; and
 - (2) DOEE has determined that the CAP2 applicant's annual household income is equal to or above the household income-eligibility limits for the District's LIHEAP of sixty percent (60%) of the SMI for the District of Columbia and below eighty percent (80%) of the Washington Metropolitan Statistical Area Median Family Income (MFI), previously referred to as the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.

- (b) An approved CAP customer shall receive the following benefits:
 - (1) Exemption from water service charges, sewer service charges, Payment-in-Lieu of Taxes (PILOT) fees and Right-of-Way (ROW) fees for the first Four Hundred Cubic Feet (4 Ccf) per month of water used. If the customer uses less than Four Hundred Cubic Feet (4 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage;
 - (2) Credit of one hundred percent (100%) off of the monthly billed Water System Replacement Fee; and
 - (3) Credit of seventy-five percent (75%) off of the monthly billed CRIAC.

- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for not more than the entire fiscal year, beginning October 1st and terminating on September 30th, subject to the availability of budgeted funds.
 - (1) Approved CAP2 customers that submitted a complete application to DOEE before November 1st, shall receive CAP2 benefits retroactive to October 1st and terminating on September 30th of that fiscal year.
 - (2) Approved CAP2 customers that submitted a complete application on or after November 1st, shall receive CAP2 benefits as of the date of submittal and terminating on September 30th of that fiscal year.
 - (3) Customers shall reapply each year for CAP2 benefits to receive CAP2 benefits.

- (d) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP2 benefits, DC Water may:

- (1) Suspend the process for accepting CAP2 applicants; or
- (2) Suspend or adjust providing CAP2 benefits to CAP2 recipients.

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

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

(a) DC Water shall apply DOEE Customer Assistance Program III (CAP3) benefits to an eligible single-family or individually-metered Residential Customer's account in accordance with the following:

- (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC;
- (2) DOEE has notified DC Water that the customer has met the requirements of applicable laws and regulations and is eligible to receive the CAP3 benefits;
- (3) DOEE has notified DC Water of the amount of the CAP3 benefits to be applied to the CAP3 customer's account; and
- (4) DOEE has transferred funds to DC Water for the benefits applied to the customer's account.

(b) DC Water shall stop applying CAP3 benefits to a CAP3 customer's account upon receipt of notice from DOEE that the customer is no longer eligible for the CAP3 benefits, or receipt of notice from DOEE regarding the unavailability of funds.

(c) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP3 benefits, DC Water may:

- (1) Suspend the process for accepting CAP3 applicants; or
- (2) Suspend providing CAP3 benefits to CAP3 recipients.

4102.6 DOEE CLEAN RIVERS IMPERVIOUS SURFACE AREA CHARGE RELIEF PROGRAM FOR NONPROFIT ORGANIZATIONS

(a) DC Water shall apply DOEE CRIAC Relief Program for Nonprofit Organizations (CRIAC Nonprofit Relief Program) benefits to an eligible non-profit organization's account in accordance with the following:

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

4102.7 Nothing in this section shall be interpreted to mean that the benefits provided through DC Water's CAP+, CAP or CAP2 Programs or DOEE's CAP3 or CRIAC Nonprofit Relief Programs are an entitlement, continuing or otherwise.

4102.8 For the purposes of this section, the term "SMI" means the state median income as determined on an annual basis by the U.S. Department of Health and Human Services (HHS).

4102.9 For the purposes of this section, the term "FMI" means the Washington Metropolitan Statistical Area Median Family Income previously referred to as "AMI," which means the Area Median Income (AMI), and alternately referred to as the HUD Area Median Family Income (HAMFI), determined on an annual basis by the U.S. Department of Housing and Urban Development (HUD).

4102.10 [RESERVED]

All persons desiring to comment on this Notice of Proposed Rulemaking should submit comments in writing not later than May 16, 2024. Comments should be submitted to Michelle Rhodd, Secretary to the Board, District of Columbia Water and Sewer Authority, 1385 Canal Street, S.E., Washington, D.C. 20003 or by email to Michelle.Rhodd@dcwater.com. Copies of the Notice of Proposed Rulemaking may be obtained from DC Water at the same address or by contacting Ms. Rhodd at (202) 787-2331.