



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
278th MEETING OF THE BOARD OF DIRECTORS
Thursday, September 2, 2021
9:30 a.m.**

The board meeting can be live-streamed at <https://dcwater.com/watch-board-meetings>

- I. **Call to Order (Chairperson Tommy Wells)**
- II. **Roll Call (Linda Manley, Board Secretary)**
- III. **Approval of the July 1, 2021 Meeting Minutes and the July 27, 2021 20th Special Meeting Minutes**
- IV. **Chairman's Overview**
- V. **Committee Reports**
 1. [Human Resource and Labor Relations Committee](#) (Adriana Hochberg)
 2. [Environmental Quality and Operations Committee](#) (Adam Ortiz)
 3. [Audit Committee](#) (Floyd Holt)
 4. [Finance and Budget Committee](#) (Anthony Giancola)
 5. [DC Retail Water and Sewer Rates Committee](#) (Rachna Bhatt)
 6. [Special Meeting of the DC Retail Water and Sewer Rates Committee](#) (Rachna Bhatt)
- VI. **Issues of General Interest**
- VII. **[CEO/General Manager's Report](#) (David Gadis)**
- VIII. **Consent Items (Non-Joint Use)**
 1. [Approval to Publish the Notice of Proposed Rulemaking to Amend Retail Sewer Rates Regulations to Establish a New High Flow Filter Backwash Sewer Rate for Fiscal Year 2022 – Resolution No. 21-75](#) (Recommended by the DC Retail Water and Sewer Rates Committee 7/27/21)
 2. [Approval to Publish Notice of Proposed Rulemaking to Amend 21 DCMR Chapter 4 Contested Water and Sewer Bills Regulations – Resolution No. 21-76](#) (Recommended by the DC Retail Water and Sewer Rates Committee 7/27/21)
 3. [Approval to Publish Notice of Emergency and Proposed Rulemaking to Extend the DC Water Cares Emergency Relief Program for Low-Income Customers \(Residential Assistance Program “RAP”\) and Multifamily Assistance Program for Low Income Multifamily Tenants \(Multifamily Assistance Program “MAP”\) for Fiscal Year 2022 and Extend FY 2021 CAP2 Eligibility to FY 2022- Resolution No. 21-77](#) (Recommended by the DC Retail Water and Sewer Rates Committee 08/31/21)

IX. Executive Session

X. Adjournment (Chairperson Tommy Wells)

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

Upcoming Committee Meetings – (via Microsoft Teams)

- Governance Committee – Wednesday, September 8, 2021 @ 9:00 a.m.
- Human Resource and Labor Relations Committee with Union Presidents – Wednesday, September 8, 2021 @ 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, September 16, 2021 @ 9:30 a.m.
- Finance and Budget Committee – Thursday, September 23, 2021 @ 9:30 a.m.
- DC Retail Water and Sewer Rates Committee – Tuesday, September 28, 2021 @ 9:30 a.m.



**D.C WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS**

**HUMAN RESOURCES AND LABOR RELATIONS
COMMITTEE MEETING
JULY 14, 2021
via Microsoft Teams**

MEETING MINUTES

Members Present

Adriana Hochberg, Montgomery County, Chairperson
Jed Ross, District of Columbia
Lavinia Baxter, Prince George's County
Sarah Motsch, Fairfax County
Rev. Kendrick Curry, District of Columbia
Steven Shofar, Montgomery County
Tara Jackson, District of Columbia

Staff Present

David Gadis, CEO/General Manager
Marc Battle, Executive Vice President, Legal Affairs
Kishia Powell, Executive Vice President, Chief Operating Officer
Lisa Stone, Chief, People and Inclusion Officer, Executive Vice President, People and Talent
George Spears, Director of Labor and Labor Relations and Compliance
Maureen Holman, Executive Vice-President, Administration
Ron Lewis, Benefits Manager
George Porter, Director, Safety
David Gill, Manager, Safety Operations
Teresa Scott, Procurement, Category Manager
Linda Manley, Board Secretary

Call to Order and Roll Call

The meeting was called to order by Chairperson Hochberg at 11:01 a.m.

Benefits Update

Ms. Hochberg stated that the first agenda item was an update on benefits from Mr. Ron Lewis. Mr. Lewis informed them that he would present the results of the Group Life and Disability

Insurance Services Request for Proposal (RFP). The life insurance was put out for bid to ensure that they are providing the best benefits for employees and getting the best rates. These services cover the basic life, supplemental, dependent life, voluntary accidental death and dismemberment, and short-term disability and long-term disability. This covers all employees, excluding federally covered employees. Only two (New York Life/Cigna and Standard) of five vendors who initially communicated returned RFP responses. New York/Cigna submitted a very strong bid which will benefit the employees and D.C. Water. There will be consistency in continuing with New York/Cigna and their responses to the solicitation showed the advantages of selecting them as the successful bidder.

Action Item:

Procurement presented Contract No.: 10060- New York Group Benefits Solutions for recommendation. Teresa Scott reported that the base contract period is three years, with an option of two years. The total contract value is \$4,543,756.00. The start date is January 1, 2022, and the ending date is December 31, 2024. The total dollar amount is \$7,910,791.00.

Chairperson Adriana Hochberg asked them to provide an analysis of the higher scoring for New York/Cigna on the pricing proposal. Mr. Lewis stated that there was a \$350,000 difference in the pricing proposals. A higher commitment to take on more administrative tasks which also helped to score New York/Cigna higher. Board member Ross asked if they did a Best and Final Offer and other follow-up attempts to solicit additional explanation of responses. Theresa Scott replied that a Best and Final was requested from New York/Cigna but none from Standard because of the discrepancies in technical and pricing, especially on the technical side.

Board member Baxter asked how the costs breakdown for the jurisdictions cost share. Ms. Scott assured her that they would get the information and provide to Committee members. CFO Brown stated that it is the indirect split for joint use and that they would provide information. The Committee members agreed to recommend approval by the full Board.

Heat Stress Policy Update

Ms. Holman announced that Mr. Porter is leaving, and Mr. Gill will be acting as Safety Director. Mr. Porter stated that this presentation is on D.C. Water's Heat Stress policy positions which have not changed and are based on heat indexes. Mr. Porter reiterated that the policy is that at 100 degrees Fahrenheit heat index workers are brought in off the street unless completing emergency work. Also, crew work schedules will be adjusted around the heat of the day (already done in the Department of Sewer Services).

Mr. Porter stated that they are making numerous efforts regarding the safety program at D.C. Water. They include the Heat Stress Campaign which runs from July to August for the second year and includes toolbox talks, includes information graphics and safety bulletins via Team Blue weekly, development of a safety calendar on the Department of Safety and Health Pipeline homepage for access to all safety information. Office of Emergency Management Extreme Weather Updates are also accessible and include heat advisory notifications aligned with the District's notification system. They will continue to publish and disseminate the Safety Bulletin and other critical safety information to the staff and the public. Mr. Porter stated that they will also continue to work with OSHA and NIOSH.

A Committee member stated that a union representative had complained about some related actions and policies. Mr. Porter indicated that it got hotter earlier in June and there were

concerns voiced by the union. They adjusted. And, the new policy is now being reviewed by all, and will be finalized by year's end after analyzing comments. George Spears, Director of Labor Relations and Compliance, stated that the unions have not voiced any significant concerns since the May meeting during their weekly follow-up telephone calls. Mr. Shanks, AFGE Local President, who spoke up with complaints initially, has raised no concerns since then.

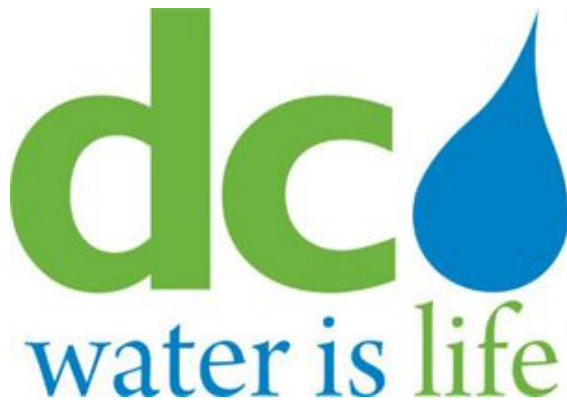
Mr. Spears indicated that he thinks they are all doing a good job with adequate communication. He agrees with Mr. Porter that the safety efforts are good and effective and that everyone believes that they are making good efforts to ensure the safety of employees during hot weather occurrences. Mr. Gadis, CEO, stated that he wanted to add to the comments. He thanked Mr. Porter for his service. He declared that there have been no changes to their posture and the policies have always been the same. They always attempt to enhance the policies they have in place and that is what they are now attempting to do. Mr. Gadis reiterated that there have been no changes to the organization's policy or posture.

Executive Session

There was no executive session.

Adjournment

Chairperson Hochberg adjourned the meeting at 11:35 a.m



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, July 15, 2021

9:00 a.m.

MEETING SUMMARY

Committee Members

Adam Ortiz, Chairperson
Steven Shofar
Howard Gibbs
Ivan Frishberg
Jared McCarthy

DC Water Staff Present

David Gadis, CEO & General Manager
Marc Battle, Chief Legal Officer & EVP
Kishia Powell, Chief Operating Officer & EVP
Linda Manley, Secretary to the Board
Leonard Benson, SVP, CIP Project Delivery
Aklile Tesfaye, VP, Wastewater Operations
Joel Grosser, Director of Procurement, Goods and Services
Korey Gray, Director, Compliance and Business Development
Carlton Ray, Director, DC Clean Rivers Project
Matthew Ries, Director, Sustainability and Watershed Management
Sheryl Ude, Senior Advisor to the COO

I. CALL TO ORDER

Mr. Adam Ortiz called the meeting to order at 9:00 a.m. The meeting was conducted via microsoft teams.

II. ROLL CALL

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

III. AWTP STATUS UPDATE

1. BPAWTP PERFORMANCE

Mr. Aklile Tesfaye, VP, Wastewater Operations, DC Water, briefed the Committee on the performance of the Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). Mr. Tesfaye reported that all performance parameters for June were excellent, and all permit requirements were met. The quality of the plant effluent for the month was excellent, with all parameters well below the seven-day and monthly NPDES permit requirements. Through June 2021, a total of 962 million gallons (MG) of combined wet weather flow has been captured in the tunnel system for the calendar year to date and 1,560 tons of residuals have been removed that would have otherwise been discharged to the Anacostia River.

Mr. Tesfaye discussed electricity use and generation at BPAWTP. For June 2021, 28.1 MW was used at BPAWTP. The combined heat and power (CHP) system generated 6.4 MW and the solar panels generated 0.9 MW. The total electricity generation for the month was 26% of the total use at BPAWTP for the month. The goal is for onsite electricity generation to be a minimum of 20% of the total energy use at BPAWTP.

Biosolids hauling during June 2021 averaged 423 wet tons per day and all biosolids produced during the month met Class A Exceptional Quality (EQ) requirements required by the EPA. Mr. Tesfaye reported that Blue Drop marketed 3,773 wet tons of Bloom during June 2021, which was 30% of what was produced. The remaining 8,931 wet tons not sold into the market were land applied through existing contracts with Blue Drop and WSSC.

IV. CLEAN RIVERS STATUS UPDATE

Mr. Carlton Ray, Director, DC Clean Rivers Project, DC Water, briefed the Committee on the status of the ongoing Clean Rivers Project. Mr. Ray gave a high-level update on ongoing and upcoming projects.

Mr. Ray discussed the implementation model for the management of DCCR projects, noting that DC Water has favored the approach of having tailored owner staff and working with consultants to provide specialty expertise on projects as the need arises. This program management approach has worked well to date and allows consultant staff to be adjusted year-by-year as the needs of the program change. Mr. Ray noted that all consent decree deadlines have been met to date, the DCCR program continues to operate under budget for engineering services and exceed all DBE, WBE and CBE requirements. It was recommended that the supplemental agreement to exercise the two-year option for the program management contract be executed.

V. ADVANCED ENERGY GROUP (AEG) STAKEHOLDER CHALLENGE

Ms. Kishia Powell, Chief Operating Officer & EVP, DC Water, and her team presented on DC Water's participation in the Advanced Energy Group (AEG) stakeholder challenge and provided a status update on energy opportunity projects aimed at achieving the District's carbon and equity goals. The presentation also served to address questions from the Committee about reducing DC Water's carbon footprint.

Dr. Matthew Ries, Director, Sustainability and Watershed Management, DC Water, described the structure of the AEG stakeholder challenge noting the objective of this phase of the challenge is to develop a portfolio of projects that combine equity, carbon reduction and resilience considerations. Parallel challenges are held in five cities in the United States and DC Water is one of multiple agencies participating in the AEG challenge for Washington, DC. DC Water competed against other agencies to be the representative for the critical infrastructure, equity and resilience challenge for DC.

Ms. Sheryl Ude, Senior Advisor to the COO, DC Water, described the various agencies participating in the AEG challenge for Washington, DC. A group of five sub-committees have been formed to distribute the various responsibilities involved in the challenge. The different sub-committees include equity goals, carbon goals, project funding, policy/legislation, and stakeholder engagement sub-committees. Value tools (carbon, resilience and equity tools) have been developed to compare projects as a means of deciding which projects will be included in the final

list. In the assessment of which projects to include the effort to undertake each project will also be incorporated in project scoring considerations.

Ms. Apera Nwora, Senior Program Manager, Government Affairs, DC Water, discussed the stakeholder advocacy and policy approach on the challenge. It was noted that stakeholder engagement has taken place with both participating agencies and other stakeholders that can add value to the challenge team. A roadshow has been set up to engage stakeholders and the goal of the engagement is for stakeholders to understand their role in helping the District achieve carbon and equity goals. Ms. Kishia Powell noted that a workshop will be planned to be held with the Board to discuss the various project tools and project scoring prior to finalizing the list of projects to be submitted for the challenge.

The Committee noted that PEPCO is not part of the challenge team. Ms. Nwora noted that all utilities in the District were invited to be participating agencies on the challenge team and have representation on the sub-committees. PEPCO is aware of the work being done on the challenge and have expressed interest in participating in some of the projects when they reach the implementation phase.

VI. ACTION ITEMS

JOINT USE

1. Contract No.: 10081 – Sodium Bisulfite, PVS Chemical Solutions
2. Contract No.: 10082 – Sodium Bisulfite, Southern Ionics
3. Contract No.: 10084 – Sodium Hypochlorite, Kuehne Chemical Co.
4. Contract No.: DCFA 513 – Process Facilities Engineering Basic Ordering Agreement (BOA), Ramboll Engineering, PC f/k/a O'Brien & Gere Engineers, PC
5. Contract No.: 200120 – Potomac River Tunnel – Contract A, Advanced Utility Construction, Anchor Construction Corporation
6. Contract No.: DCFA 509 – Linear Design, Basic Ordering Agreement (BOA), Whitman, Requardt & Associates, LLP
7. Contract No.: DCFA 510 – Linear Design, Basic Ordering Agreement (BOA), Greeley & Hansen
8. Contract No.: DCFA 493 – DC Clean Rivers Project Program Management for Professional Engineering Service – SA1, Greeley & Hansen
9. Contract No.: 170180 – Miscellaneous Facilities Upgrades (MFU) – Phase 6, Ulliman Schutte Construction, LLC
10. Contract No.: 180060 – Miscellaneous Facilities Upgrade (MFU) – Phase 7, American Contracting Environmental Services (ACE), Inc.

Mr. Joel Grosser, Director of Procurement, Goods and Services, DC Water, presented joint use action items 1 through 3. Mr. Len Benson, SVP, CIP Project Delivery, DC Water, presented joint use action items 4 through 10.

NON-JOINT USE

1. Contract No.: 170190 – Soapstone Valley Park Sewer Rehabilitation, IPR Northeast, LLC
2. Contract No.: 200020 – Emergency Sewer Main IR&R Contract FY21-23, Spiniello Companies
3. Contract No.: 170080 – Small Diameter Water Main Replacement 14B, Capital Paving of D.C.

Mr. Len Benson, SVP, CIP Project Delivery, DC Water, presented all non-joint use action items. (The action items were approved at the July 27th Special Meeting of the Board).

The Committee inquired whether DC Water will be able to accelerate replacement of service lines as part of the LFDC Program if additional funding is received from the Infrastructure Bill. Mr. Benson confirmed that DC Water will be able to accelerate progress if additional funding is secured.

Mr. Dan Bae, VP, Procurement and Compliance, DC Water, informed the Committee that a Special Board Meeting has been requested for July to move several of the Action Items forward for approval. There are several critical projects that need to move forward with construction in August. The Committee recommended all Joint Use and Non-Joint Use Action Items to the full Board.

VII. IN-SOURCING PROGRAM AND CONSTRUCTION MANAGEMENT

Mr. Len Benson, SVP, CIP Project Delivery, DC Water, presented on Engineering Program Management and Construction Management contracting at DC Water. The presentation was given as a follow-up to questions raised by the Committee in previous meetings on progress towards bringing these services in-house. A table of six Program Management and seven Construction Management contracts was presented. The contracts were either active in FY21 or planned for FY22. The value and durations of these contracts were discussed.

Mr. Benson addressed the concern previously raised by the Committee regarding loss of institutional knowledge when Program Management and Construction Management contracts end and consultant personnel exit DC Water. It was noted that management of these services is structured to ensure responsibilities are shared between consultants and DC Water staff. DC Water staff maintain oversight of these programs and make decisions on the work to be done on the programs. For each of these contracts, the consultants are required to develop annual work plans for each year of the contract. These plans are reviewed and approved by DC Water staff and allow DC Water to determine the work to be done, provide direction on the work to be completed and ensure work is executed in accordance with DC Water policy.

Mr. Benson discussed a list of contracts insourced by DC Water to date, noting insourcing completed since 2010. Ms. Kishia Powell, Chief Operating Officer & EVP, DC Water, noted that across the six Program Management and seven Construction Management contracts, there are the equivalent of 150 Full Time Employees (FTEs) engaged in this type of work.

Ms. Powell noted that there is a strategy to try to bring more of this work in house. Currently there are efforts underway to recruit engineers for these positions and an assessment of the required organizational realignment is being completed. In addition, DC Water is working to address issues emanating from changes to Professional Engineering regulations by the District Department of Consumer and Regulatory Affairs (DCRA).

The Committee asked what changes to Professional Engineering requirements were made by DCRA that are affecting DC Water. Ms. Powell noted that under the previous regulations, there was an exemption that allowed engineers not licensed in the District to practice under the supervision of a District licensed engineer. DC Water worked with DCRA to pass emergency legislation that allowed DC Water engineers to still practice under the old exemption until they

obtain professional engineer licenses in the District through reciprocity and to address other engineering staff that may be performing engineering functions.

The Committee requested that DC Water send information related to the Soapstone Valley Park Sewer Rehabilitation Project. Ms. Powell agreed to provide information on the project.

VIII. CONTRACTOR AVAILABILITY

It was agreed that this presentation will be given at a later time.

IX. POTOMAC INTERCEPTOR REHABILITATION AND THE LAND WATER CONSERVATION FUND

Ms. Kishia Powell, Chief Operating Officer & EVP, DC Water, and her team presented on the status of the Potomac Interceptor Rehabilitation Project and issues that have emerged that may affect the project schedule and present some risk to the Authority. Mr. Len Benson, SVP, CIP Project Delivery, DC Water, gave a brief overview, noting that the scope for the project is to rehabilitate and rebuild the 54-inch/78-inch sewer at manhole 31 located in the Great Falls region of the river on the Virginia side. The condition assessment of the sewer shows a high likelihood of failure, with a significant consequence of failure.

Mr. Benson noted that the project is a progressive design build contract and is currently nearing completion of the 60% design (Phase One) of the rehabilitation. The original schedule for the project was for substantial completion of this design phase in January 2022. Currently intervention is required with the Virginia Department of Conservation and Recreation (DCR) to allow construction at manhole 31. The department is requiring that a land conversion process be completed before the start of construction which could delay completion of the project by up to four years.

Mr. William Elledge, Senior Manager, Design, DC Water, explained that the Federal program of land water conservation (LWC) funding used to purchase the land at manhole 31 sets aside land to preserve public open space. Any time there is a change in land use that impacts public open space, a conversion process is required to be completed. Though DC Water has a permanent easement for the land at manhole 31, the Virginia DCR has determined that construction at the manhole will impact public open space and are requiring that the conversion process be completed. It was noted that DC Water's easement for the land was recorded in 1961 and the land was purchased with LWC funding in the 1970s.

Mr. Elledge noted that the next phase of the project (Phase Two) includes advancing the design from 60% to 100%, and project construction. This phase will be executed via a Supplemental Agreement after negotiation of the Guaranteed Maximum Price (GMP) for construction. As the requirements of the conversion with Virginia DCR are causing uncertainty with the project schedule, DC Water cannot negotiate the GMP without absorbing a significant amount of risk associated with the increased cost of construction in the event of a significant project delay. In order to meet the project schedule, concurrence on a way forward needs to be reached with Virginia DCR by the end of August 2021.

Mr. Elledge noted that the likelihood of failure increases with time. The latest condition assessment of the sewer revealed significant deterioration of pipe wall over the last three years

due to corrosion. If there is a failure of the sewer, there could be significant impacts to the Potomac River, where intakes are located for the water treatment plants operated by the Washington Aqueduct and WSSC

Mr. Elledge described that as part of the conversion process, DC Water is required to prepare an environmental report and acquire and donate land of equal economic and recreational value to be used as public open space prior to the start of construction. Virginia DCR discussed these requirements for conversion verbally in May 2021. Currently DC Water is still awaiting written confirmation of the requirements. Based on the condition of the sewer, there is a risk that there may be a failure of the sewer before this conversion process can be completed. In addition, Virginia DCR is requiring that this process be completed retroactively for the Odor Control Facility constructed at the same site from 2012 to 2014. At the time of permitting construction of the facility, Virginia DCR made no mention of the conversion process.

Mr. Elledge discussed possible schedule implications for the construction of rehabilitation project. It was noted that DC Water is looking to propose to Virginia DCR that the conversion process be completed in parallel with construction of the project, which would allow for the project to be constructed according to the original schedule and completed in mid-2023 (called Option D). If conversion is required to be completed prior to the start of construction, the project at the earliest will be completed in late 2026 (called Option B). To mitigate the risk of failure of the sewer, an alternative has been developed to slip line the sewer during the conversion process to reduce the consequences of any failure of the sewer and complete the rest of the rehabilitation project after conversion is completed (called Option C). This alternative would add up to \$5 million to the cost of construction for the project and would still result in disturbance of the public open space at manhole 31 prior to completion of the conversion process.

Ms. Powell noted that the most sustainable and cost-effective option for DC Water is for Virginia DCR to agree with Option D. It was noted that the next steps to resolving these issues on the project are to elevate discussions with Virginia DCR through the CEO of DC Water.

The Committee advised that a briefing letter of concern be submitted to the Governor of Virginia and copied to the Department of Homeland Security, the Army Corps of Engineers, the Department of the Interior, the EPA and the District Office of Federal and Regional Affairs (OFRA). As there is a threat to the water source for the region, this is an inter-jurisdictional issue. The letter should document DC Water's request and all the concerns discussed. Further, the letter should highlight the need for intervention and request for assistance to assure the drinking water supply source for the District is not imperiled.

The Committee requested that DC Water inform the Virginia members of the Committee of the issues on the Potomac Interceptor Project.

X. OTHER BUSINESS / EMERGING ISSUES

None.

XI. EXECUTIVE SESSION

No Executive Session Held.

XII. ADJOURNMENT

Meeting was adjourned at 11:00 AM.



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

Board of Directors

Audit Committee

Thursday, July 22, 2021

9:30 a.m.

Meeting Minutes

COMMITTEE MEMBERS PRESENT

Floyd Holt, Committee Chairman
Anthony Giancola, Committee Vice-Chair
Howard Gibbs, Committee Member
Steven Shofar, Committee Member
Jed Ross, Committee Member

DC WATER STAFF PRESENT

David Gadis, CEO & General Manager
Wayne Griffith, EVP Performance
Matt Brown, EVP Finance & Procurement
Marc Battle, Chief Legal Officer
Linda Manley, Secretary to the Board
Dan Bae, VP Procurement & Compliance

INTERNAL AUDIT STAFF PRESENT

Dan Whelan, RSM US LLP
Jill Reyes, RSM US LLP
Sophie Tomeo, RSM US LLP
Stephanie McKee, RSM US LLP
Vivian Hong, RSM US LLP

Call to Order (Item 1)

Mr. Floyd Holt called the Audit Committee meeting to order at 9:32 AM.

Roll Call (Item 2)

Ms. Linda Manley took roll call of Audit Committee and DC Water staff in attendance.

Action Item: Internal Audit Option Year (Item 3)

Mr. Wayne Griffith presented the action item to execute Option Year 1 and fund Option Years 2 and 3 for the RSM US LLP goods and services contract. He provided background on RSM's relationship with DC Water, explaining that the firm provides internal audit services to the Authority. Mr. Griffith also detailed RSM's responsibility to subcontract 10% of internal audit activities with TFC Consulting, thus fulfilling the LSBE participation goal for the contract. Mr. Griffith brought attention to the fact that RSM and DC Water agreed to decrease cumulative spend during FY 2021 to allow the Authority an opportunity to effectively leverage funds and reduce costs in accordance with pandemic related revenue shortfalls. He shared that the COTR for the

contract noted that RSM met expectations regarding performance, timeliness of response and adherence to DC Water's policies and procedures for contractors.

Mr. Giancola then questioned whether the 10% subcontractor participation goal was met in FY 2021. Mr. Griffith had to defer the question, noting that he would confer with contract administrators to provide a concrete answer. Ms. Sophie Tomeo added that during FY 2021, subcontractor participation was around 8% due to a reduction in internal audit services resulting from the COVID-19 pandemic. Mr. Howard Gibbs explained that the Authority has a Compliance team that continuously addresses and monitors contractor compliance with LSBE participation goals. Mr. Holt confirmed that there were no further questions or comments regarding the contract's option year and stated that the contract would be recommended for full board approval. (This action was approved at the July 27th Special meeting of the Board).

Internal Audit Update (Item 4)

RSM Partner, Mr. Dan Whelan, presented the agenda and FY 2021 internal audit plan status update. The all audits within the plan have been completed or will be issued within the next quarter. Mr. Whelan informed the committee that RSM will begin the annual risk assessment process in August and will update and monitor the audit plan as needed given any changes in the control and operating environments.

Ms. Jill Reyes covered changes to the FY 2021 internal audit plan. She informed the Committee that the pre-production Oracle risk assurance review was completed, and recommendations were made to management regarding areas for improvement and necessary changes. A post-production assessment will be conducted in the beginning of FY 2022 to ensure these recommendations are appropriately implemented by management. Ms. Reyes then explained that the strategic plan monitoring audit was deferred to FY 2022 given the recent development of a new strategic plan. This deferral will allow Internal Audit to review the operating effectiveness of the new internal control environment post-rollout. Ms. Reyes informed the Committee that the materials management audit, originally planned for FY 2022, was moved up to FY 2021 in place of the deferred strategic plan monitoring audit. These changes were discussed with Mr. Holt prior to the Committee meeting. She opened the floor for objections or comments related to this change, and none were received.

Ms. Sophie Tomeo presented the status of open high risk prior audit findings. Ms. Tomeo detailed that all target dates, with the exception of the first training-related finding, have not changed from what was presented last quarter. The training, licensing and certification finding target date was extended to January 1, 2022, due to the delay in Oracle implementation go-live of the learning management system module. Ms. Tomeo continued with an update related to the entity level assessment findings. Management has drafted policies for both initiatives that will serve as governing documents and Internal Audit continues to track milestones with the Performance team. Ms. Tomeo detailed that DWO has been making progress towards remediation of the enterprise work order management assessment finding. The pilot program for hydrants has been completed, and the rollout of valve application is anticipated by the end of the fiscal year. Ms. Tomeo addressed the legal operations assessment finding, explaining that the Legal team is in the process of drafting service level agreements which are also on track for completion by the end of the fiscal year. Ms. Tomeo continued with an update on the occupational safety and health finding,

noting that policy development is currently being tracked to specific milestone dates, and the last portion of policies is expected to be complete by the end of FY 2021. Ms. Tomeo provided an update on the purchasing card finding, addressing that this remediation effort related to updating the Authority's travel policy was deprioritized due to a lack of travel during the COVID-19 pandemic. Efforts for closing this finding have resumed, and management is now targeting a September closure date. Ms. Tomeo concluded with the facilities management finding, noting that materials have been added to Oracle and a virtual warehouse was created by the IT team. iPads are in the process of being deployed and tested, with an expectation of full deployment by the end of August.

Ms. Tomeo then provided a status update on prior to FY20 prior audit findings. Many of the items open were included on the high-risk dashboard previously discussed. Those that are not high risk are also being closely monitored. The few items in pending testing will be validated this quarter. Ms. Tomeo completed the update on open audit findings with a brief status on FY20 audit findings, noting that there are only nine open items remaining. Management has made great progress with these FY20 findings, with a total of twenty-seven closed. Overall, 93% of all prior audit findings from FY14 – FY20 are now closed. Ms. Tomeo then discussed the action deferred item related to the intellectual personnel policy. This policy was in CEO review at the time the Audit Committee materials were submitted, but it had since received final approval and this action deferred item is now closed.

Ms. Stephanie McKee then presented the results of the contract monitoring & compliance audit. Ms. McKee explained that three contracts were selected for review. The contracts were selected judgmentally to gain coverage over departments at the Authority that do not have upcoming audits planned. The Internal Audit team worked with the selected contract's COTRs to determine whether contract requirements were met, invoices were approved and paid in a timely manner, and proper controls and evaluation processes were in place. Ms. McKee provided an overview of the contracts selected, including vendor name, dollar value and length of contract. There were no high-risk findings to be reported, and one moderate and two low risk findings were included in the full report. Mr. Giancola inquired to management about the current process of tracking and monitoring COTR training. Mr. Dan Bae stated that in the past, training participation was tracked manually, but currently there is an implementation in process to automate training requirements in DiveIn that will allow for automatic monitoring of training completion. Mr. Giancola expressed that COTR supervisors should confirm that COTRs have completed all required trainings moving forward.

Ms. Reyes provided an update regarding the fraud, waste, and abuse hotline. There were three calls received since the prior Committee meeting, but all were closed with no corrective action needed. Currently there have been seven calls received in FY 2021, with no open cases.

Mr. Holt opened the floor for final questions or comments regarding the changes to the Audit Plan, none were posed. Mr. Holt requested approval from the Committee for the proposed changes to the internal audit plan and it was met without objection. Mr. Griffith stated his appreciation of the Authority team members' collaboration with RSM and management to develop and track action plans related to audit findings.

Executive Session (Item 5)

There was no Executive Session held, as there were no matters to discuss at this time.

Adjournment (Item 6)

The Audit Committee meeting adjourned at 9:58 AM.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Thursday, July 22, 2021

11:00 a.m.

MEETING MINUTES VIA MICROSOFT TEAMS

Committee Members

Anthony Giancola, Chairperson
Rev. Kendrick Curry
David Franco
Andriana Hochberg
Sarah Motsch

DC Water Staff

David L. Gadis, CEO & General Manager
Matthew T. Brown, CFO & EVP, Finance and Procurement
Marc Battle, Chief Legal Officer & EVP, Legal Affairs
Kishia Powell, Chief Operating Officer, & EVP
Armon Curd, EVP, Customer Experience
Lola Oyeyemi, Director, Budget
Francis Cooper, Director, Enterprise Program Management
Linda R. Manley, Board Secretary

Call to Order

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

June 2021 Financial Report

Ms. Lola Oyeyemi, Director, Budget, provided the monthly financial report by exception. At the end of June 2021, with 75 percent of the fiscal year completed, operating revenues were \$517.0 million, or 70.5 percent of budget, operating expenditures were \$417.4 million, or 65.0 percent of budget, and capital disbursements were \$280.2 million, or 59.5 percent of budget. She informed the Committee that the Approved FY 2022 Budget book has been published and is available on DC Water's website. Planning activities for the development of the FY 2023 budget have begun and, the proposed budget will be delivered to the Board in January 2022. She also reported that DC Water went live with the new Budget and Planning System (BAPS), which is part of the Enterprise Resource Planning (ERP) project.

Mr. Matthew Brown, Chief Financial Officer & Executive Vice President, Finance and Procurement stated that there was a significant amount of work that went into the Phase 3 of the ERP project during the covid pandemic and applauded the Finance & Budget team for their tremendous work.

Ms. Oyeyemi explained that the total operating revenue receipts of \$517.0 million were \$31.5 million below the year-to-date budget, due to declining consumption in the residential and commercial categories. She informed the Committee that revenues include the credits for the emergency relief programs both for DC Water and the District through the month of May.

Next, Ms. Oyeyemi provided a brief overview of the operating expenditures for the month. Total operating expenditures were \$417.4 million or 65.0 percent of budget. She noted that the current

spending trends are consistent with prior reports and staff continues to monitor the impact of any major changes in chemicals. Total capital disbursements were at \$280.2 million or 59.9 percent of the FY 2021 revised budget. She informed the Committee that staff projects there will be underspending for capital projects and additional capital programs and that a detailed project performance report will be provided to the Committee during the summer.

Ms. Oyeyemi provided an update on the cash investments which comprise of the operating reserve, including the Rate Stabilization Fund (RSF) of \$90.2 million, and the remaining balances of the unrestricted (\$159 million) and restricted (\$60 million) reserve accounts. Ms. Oyeyemi highlighted that the delinquent accounts were at \$25.3 million for 14,177 accounts, or 11.0 percent of total customers at the end of June. She mentioned that the appendix contained detailed information on the operating revenues, delinquencies, overtime spending, capital disbursement details, accounts payable performance and grants report.

Enterprise Resource Planning (ERP) Project Update

Mr. Francis Cooper, Director for Enterprise Program Management Office provided an update on the Oracle Cloud Enterprise Resource Planning (ERP) Implementation. He reported that Project Zeus / Oracle ERP is an enterprise-wide effort to modernize DC Water's financial, procurement, budgeting, and human capital systems to reduce manual effort and lead-time, improve efficiency and quality, and increase productivity. He stated the project was divided into five phases: Phase 1 – Core Financials and Procurement (completed FY 2020), Phase 2 – Advanced Procurement (completed FY 2020), Phase 3 – Enterprise Planning and Budgeting (went live on June 21, 2021), Phase 4 – Human Capital Management (HCM) and Payroll (on-going), and Phase 5 – Advanced Human Resources (go-live expected in FY 2022).

Mr. Cooper provided an overview on the Budget and Planning System (BAPS), which was successfully implemented on time and under budget, and went live on June 21, 2021. He provided a few benefits of the new system, such as the elimination of the previous process based on MS-Excel workbooks and heavy manual workload; significantly improved the Budget Book and Financial Statements generation processes with application automations and controls, streamlining daily and monthly cashflow data generation with integration from multiple departments and related systems; and the ability to prepare, submit, review and approve budgets at detailed levels with roll-up capabilities to higher levels of control, reporting and analysis for operating (positions, business unit, department, division, cluster, fund) and capital (program and service areas) budgets.

Next, Ms. Oyeyemi reported that DC Water engaged the Government Finance Officers Association (GFOA) to assess and recommend general budgeting and best practices as part of the implementation of BAPS. She reviewed the summary of key findings and recommendations from the engagement. She mentioned that in the short term, there were 25 recommendations, out of which 20 have been implemented within BAPS. She noted that 9 of the 22 long term recommendations are being implemented within BAPS and that the remaining, mainly for updates to the financial policies and aligning budget with the Strategic Plan, are under consideration by management.

Ms. Oyeyemi highlighted the recommendations and status of the business process review, which included automation of budgetary controls automation, consolidation of forms for budget submissions, and leveraging in-built workflows and approvals to improve transparency and accountability. She explained that budget data entry will be consistent with the general ledger and projects requirements of the new Chart of Accounts in the Oracle ERP system. Ms. Oyeyemi stated that BAPS (DC Water's Budget and Planning System) will be used to facilitate the

development of the FY 2023 budget and to align the budget with the Strategic Plan in the future, She mentioned that BAPS will help streamline the budget preparation time from 18 months to 12 months with no dependency on MS Excel.

Next, Mr. Francis Cooper reviewed the status, milestones and benefits of the HCM and Payroll module implementations. The HCM implementation is a very intensive process and management is leveraging its DC Water resources fully to advance the project to meet the scheduled to go-live date of October 1, 2021. Mr. Cooper went on to review the Oracle risk assurance process to identify and correct any segregation of duties (SOD) for the 250 users and 100 individual roles in the production system for phases 1 and 2. He stated that project stabilization and business teams have mitigated 29 roles which are standard Oracle roles and that a comprehensive review will be conducted for the overall segregation of duties (SOD) controls after the go-live of HCM and Payroll systems to ensure we are turning over a very safe and secure system to the broader DC Water team.

Mr. Cooper reviewed the approved ERP Program budget of \$22.1 million, and he indicated that the current project estimate is \$18.7 million with actuals to date of \$12.9 million. He noted that the lower project cost estimate is due to the Authority being able to leverage its staff to drive a lot of these activities in addition to day-to-day activities.

In closing, Mr. Cooper provided an overview of the next steps for the project. He stated that management is very happy that staff and SMEs have engaged and pushed toward highest level of stakeholder ownership needed to drive this successful project all remotely via Microsoft Teams environment. Mr. Giancola congratulated the team on this major achievement.

Proposed Amendment to the FY 2022 Capital Budget

Mr. Brown presented an overview of management's proposal for amendments to the Board-amended FY 2022 Capital Budget and Ten-Year Capital Improvement Plan (CIP) to cover the construction costs for the Lead Free DC (LFDC) Program. He stated the LFDC project costs about a billion dollars. The Board-approved 10-year CIP currently includes \$632 million for the public side costs of the replacement programs, with an estimated construction costs of \$25.4 million projected for the public side replacements in FY 2022. He stated that \$10 million has been allocated in the District's budget for FY 2022, FY 2023, and FY 2024 for private side replacements.

Mr. Brown went on to review the various phases of the LFDC program and stated that Phase 2 is why funding is being requested to ramp up the replacement rate necessary to complete LFDC by 2030. He mentioned that approximately \$500 million remains unfunded within the program and that the most recent District budget of \$10 million per year appropriated for three years will help, but the actions today will assist in advancing the funding need for construction starting in FY 2022.

Next, Mr. Brown reviewed the capital contingency reserve and annual spending controls for the capital program. He stated that the Board-approved financial plan established a contingency of five percent in FY 2021 (\$23.6 million) and ten percent in FY 2022 (\$47.6 million) to allow flexibility for the Engineering Department to implement the capital program. He reminded the Committee that \$10.6 million was allocated last month by the Board to cover the program management costs for FY 2022.

Mr. Brown presented management's recommendation to allocate \$25.4 million for the LFDC construction cost for public side replacements, funded with the use of capital contingency in FY 2022, and to maintain the overall Board-adopted CIP budget of \$5.4 billion. He stated that the recommendations include a decrease of \$22.503 million from the previously amended capital

equipment budget, leaving a zero balance in FY 2030, and a decrease of \$2.897 million in FY 2030 from \$6.928 million to \$4.031 million in the stormwater service area. He explained that funding will be reinstated as part of the next budget cycle.

Mr. David Franco asked if we always use contingency funds to cover these costs. Mr. Brown stated that contingency was first included in the financial plan in FY 2021. The LFDC program for FY 2022 is all funded through contingency. He also mentioned the previous allocation by the Board to allocate a portion of the projected FY 2021 net cash surplus for the lead program management costs in FY 2022. He also indicated that the funding gap for the overall lead program is about \$500 million, and that DC Water is seeking outside funds, such as from the federal government, to help fill this gap.

Mr. Giancola inquired if the unfunded portion will be included in the budget going forward. Mr. Brown stated that this will require a policy decision by the Board and management whether to include the unfunded portion of LFDC in the upcoming budget and two-year rate proposal in January.

FY 2021 DC Water Cares Residential Assistance Program (RAP) and Multi-Family Assistance Program (MAP) Funds

Mr. Brown provided a brief overview of DC Water's Residential Assistance Program (RAP) and Multi-Family Assistance Program (MAP). He indicated there has been discussions in the Retail Rates Committee on various assistance programs established in response to the COVID-19 pandemic. Last year, the Finance Committee reserved \$15 million to expand the RAP and created one of the first multi-family assistance programs in the country. He informed the Committee that the Retail Rates Committee will consider expanding the DC Water Cares program for residential and multi-family during its meeting this month. He stated this recommendation is to transfer the DC Water Residential and Multi-family programs projected unexpended funds to FY 2022 budget, which includes \$1.45 million for RAP and \$4.21 million for MAP.

Mr. Brown continued to discuss program details for DC Water Cares – RAP, which provides on-going emergency assistance to cover past due, low-income residential balances, up to \$2,000 per household and the FY 2021 program performance, and to date has provided \$1.08 million in assistance. Next, Mr. Brown provided an overview of MAP which provides one time emergency assistance to low-income multi-family units, up to \$2,000 per household, and to date has provided \$2.35 million in assistance.

Mr. Brown moved to seek the Committee's recommendation to the full Board for approval to transfer the DC Water Residential and Multi-family programs projected unexpended funds to FY 2022 budget. He stated that Retail Rate Committee would like to extend both programs and want to consider that action next week.

Rev. Kenrick Curry requested additional information on the communication strategy to increase the number of people in the RAP and MAP program enrollment. Mr. Armon Curd, EVP, Customer Experience, explained that DC Water's Marketing and Communications team ensures that we are getting information out as it relates to press releases, social media, and community outreach. Mr. Curd stated his team has been targeting and reaching out to multi-family buildings, who have not registered for the programs. They are also working with other government agencies to help spread the word on the programs to increase program participation.

Rev. Curry acknowledged the grass roots efforts and asked if any of the outreach efforts targeted specific zip codes or neighborhoods that would need this program the most, and if so, how? Ms.

Kishia Powell, Chief Operating Officer, & EVP, responded that the staff has used the Census tracking data and other data to identify the customers that are most in need of assistance.

Action Items

The Committee members agreed to move the following action items to the full Board:

- A. Recommendation for Approval to Amend the FY 2022 Capital Disbursement Budget
 - Increase of \$25.4 million for Lead Free DC construction costs for public side replacements, funded with the use of capital contingency in FY 2022
 - Maintain the overall Board-adopted CIP budget of \$5.4 billion,
 - Decrease the previously amended capital equipment budget by \$22.503 million, leaving a zero balance in FY 2030. Funding will be reinstated as part of the next budget cycle
 - Decrease the stormwater service area in FY 2030 by \$2.897 million from \$6.928 million to \$4.021 million. Funding will be reinstated as part of the next budget cycle

- B. Recommendation for Approval to Carryover FY 2021 Residential Assistance Program (RAP) and Multi-Family Assistance Program (MAP) Funds to FY 2022
 - Residential Assistance Program - \$1.45 million
 - Multi-family Assistance Program - \$4.21 million

(The action items were approved at the July 27th Special meeting of the Board)

Other Items

Mr. Giancola requested that the agenda for September 2021 provide solid dates for follow up items. Mr. Brown responded the projection dates will be provided on the agenda. In response to Ms. Sarah Motsch's previous request relating to the number of customers eligible for assistance, Mr. Brown indicated that staff tried to provide the estimated numbers but was unable to provide projections. Ms. Motsch stated the follow up item could be removed from the agenda.

Adjournment

Hearing no further business, Chairperson Anthony Giancola adjourned the meeting at 11:54 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Tuesday, July 27, 2021

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

DC Water Staff

Committee Members Via Teleconference

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

DC Water Staff Via Teleconference

David L. Gadis, CEO/General Manager
Matthew Brown, CFO/EVP, Finance & Procurement
Marc Battle, EVP, Office of Legal Affairs
Linda Manley, Secretary to the Board
Armon Curd, EVP, Customer Experience
Elaine Wilson, Manager, Wastewater Q & P

Call to Order

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

Roll Call

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

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

Mr. Brown, CFO/EVP Finance and Procurement, greeted the Committee. He noted that for the month of June, revenue trends are consistent with what we have seen year to date in all categories. He mentioned that June revenue was favorable to budget.

Mr. Brown CFO/EVP provided an update on the delinquencies 90 days over-due. He further noted that the June delinquencies are \$25.3 million and were about half of this amount pre-pandemic. Additionally, delinquent accounts represent about 11 percent of the total accounts. He apprised the Committee of the customer arrears data by explaining each table in the report, including the detailed breakdown by ward. He pointed out the request from Chairperson Bhatt regarding the arrears comparison for residential category June 30, 2021 vs. March 30, 2020 was included in the report and stated that delinquencies are \$10.2 million compared to \$4.2 million, respectively. Chairperson Bhatt pointed out that the pre-pandemic 30-day delinquencies (number of accounts) was actually higher than where we are now, however in other categories, the dollar value increase is most notable. Mr. Brown briefed the Committee on the CAP, CAP2 and CAP3 customers in arrears table and breakdown by ward.

Mr. Brown updated the Committee on the Developer Deposits and mentioned that we continue to work through the forfeiture process. He stated that there has been a significant amount of refund request that have come in, which gives the Permit's department an opportunity to process those refunds. To date the refund request number of accounts are 673, which totals \$3.3 million.

Proposal to Amend Regulations to Establish Washington Aqueduct Discharge Sewer Rate (Attachment B)

Elaine Wilson, Manager, Water Quality & Pretreatment, presented the proposal to amend 21 DCMR §4101 to establish a FY22 High Flow Filter Backwash Rate for Washington Aqueduct (WAD) and any other customers that would qualify for this rate in the future based on the proposed applicability criteria in Action Item 1 including high flow (1-10 MGD) that is interruptible during wet weather.

Ms. Wilson noted that the waste characteristics of filter backwash are similar to groundwater, which has a separate rate, but the proposed rate also includes reduction in capital costs due to interruptible flows and reduction in indirect operational costs. The proposed rate of \$3.03/Ccf was developed by DC Water's rate consultant, Raftelis, using the 2018 Groundwater Cost of Service (COS) methodology and updated with 2020 COS data. The rate is consistent with COS methodology and standard practices, ensures cost recover, is legally defensible, and is consistent with Board Rate Setting Policy and all existing retail rates. This rate will be re-evaluated every two years with future COS studies.

Committee member, Howard Gibbs, asked how many customers this would apply to and what the annual revenue is. Ms. Wilson responded that currently this will only apply to WAD, but there could be other customers in the future and that expected revenue income is \$4.2 million per year, but DC is responsible for 75% of the WAD operating costs, so net revenue is approximately \$1 million per year, which is the share of WAD operating costs covered by Fairfax and Arlington.

Chairperson, Rachna Bhatt asked how Fairfax and Arlington felt about the rate. Ms. Wilson responded that Fairfax and Arlington were represented at a previous meeting with DC Water and WAD and that they expressed concerns about the costs but did not challenge the rate development methodology.

Proposal to Amend DC Water Cares Residential and Multi-family Program Regulations for Extension (Attachment C)

Armon Curd, Executive Vice President of Customer Experience, presented the emergency proposal to extend DC Water Cares Program for residential and multifamily customers into FY 2022. Mr. Curd indicated that the FY 2022 structure of both the Residential Assistance Program (RAP) as well as the

Multi-family Assistance Program (MAP) will remain consistent with FY 2021 design. He furthered that minor changes will be made to the regulations to extend the programs, including clarification that benefit renewals in the new fiscal year will be treated as a benefit reset as opposed to a continuation. Also, for MAP only, he proposed removing the ineligibility clause which prevented households from receiving MAP if previously received Federal or District funded assistance.

Mr. Curd mentioned that the FY 2021 projected unexpended balances for RAP and MAP are \$1.45 million and \$4.21 million, respectively. Matthew Brown, Chief Financial Officer and Executive Vice-President, Finance and Procurement, added that the request to rollover the unspent FY 2021 program funds into FY 2022 was presented to the Finance and Budget Committee and the action items were moved forward by the Board on July 27, 2021.

Proposal to Amend 21 DCMR Chapter 4 for Bill Challenge Regulations and Other Rules with Current Practice (Attachment D)

Mr. Curd, Executive Vice President of Customer Experience presented the proposal to amend 21 DCMR Chapter 4 Contested Water and Sewer Bills. He explained that his Customer Care team worked with the Department of Government and Legal Affairs (DGLA) to implement regulatory changes resulting from the District of Columbia Water and Sewer Authority Omnibus Amendment Act of 2021, effective March 16, 2021.

Mr. Curd furthered, that this Act made important changes and statutorily codified DC Water's bill challenge process, including: permitting a customer to challenge a bill 20 calendar days after a bill is rendered, requiring DC Water to notify customers disputing a bill that official challenges must be made in writing, requiring DC Water to print the date that a dispute must be made on the front of each bill, and requiring DC Water to incorporate information on customer bills and DC Water's website detailing how to contact the Office of People's Council and DC Water's customer service line related to bill inquiries.

Mr. Curd provided that DGLA curated feedback from public-facing subject matters related to Chapter 4 revisions including The Office of the People's Council, The District of Columbia Office of Open Government and The Office of Tax and Revenue.

Mr. Curd presented the rulemaking schedule and anticipates the publishing of the final rulemaking to be November 19, 2021.

Action Item (Attachment E)

Mr. Brown, CFO/EVP Finance and Procurement mentioned that the Committee is asked to recommend the following action items to the Full Board for approval.

- Recommends Approval of Proposal to Amend Retail Sewer Rate Regulations to Establish High Flow Filter Backwash Wastewater Sewer Rate (Action Item 1)
- Recommends Approval of Proposal to Amend CAP Regulations to Extend DC Water Cares Residential Assistance Programs (Action Item 2)
- Recommends Approval of Proposal to Amend CAP Regulations to Extend DC Water Cares Multi-family Assistance Programs (Action Item 3)
- Recommends Approval of Proposal to Amend 21 DCMR Chapter 4 for Bill Challenge Regulations and Other Rules to be Consistent DC Water Omnibus Amendment Act of 2020 and other DC Laws (Action Item 4)

Chairperson Bhatt asked the Committee members if there was any opposition to move the action items to the full Board, hearing none, the action items were recommended to the Board.

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

Mr. Brown, CFO/EVP Finance and Procurement briefed the Committee on the FY 2021 Proposed Workplan.

Agenda for September 28, 2021 Committee Meeting (Attachment G)

There was no discussion on the Committee agenda for September 28, 2021.

Other Business

None

Executive Session

There was no executive session.

Adjournment

Chairperson Bhatt adjourned the meeting at 10:03 a.m.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (July 27, 2021)



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Special DC Retail Water and Sewer Rates Committee

Tuesday, August 31, 2021

10:00 a.m.

MEETING MINUTES

Committee Members in Attendance

DC Water Staff

Committee Members Via Teleconference

Rachna Bhatt, Chairperson
Tommy Wells, Chairman
Howard Gibbs
Anthony Giancola
David Franco
Ivan Frishberg
Joe Leonard
Rev. Kendrick Curry

DC Water Staff Via Teleconference

Matthew Brown, CFO/EVP, Finance & Procurement
Marc Battle, EVP, Office of Legal Affairs
Linda Manley, Secretary to the Board
Meisha Lorick, Acting Director, Customer Care

Call to Order

Chairperson Rachna Bhatt convened the meeting at 10:00 a.m.

Roll Call

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

Waive CAP2 Recertification Requirements for Fiscal Year 2022 - Action Item (Attachment A)

Meisha Lorick, Acting Director of Customer Service provided a recommendation to modify the Customer Assistant Program (CAP 2) regulations that is consistent with the August 9, 2021, Public Service Commission Order 20990. The order waives the recertification requirements in FY2022 for all FY2021 Utility Discount Program (UDP) participants within its purview. For DC Water this action waives the recertification requirements for CAP (CAP1) only.

Ms. Lorick stated that DC Water's Department of Government and Legal Affairs has reviewed the customer assistance regulations and determined that the recertification deadline for CAP1 is consistent with the UDP renewal deadline, which has been waived by the Public Service Commission (PCS) while CAP2 recertification deadline is not subject to the UDP action. Additionally, the District Department of Energy and the Environment is waiving recertification requirements for CAP3.

The FY2021 CAP2 customers would need to reapply for FY2022 assistance unless the regulations are modified by the Board. DC Water determined that a waiver of recertification requirements for FY2021 participating customer is prudent for efficiency of implementing the program, eliminating application requirements, and reducing the burden on participants.

Ms. Lorick noted that waiving the recertification requirements will ensure that the FY2021 participating customers will automatically receive CAP2 benefits in FY2022. There will be a marginal financial impact on the Authority since we will be required to frontload the funds for all participants instead of providing benefits on a rolling basis. She also stated that while we are recommending that the CAP2 recertification is waived, the proposal does not include waiving the recertification requirements for the DC Water Multi Family Assistance Program (MAP) or the Residential Assistance Program (RAP).

Committee Chairperson Rachna Bhatt asked if waiving the recertification would be just for one year. Ms. Lorick confirmed that it would be for FY2022 only. Matthew Brown, Chief Financial Officer and Executive Vice-President, Finance and Procurement, added that the intent is to ensure consistency with CAP1 and CAP3, which recertification has already been waived.

Committee member Howard Gibbs asked if this would require revisions to the regulations. Ms. Lorick stated that the language would specifically state that the FY2021 customer would be waived through FY2022 and then for future years they would recertify.

Committee member Tony Giancola asked about the additional cost of this approach. Mr. Brown stated that DC Water does anticipate exceeding the FY2021 \$2.2 million dollar budget for CAP1. The action already taken by the Order likely would result in the budget also being exceeded in FY2022 as well. For CAP2, Mr. Brown explained that through July 2021, DC Water has spent about \$194,000 of the \$200,000 budget and that the proposed action would result in higher benefits in FY 2022. He anticipates requesting approval from the Board in September 2021 to transfer funds for CAP1 and CAP2 from the \$5 million DC Water Cares Emergency Assistance allocation approved by the Board to ensure the budgets are sufficient for both programs.

Mr. Giancola inquired why MAP and RAP are not being waived. Mr. Brown stated that DC Water is proposing to waive only CAP2 at this time, so it aligns with the actions previously taken for CAP1 and CAP3.

Chairman Wells inquired about the federal funds for this purpose. Mr. Brown replied that the Stronger Together by Assisting You (STAY) DC funds are federal funds which can be applied to customer accounts after the Department of Energy and Environment (DOEE) completes the certification for eligible customers. He noted that there are also Low-Income Household Water Assistance Program (LIHWAP)

funds available. Currently DC Water is working with DOEE on how to apply those funds to CAP customers.

Chairman Wells asked if CAP2 can be funded with federal funds. Mr. Brown responded that the LIHWAP funds are for households up to 60% State Median Income (SMI) and the CAP2 funds are for households with incomes up to 80% Area Median Income (AMI). Mr. Gregory Hope, Deputy General Counsel also stated that with respect to the LIHWAP funds, they are designed to compliment and not substitute for existing programs.

Mr. Brown, CFO/EVP Finance and Procurement mentioned that the Committee is asked to recommend the following action item to the Full Board for approval in September.

- Recommends Approval of Proposal to Waive CAP2 Recertification Requirements to the Resolution Seeking Board Approval to Amend Customer Assistance Program Regulations Extending the DC Water Cares Residential Assistance Program and Multifamily Assistance Program (Action Item 1)

Chairperson Bhatt asked the Committee members if there was any opposition to move the action item to the full Board, hearing none, the action item was recommended to the Board.

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

Mr. Brown, CFO/EVP Finance and Procurement briefed the Committee on the FY 2021 Proposed Workplan.

Other Business

None

Executive Session

There was no executive session.

Adjournment

Chairperson Bhatt adjourned the meeting at 10:19 a.m.

FOLLOW-UP ITEMS – Special DC Retail Water and Sewer Rates Committee Meeting (August 31, 2021)

There were no follow-up items



CEO's Report

SEPTEMBER
2021



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Inside

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dc Highlights

Chairman Wells and members of the Board, contrary to the common notion that nothing happens in Washington in August, it was a very active month for the team here at DC Water. Of course, as you are aware, we issued a precautionary drinking water advisory that impacted about 14,000 of our customers. We also completed an organizational assessment of our operational clusters and as a result decided to implement a new organizational structure. Details of those changes are included below, along with other highlights and monthly reports from our Finance and Procurement; Administration; Customer Experience; and Operations and Engineering divisions.



Stakeholder Engagement

Boil Water Advisory

As Congress continued to negotiate expansive infrastructure legislation in August, we were once again reminded of the importance of adequately investing in the water sector. A leak in a water transmission line, installed in 1936, led to low system pressure and a boil water advisory affecting roughly 14,000 customers in Northeast.

On the afternoon of Wednesday, August 4, crews were attempting to make repairs to the 36" transmission line. After the team closed valves to isolate a leak, the Authority began receiving calls from customers in several Northeast neighborhoods, reporting that they were experiencing low or no water pressure. Although the system pressure was restored within the hour, and service fully restored, DC Water issued a precautionary boil water advisory (BWA) while additional samples are gathered and analyzed for any sign of bacteria or other contaminants.

In response to the event, **Kirsten Williams** (Chief Communications and Stakeholder Engagement Officer / Marketing and Communications) and her team coordinated a robust notification effort. The BWA notices were disseminated by DC Water through multiple channels, including: direct emails, texts and calls to impacted customers; press releases and media outreach; DC Water alerts; NextDoor; dcwater.com; outreach to key stakeholders and associations; and posting to social media.

The District supported the notification effort with a wireless emergency alert (WEA) to the impacted area, Alert DC messages to subscribers, and door-to-door canvassing with the BWA notice.

The Boil Water Advisory was lifted for nearly 10,000 of the affected customers on August 7 and for the remaining 4,200 affected customers at 6 am on August 8.

dc

DRINKING WATER ADVISORY
DC Water Issues Boil Water Advisory for Customers in Some Neighborhoods of Northeast DC

For questions or concerns, please join us Today, Thursday, August 5, from noon to 5pm

Turkey Thicket Recreation Center
1100 Michigan Avenue, NE DC 20017

Affected Area

24 Hour Command Center (202) 612-3400





Stakeholder Engagement continued

Utility Management Conference



From August 3-6, the American Water Works Association (AWWA) and Water Environment Federation (WEF), jointly hosted the 2021 Utility Management Conference in Atlanta, Georgia. DC Water had a very visible presence on panels throughout the conference, highlighted by **Matt Brown** (Chief Financial Officer and EVP / Finance and Procurement), **Kathleen Kharkar** (Senior Manager, CIP Risk and Change Management / CIP Infrastructure Management), **Salil Kharkar** (Senior Vice-President / Operations and Engineering), and **Matt Ries** (Director, Sustainability and Watershed Management / Office of the CEO).

Mr. Brown participated in a panel discussion on best practices for affordability programs and offered attendees insights into DC Water's Customer Assistance Programs and new residential and multifamily emergency relief programs. Ms. Kharkar delivered a presentation, 'Save the Ratepayer, Save the Earth: DC Water's Solar Power Purchase Agreement.' In her presentation, Ms. Kharkar described the genesis of our solar program and how important it is to focus on guiding principles as opposed to the 'business as usual' approach. Mr. Kharkar presented 'Innovation Road Map to Transform into a Digital Utility,' sharing not only technical advances, but also the important human elements needed in the shift to digital operations. Dr. Ries was a featured speaker in a workshop entitled 'Scenario Planning for a Fit-for-Future Utility.' He helped frame a breakout discussion on 'Reimagining Operations to Manage Finances,' and shared insights from peer utilities gleaned during the COVID-19 pandemic.

Sewer Evaluation Study Outreach

On August 2, **Emanuel Briggs** (Manager, Community Outreach / Office of Marketing and Communications) initiated a new round of outreach to neighborhoods in Woodridge, Brookland, Michigan Park and Lamond Riggs to inform residents of a forthcoming survey of sewer lines and manhole covers to identify contributing factors to storm-related backups in these areas.

The study involves a variety of methodologies, including smoke testing, which requires special coordination and stakeholder outreach due to the nature of the work. The project team has provided a detailed set of FAQs and informational door hangers, a smoke testing hotline and will be sharing a dedicated resource page for each neighborhood on the DC Water website.

Study work began in mid-late August, and all work is anticipated to be completed across all sites throughout the fall. The study is particularly important to our flood mitigation efforts, as these sewer lines potentially contributed to the September 10, 2020, floods.



dc Highlights



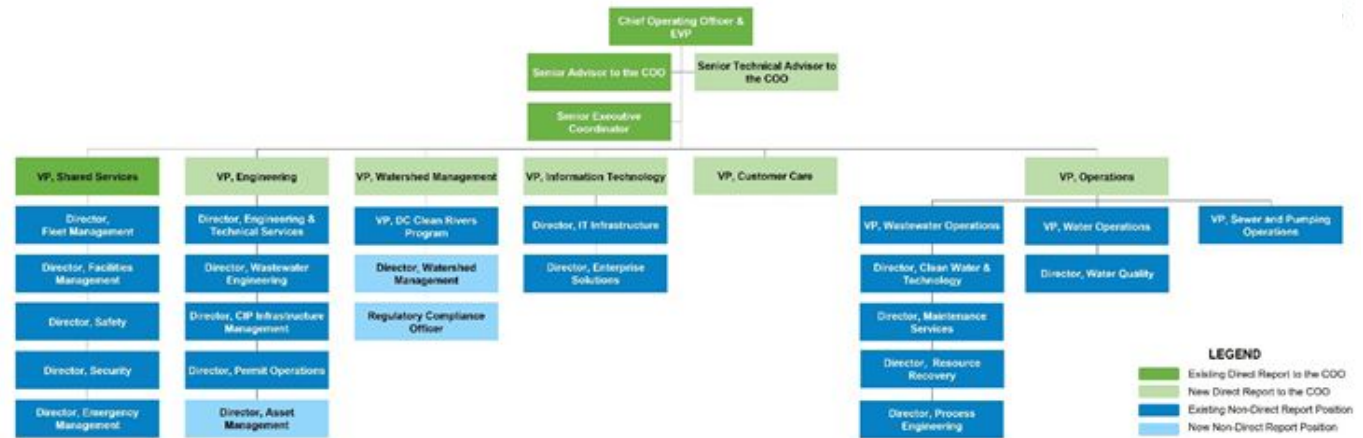
High Performing Team

Organizational Realignment of Operational Clusters

Earlier this year, we began an organizational assessment of the clusters reporting up to **Kishia Powell** (Chief Operating Officer and Executive Vice President) with the goal of aligning our organization with our vision to be known for superior service, ingenuity, and stewardship to advance the health and well-being of our diverse workforce and communities. Working with an external consultant, we thoughtfully structured the organizational assessment around the following key steps:

- Evaluate current operations through a series of interviews with leadership and other staff and complete an analysis of communications streams, processes, and roles/responsibilities throughout each cluster.
- Complete a benchmarking exercise to review how peer organizations are addressing key performance areas and organizational challenges.
- Develop alternatives for reorganization.

The Senior Executive Team reviewed the feedback from the organizational assessment interviews and evaluated the recommendations for organizational changes provided by our consultant and made the decision to establish the new organizational structure as of August 17. The leadership team believes this organizational structure, which includes the creation of new roles and the potential to consolidate some existing roles and functions, will best equip our organization to move forward and fulfill our mission.



Apprenticeship Audit Update

On August 10, 2021, the District of Columbia Department of Employment Services, submitted its findings of their audit of DC Water's apprenticeship program.

In accordance with the Code of Federal Regulations governing registered apprenticeship programs (CFR 29 Part 30), DC Water's program is subject to regular audits to ensure the requisite socio-economic goals for women and minorities are being achieved, as well as ensuring the apprentices are getting a genuine and progressive work experience with at least 2000 on-the-job training hours and 144 hours of classroom training. The audit was conducted in April 2021 and included a review of the apprentices' training plans and curriculum, progress reports, timesheet, payrolls, as well as site visits and interviews with DC Water staff.

The result of the audit confirmed that DC Water is "progressing acceptably and is compliant with the federal regulations and the DC State Plan. The key recommendation from the audit is that DC Water, "keep up the outstanding work that [you] are doing by operating a successful program."



High Performing Team continued

Some of the key elements of the apprenticeship program include:

- 100% of the apprentices are minorities;
- The apprentices are all working the required On the Job training hours – even during COVID;
- The apprentices are being paid progressive wages for all hours worked; and
- The apprentices are all excelling in their respective classroom trainings and are on pace to become journeymen in their respective fields.

Congratulations to **Korey Gray** (Director, Compliance and Business Development / Finance and Procurement) and the entire team responsible for the program. And special thanks to the apprentices themselves who continue doing such good work. Our success in this area is a significant win for the District, the Authority and small business owners and employees.

US Water Alliance Racial Equity Advisory Council

The US Water Alliance is inviting the industry's most prominent experts on advancing racial equity initiatives to join a national advisory council on racial equity. It should come as no surprise that the Alliance was eager to add **Lisa Stone** (Chief People and Inclusion Officer and EVP / People and Talent) to the advisory council that will develop the Alliance's Racial Equity Toolkit.

With the growing call for racial justice and water equity, Ms. Stone will offer her expertise in racial equity training, identify helpful resources, and advise on utility needs for the Alliance's member network. Ms. Stone's appointment to the Advisory Council is a win for racial equity within our industry, further establishes DC Water as a national leader in this area and is a significant professional honor.

Blueprint 2.0 – Strategy Fest

On July 21st, we officially released Blueprint 2.0 to the Enterprise and to our business community and launched its mobilization. It signifies my team's commitment to outlining our vision and strategic direction for the future. As you may remember, **Wayne Griffith** (Chief Strategy and Performance Officer) and I presented and shared our new strategic plan to the Board of Directors earlier in the month.

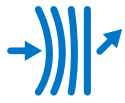
The Strategic Plan (called Blueprint 2.0) is the product of months of collaboration and coordination across multiple functional areas within the Authority. With the mobilization of Blueprint 2.0 and leveraging our newly developed Strategic Management Business Process, we committed to incorporating and aligning our operational and administrative activities to the Plan. As a part of this effort, we engaged over 60 individuals across the Authority to extract and incorporate their ideas and vision into the Plan. We believe only with that informed engagement of our internal stakeholders can we realize the full benefits of the Plan.

Since the launch of Blueprint 2.0 Mobilization on July 21, 2021, the Strategy and Performance's Enterprise Program Management Office has developed and conducted – the Strategy Fest – a series of 10 strategic management workshops designed to train staff to manage and monitor the execution of Blueprint 2.0 (August 8th to August 20th). Our goal with these workshops is to define specific goals that we want to achieve and detail the work required over the next five years to achieve these goals. Furthermore, a charter which addresses governance, roles, and responsibilities is a planned and anticipated product of this collaborative effort.

Utilizing lessons learned from previous Blueprint 1.0 efforts, the EPMO team looks to create a more robust set of strategic management processes designed to provide more predictable and measurable results. We anticipate increased collaboration, enhanced accountability, and more structured stakeholder engagement and ownership as process improvements.

I am very pleased with the level of excitement and engagement stemming from our mobilization efforts and my team is poised to maintain that energy throughout.





Resilience and Readiness

Advanced Energy Group Task Force Challenge

Over the past few months, the DC Water team, led by COO Kishia Powell, advanced past the halfway point of the 12-month Advanced Energy Group (AEG) Task Force Challenge. The Environmental Quality and Operations (EQ&Ops) Committee was briefed in July about the work the Task Force has completed to date, leading a collaborative approach for DC Water to contribute to the District's Carbon and Equity goals by developing a prioritized portfolio of projects, while engaging a broad group of stakeholders, and evaluating projects on carbon reduction, equity, and resilience strategies. EQ&Ops also learned about the ongoing engagement plan which includes a grass roots approach of outreach and messaging as well as proactive policy approaches such as letters to the White House and Congress, calling on leaders to support such balanced approaches to some of our region's greatest challenges.

On August 10, leaders from the Task Force shared the progress to date and observations from driving this unique process forward via the AEG LinkedIn Live Roundtable: DC Water Task Force Update. This live event featured Task Force Co-Leads

Dr. Matthew Ries (Director, Sustainability & Watershed Management) and **Sheryl Ude** (Senior Advisor to the COO) along with Subcommittee Lead **Apera Nwora** (Senior Program Manager, Government Affairs) and was facilitated by AEG Founder and CEO, H.G. Chissell. The audience included stakeholders and interested parties from government; local and national NGOs; academics; utilities; an ANC Commissioner, and DC City Council staff. Audience members will soon receive a survey to gather their feedback to our strategy and opportunities for potential funding opportunities and other kinds of support. A link to the one-hour roundtable recording can be found [here](#).

Looking forward, the Task Force will continue to refine its portfolio of projects while ramping up policy and stakeholder engagement work, working toward a January 2022 final list of projects. A briefing on the AEG Challenge is being developed for the September Joint Board Meeting as well as a presentation to DC Water's Stakeholder Alliance.

Partnership for Safe Water (PSW) Update

DC Water has been a member of the American Water Works Association's (AWWA) Partnership for Safe Water (PSW) Distribution System Optimization Program since 2015. In June 2020, the Authority received the President's Award from the PSW. This award recognizes systems that have achieved the highest levels of water quality performance and are working towards full optimization against pressure management and main break criteria.

As President's Award Recipients, DC Water is required to submit system data on water quality, pressure, and main breaks, as well as progress updates on our 'Action Plan' of initiatives to improve system performance.

The Annual Report is a summary of the system data and provides an update on DC Water Action Plan initiatives. We are currently reviewing and finalizing the Annual Report and plan to submit it in the coming weeks.





Clusters

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



Finance and Procurement Cluster

Financial Metrics

Metric	Target	April-21	May-21	June-21	July-21
Operating Cash Balance (millions \$)	185	215	215	213	196
Delinquent Account Receivables (%)	3.00	4.23	4.42	4.45	4.51
On-time Vendor Payments (%)	97	92	93	93	93
Investment Earnings Data (Thousands \$)	190.9	176.3	196.4	190.0	236.9
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index	0.18*	0.18	0.16	0.25	0.19
Core Investment Yield Data (%) - Actual Monthly Yield		0.83	0.78	0.76	0.72
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index	0.05*	0.01	0.01	0.05	0.05
Short Term Investment Yield Data (%) - Actual Monthly Yield		0.12	0.11	0.11	0.08
Days of Cash on Hand	250**	318	328	337	334***

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

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

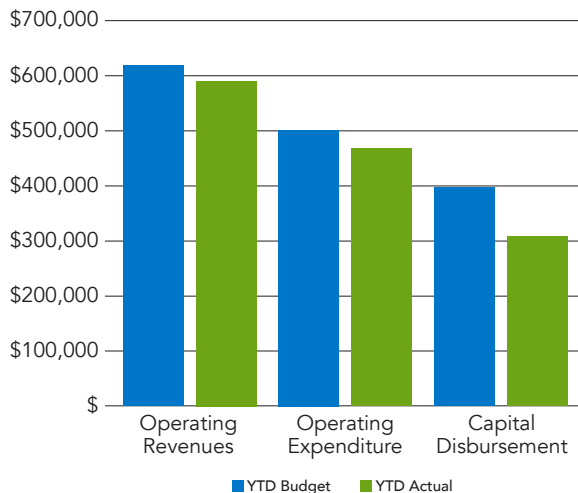
***The 334 days of cash is made up of 106 days in the Rate Stabilization Fund and 228 days in the operating cash balance.

Finance Highlights

FY 2021 Financial Performance YTD

As of the end of July 2021, with 83 percent of the fiscal year completed, both revenues and expenditures are below budget. Revenues are below budget by \$33.9 million as compared to the year-to-date (YTD) budget. DC Water is aligning expenditures with revenues, and as a result operation and maintenance, including debt service, expenditures are below the YTD budget by \$35.8 million.

FY 2021 Year to Date Performance Budget vs. Actuals (\$000's)



WIFIA Loan – Exercising Reset Rate Option

DC Water initiated a request with the U.S. Environmental Protection Agency to reduce borrowing costs associated with the WIFIA loan. The \$156 million loan to DC Water closed earlier this year at a rate of 2.33%, but we have not yet drawn on the loan. Since that time treasury rates have moved in a favorable direction. Compared to the existing rate, a reduction of 0.50% could be possible and that would result in present value debt service savings of roughly \$13.5 million (8.6% of principal).

We anticipate that the process will take about two months to complete, and the new rate does not become locked until execution (which is the final step). While there will be some rate fluctuation in the meantime, we believe that the time is right to move this forward. The terms of the loan won't change, but there would be a "re-execution" of the loan agreement. There will be some upfront costs associated with bond counsel and our Financial Advisor, PFM.

Matthew Brown, CFO and EVP, Finance and Procurement sent the initial request to the Director of the WIFIA program at EPA to begin the process on behalf of DC Water. The loan is expected to close at the end of September 2021.

Procurement and Compliance

Key Contracting Activities:

- Awarded LFDC Change Order (\$15,450,000.00 each) to Capitol Paving D.C., Inc and Spiniello Companies to support the start of DC Water’s Lead Free DC (LFDC) Program for FY22 Program.
- Hosted Industry Outreach event for Traffic Control Plans and 12 firms in attendance.
- Industry Outreach Event for PRT-B Design Build. Attention of 96 participants
- Awarded PRT-A Advanced Utility Construction with savings of \$216,232.00.
- Received 23 proposals for DCFA 480 - Microgrid Implementation Project at Blue Plains Advanced WWTP RFI.
- Awarded Chemical Root Control Contract 10112 to Duke’s Root Control estimated savings of \$76,000 or 9.5% over the contract term

Business Diversity and Inclusion Highlights:

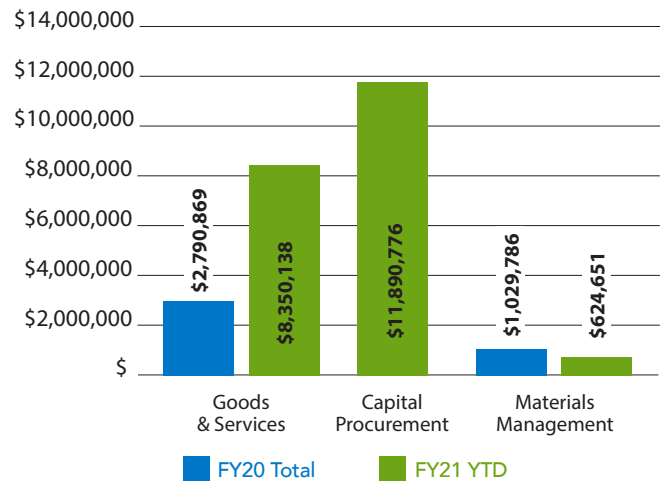
Key Highlights:

- Attended the DC Anchor Partnership (DCAP) Bi-weekly Meeting (June 11, 2021).
- Held the Business Development Diversity and Inclusion Advisory Council Internal Stakeholder Meeting on July 20, 2021

Cost Savings (negotiated savings and cost avoidance)

The chart shows the FY20 total cost savings and FY21 year-to-date cost savings achieved by Procurement through the competitive solicitation process in the Capital Project and Goods/Service solicitations and the cost avoidance achieved in the Materials Management through the inventory optimization. The cost savings for Capital Procurement was not tracked in FY20.

Cost Savings (cumulative 10/1/20 - 7/30/21)

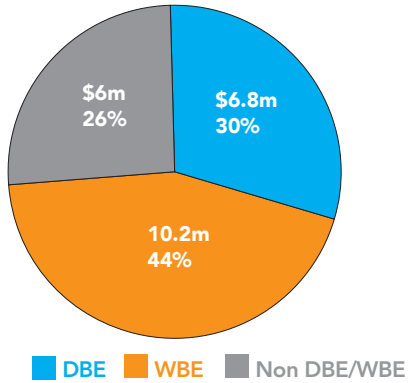


dc Finance and Procurement Cluster

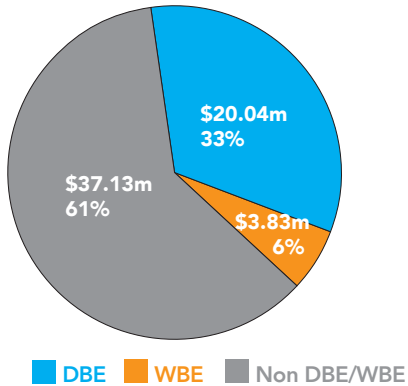
Procurement and Compliance - continued

Total Contract Actions and Certified Firm Participation in July 2021

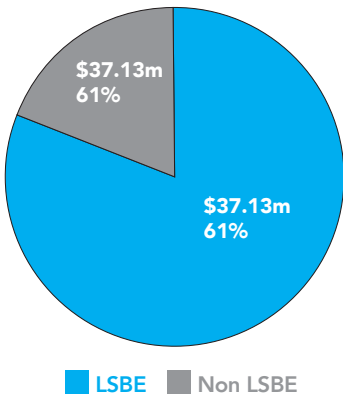
FY 21 New Awards A/E Projects



FY 21 New Awards Construction Projects



FY 21 New Awards Goods and Services



Upcoming Business Opportunities

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

Capital Procurement

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Delivery Type	Eligible Inclusion Program
Aug 2021	DCFA - 514 Construction Management	RFP	\$8M	Bid Build	DBE/WBE
Sep 2021	Small Diameter Water Main Repl. 15b	IFB	\$9M	Bid Build	DBE/WBE
Sep 2021	Microgrid Implementation Project at Blue Plain Advanced WWTP	RFP	\$400k	N/A	DBE/WBE
Sep 2021	Inspection and Cleaning of Local Sewers	RFP	\$12M	N/A	DBE/WBE
Sep 2021	COF/IT Electrical System Upgrade	RFP	\$9M	Bid Build	DBE/WBE
Sep 2021	Potomac River Tunnel Project (Tunnel)	RFP	\$1M	Design Build	DBE/WBE

Goods and Services Procurement:

Planned Solicitation	Project Title	Solicitation Type	Estimated Total Contract Value	Eligible Inclusion Program
Aug 2021	Scaffolding Equipment Rental	RFP	< \$1M	LSBE
Aug 2021	Investment Advisory Services	RFP	< \$1M	LSBE
Aug 2021	Industrial Cleaning at Blue Plains & Pumping Stations Industrial Cleaning	RFP	> \$10M	DBE/WBE
Aug 2021	Reservoir/Tank Cleaning Services	RFP	< \$1M	DBE/WBE
Aug 2021	Janitorial services for all DC Water office buildings.	RFP	\$1-\$5M	DBE/WBE
Aug 2021	Annual Maintenance and Repair of Electrical Power Distribution Equipment (High Voltage)	RFP	\$1-\$5M	DBE/WBE
Sep 2021	Provide Brokerage Services for the Property Casualty Insurance Program	RFP	< \$1M	LSBE
Sep 2021	Hauling & Disposal of Excavation Spoils/Debris & Catch Basin Debris	RFP	\$1-\$5M	DBE/WBE
Sep 2021	Repair and Maintenance of Cranes and Hoists	RFP	< \$1M	LSBE
Sep 2021	Inspection of Cranes and Hoists	RFP	< \$1M	LSBE
Sep 2021	Annual Maintenance of Electrical Control Equipment (low voltage)	RFP	\$5-\$10M	DBE/WBE

Accomplishments

Support of July 12th Return to Work: Facilities preparation of return to workspaces to promote social distancing and worker safety. More than a dozen crew members from multiple shops and the Facilities management team worked over the weekend of 7/10 & 7/11, some reporting at 4:30am on Sunday to meet the tight deadline.



Domitrick Lyles, Apprentice Plumber, cross-trains with carpentry shop in preparation and installation of plexiglass shielding to support social distancing at workstations.



Coy Jeffries, Maintenance Mechanic, pre-assembles plexiglass shielding support hardware.



Mount Wright, Foreman Mechanical Maintenance; Damon Sams, Apprentice Plumber; and Randy Harris, Foreman Buildings & Grounds working together over the weekend, preparing plexiglass panels for the carpentry shop to install.



Dustin Rawls, Office Assistant III, taking a break from plexiglass preparation on Saturday 7/10/21, coordinates vendor orders and service request input to support return to work.

Accomplishments continued

DC Water was selected as one of the Leading Fleets in North America by Government Fleet Magazine.

Office of Emergency Management (OEM) and Water Quality staff, along with the District's Department of General Services, presented during the U.S. Environmental Protection Agency's Community-Based Water Resilience Case Study Webinar, on DC Water's Critical Customer program efforts on July 27th.

OEM coordinated and assisted in facilitating DC Water Supervisory Control and Data Acquisition (SCADA) Emergency Drill, testing the Authority's ability to maintain adequate water pressure during an unforeseen power outage scenario, July 13.



SCADA Emergency Drill

Upcoming Priorities

As staff return to the office, Department of Occupational Safety and Health developed an electronic form in the Safety Risk System (Origami) for all to use and track COVID-19 Health Hazard-related incidents. People & Talent will review the system before the form can be used throughout the Authority.

Fleet Management maintained 90% availability of Priority #1 units during July (up from 84% in June), despite weather "heat advisory" working conditions in fleet maintenance shop and the continued challenges due to COVID-19; positive cases of onsite technicians and outside vendors, and limited resources/services due to close contacts. Small delays have also occurred due to vehicles awaiting pickup by user departments when service is completed and road call numbers are up due to dead batteries.

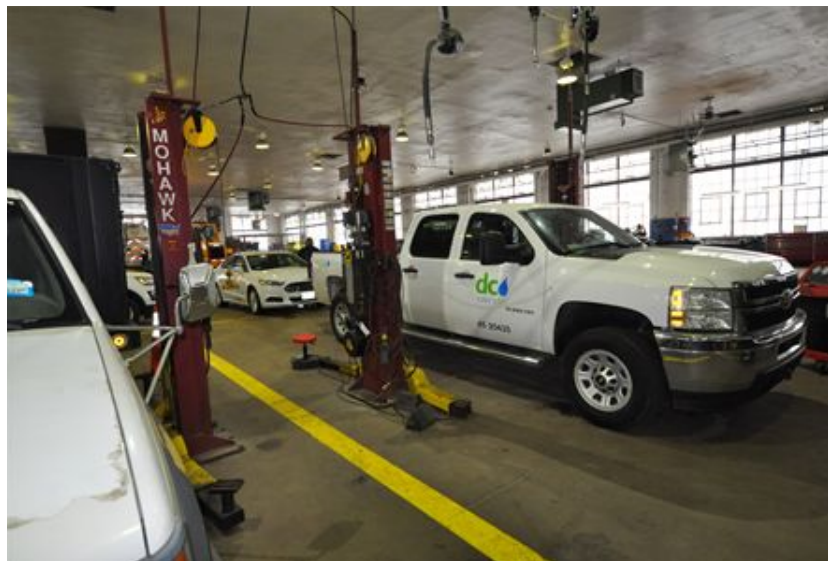


Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	April-21	May-21	June-21	July-21
Security: Camera operational uptime	90%	95%	96%	94%	95%
Security: Smart card readers operational uptime	90%	99%	99%	99%	99%
Security: Percent of security investigations completed within 21 days	95%	100%	100%	100%	100%
Facilities: Preventive Maintenance Completion Rate	90%	28%	43%	23%	46%
Facilities: Service Request Completion Rate	90%	20%	43%	38%	55%
Fleet: Preventive Maintenance (PM) on Schedule	96%	38%	31%	19%	25%
Fleet: Priority Vehicles/Equipment (In-Service)	96%	85%	87%	84%	90%
Safety: DC Water Employee Recordable Incident Rate (RIR) (CY)	< 5.3	4.8	4.5	4.1	4.6
Safety: DC Water Employee Lost Time Incident (LTI) (CY)	< 2.1	2.6	1.9	2.3	2.5
Safety: Contractor/ROCIIP Recordable Incident Rate (RIR) (CY)	< 2.8	1	.09	1.2	1.3
Safety: Contractor/ROCIIP Lost Time Incident (LTI) (CY)	< 1.1	0	0	0	0

Facilities and Fleet continue to struggle to meet preventative maintenance and service request benchmarks due to the reductions in services and activities related to COVID-19. For Safety, DC Water LTI – We have been above our benchmark for this a few times this year. The same issues continue to exist (lack of leading indicator implementation (proactive measures), behaviors continue to exist that goes against our current policies, lack of communication (tool box talks), etc.).




Customer Experience Cluster
Customer Care and Information Technology

Customer Service's answer rate is steady. Our call volume is slowly increasing due to increased customer communication concerning assistance programs and payment reminders. As we restore late fees and increase collection notifications, we anticipate greater increases in call volume. We are currently recruiting for all vacant positions, especially in the call center. We will also supplement with temporary staffing. Additionally, average talk time has increased from last month, but is consistent with previous months data. We will be reevaluating the target of 5:30 in the new fiscal year. The increase in talk time is due to increased discussions about the varying assistance program options. Additionally, the team is working to ensure systems and agents responses are in line with the moratorium legislation and ready for the upcoming impact. For customer communication, we have begun notification through various customer facing media. The department came under its target of 3% for estimated bills (actual 4.2%) due to an MTU issue with the firmware, and the cadence of the reports received relative to replacements completed in the small diameter replacement project. Finally, we are meeting our target for on-time billing (95%) within 5 days.

Customer Assistance Programs (CAP)

Program	FY2020 Enrolled	FY2020 Dollars	July # Enrolled	July Dollars	# FY21 Enrolled	FY2021 Dollars	FY2021 Budget
CAP I	3,818	\$1,584,808	240	\$261,853	4,134	\$1,816,199	\$2,200,000
CAP II	624	\$173,837	13	\$24,342	506	\$194,939	\$200,000
CAP III	133	\$25,863	6	\$3,293	169	\$28,665	\$200,000
Non Residential CRIAC Relief	171	\$1,028,753	2	\$75,599	136	\$760,989	\$2,747,591
Emergency Relief Program	2,098	\$884,388	0	\$0	1,821	\$1,073,464	\$1,073,979
DC Water Cares Residential	N/A	N/A	224	\$218,294	1,976	\$1,302,140	\$3,000,000
DC Water Cares Multifamily (number of units)	N/A	N/A	206	\$79,679	5,657	\$2,425,647	\$6,280,000
STAY DC	N/A	N/A	21	\$13,878	21	\$13,878	N/A

IT Monthly Report

SR/WO Type	SL Target/SLA	Oct 2020	Nov 2021	Dec 2020	Jan 2020	Feb 2021	March 2021	April 2021	May 2021	June 2021	July 2021
Number of tickets submitted	Trend only	937	825	930	863	880	1,142	737	910	956	1126
Number of open tickets	Trend only	31	7	108	33	72	94	71	58	53	68
Helpdesk SLA	96%	95%	96%	100%	98%	99%	98%	99%	97%	96%	98%
Number of active projects	Trend only	18	20	21	20	20	20	20	21	21	18
Number of completed projects	Trend only	0	0	3	4	7	7	9	10	14	17
On schedule performance	90%	94%	91%	95%	87%	83%	83%	83%	88%	91%	84%
On budget performance	90%	100%	100%	91%	96%	90%	92%	75%	75%	74%	84%

dc Customer Experience Cluster

Customer Care and Information Technology

Key Performance Indicators

Metric	Target/ Service Level	April-21	May-21	June-21	July-21
% of Bills issued on time (w/in 5 days)	95%	96%	96%	95%	95%
Estimated bills as a percent of meters read	3%	5%	4.2%	4.2%	4%
Number of High Bill Complaints	trend only	189	184	212	141
% of OPC inquiries resolved within 14 days	90%	100%	100%	100%	95%
% of calls answered in 40 seconds (call center)	85%	96%	97%	93%	90%
Monthly Call Volume Served (Call Center)	trend only	6,237	5,822	6,519	6,708
Average Talk Time (minutes)	3:30	6:29	6:08	5:58	6:06
Average Wait Time (minutes)	1:30	0:20	0:13	3:33	0:20
Abandoned Calls (%)	6%	1%	1%	2%	1%



dc operations and Engineering Cluster

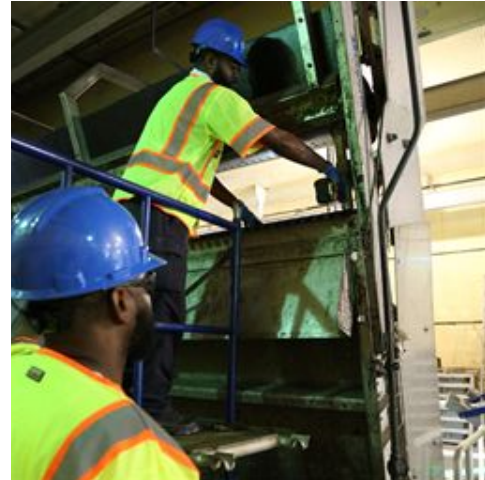
Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Feature of the Month – Pumping Operations

The 15-million-gallon soldier's home reservoir is back in service. The reservoir was out of service for approximately a year during the CIP upgrade which resulted from the EPA Sanitary Survey.

On July 13th, the Department of Pumping & Sewer Operations participated in a SCADA emergency drill exercise that challenged staff to work interdepartmentally, think critically and identify solutions in incidents and emergency scenarios. Other skills included on-site and hands-on training on pump operation and local pressure monitoring. The impromptu drill led to the development of an IMT structure which initiated a planning & operations briefing that concluded the drill.

The Pumping Maintenance division performed in-house installation of support bars for screens 1 and 2 at the Potomac Pump Station.



Key Performance Indicators

Metric	Target/Service Level	Apr-21	May-21	June-21	July-21
Wastewater Operations					
NPDES Permit Compliance	100%	100%	100%	100%	100%
Air Permit Compliance	100%	100%	100%	100%	100%
Biosolids Class A	100%	100%	100%	100%	100%
Tunnel Dewatering	100%	100%	100%	100%	100%
Combined Heat and Power	>20%	26%	28%	26%	25%
Reactive Maintenance	<20%	31%	29%	31%	40%
Critical Asset Availability	>95%	98%	97%	97%	97%
Sewer Operations					
CSS Structures Inspection	100%	100%	100%	100%	100%
MS4 Area Catch basins Cleaning/Inspections	100%	48%	56%	60%	61%
CSS Area Catch basins to Anacostia – Cleaning/Inspections	100%	52%	85%	18%	100%
Non-Anacostia CSS Area Catch Basins – Cleaning/Inspections	85%	3%	4%	19%	37%
Sewer Cleaning and Inspection (Miles)	>12	4.4	3.5	3.01	4.18
Sewer Backup (Investigation to Resolution)	>95%	100%	100%	100%	100%
Sanitary Sewer Overflow	1.4 per 100 Miles	.52	.79	.15	.3
Combined Sewer Overflow	0	0	0	0	0

dc Operations and Engineering Cluster

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

Key Performance Indicators continued

Metric	Target/Service Level	Apr-21	May-21	June-21	July-21
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	40%	26%	39%	33%
Critical Asset Availability	95%	98%	98%	98%	98%
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Replace Non-Standard Hydrants	>21/Month	31	6	8	8
Hydrant Flow Tests (Non-Winter Months)	>180	84	86	40	73
Fire Hydrants Operational	99%	99.75%	99.69%	99.73	99.67%
Emergency Water Service Orders Completed	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	72%	87%	55%	50%
Water Main Breaks	<28/Month	25	12	22	30
Water Main Break Rate /100 Miles (National Average is 25)	25	48	43	41	39.09
% of Hydrant Leaks in Inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	96%	93%	93%	91%





Operations and Engineering Cluster

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

Explanation of Missed Targets

Wastewater Operations Reactive Maintenance (<20%)

DC Water has adopted industry best practice benchmark of less than 20% reactive maintenance hours as a percent of total maintenance hours. Based on experience from leading Industries, it will require 3-5 years to transform to a culture of proactive maintenance and effectively implement proven skills to eliminate or reduce failures that lead to reactive maintenance.

MS4 Area Catch Basin Cleaning/Inspection (100%)

The Department has an annual goal of 100% and expects to achieve this goal by year end

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

Our next goal is to complete cleaning the entire MS4 for compliance period July 1, 2020 – June 30, 2021. We also have a non-compliance goal for 1st time inspections of the CSS Anacostia between January 1, 2021 -June 30, 2021. Our compliance period for cleaning the Non-Anacostia CSS is January 1, 2021 - December 31, 2021

Sewer Cleaning & Inspection (>12 Miles)

The current data reflects cleaning in response to service calls. The Department does not have the available resources to achieve and/or maintain the target. We are working to maintain a contract with Redzone to improve the performance.

Pumping Operations Reactive Maintenance (<20%)

The reactive maintenance metric has slightly improved since last month but can be did not meet the target due to other prioritized work activities and/or emergencies.

Replace Non-Standard Hydrants (>20/Month)

Team impacted by Covid with Positive Individual and close contact. Individuals were quarantined for 14 days which caused a delay in process.

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

The Department did not meet the monthly target due to fleet availability and prioritization of other emergency field work

Water Quality Complaint Resolution (within 48 Hours)

The percent of Water Quality complaint to resolution was the highest this year but remains slightly lower than the target due decrease in staff availability. Our response to customer complaints follow this progression: phone consultation, water testing, flushing, water testing 1-2 weeks after flush to ensure water quality has maintained improvement, and repeat flushing and testing as necessary. WQ&T is currently working to recruit technicians to ensure that flushing activities may resolves any further complaints.



DC Water Capital Improvement Program

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

Water Service Area Projects Update on projects and priorities

Soldiers Home Reservoir Upgrade Project – Construction is primarily completed. Punch list items being addressed.

Lead Free DC

Work with Lead Free Project Team on prioritization of water mains and lead service lines for Lead Free DC is finished and passed to design phase.

Planning, design, traffic control plans, and permitting of the Capital Improvement Project and Emergency Rehabilitation (CIPERR) Phase 2 program is on-going.

One IR&R contract and one SDWM contract were change ordered to provide capacity for the construction work.. Resource identification for increased activity and work continues, including construction management and inspections, communications and outreach, as well as document and data management staffing.

- The Lead-Free DC Program continues to do outreach promoting the Request for Information (RFI) that will inform the Request for Proposal (RFP) for a Program Management contract that will be in place for FY23.
- The Lead-Free DC Program has finished all designs for FY22 block-by-block construction and has notified customers in the project areas of the opportunity to replace their lead pipe for free.

Water Condition Assessment Projects

11 St 37" Steel Condition Assessment – Notice to Proceed was given. Pre-Inspection planning and coordination with DPSO on test isolations has started.

Rehabilitation of N Street 66-inch/72-inch Prestressed Concrete Cylinder Pipe (PCCP) Water Main

Construction contract executed – the 66" butterfly valve is a long lead item which is currently being manufactured.

Fiscal Year	LPRAP (Assistance Program)	Voluntary Full	CIP Full	CIP Partials	Emergency Full	Emergency Partials	Total LSRs	FY21 Goal	Partials	Partials %	Goal %
FY2021	173	425	20	14	69	2	703	500	16	2.3%	2.1%

Other Notable Projects

- DC Water issued a stop work order to Pepco for a tunnel they were digging under the Northwest Boundary Sewer (NWBS). Pepco's excavation resulted in damage to the sewer and a bypass was placed in the NWBS to monitor the condition of the tunnel. Geo-form grout was also installed to help stabilize the soil around the sewer. DC Water will monitor the NWBS for settling before performing any repairs or rehabilitation to the sewer.
- The Oracle Permits Information System (PIMS) under Development
- O Street (Roadway project with DMPED and Brookfield Developer)
 - Completed Pre-Final Design (90%)
 - Submitted Initial Permits and the corrective action plan submitted DOEE
 - Started application materials for all remaining permits

dc High Risk Audit Findings

Open High Risk Prior Audit Findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
1	2016	7/28/2016	Training, Licensing, and Certification	Identification and monitoring of training requirements by position	9/30/2017	1/1/2022	4
<p><i>Status notes:</i> Three training buckets (safety, compliance, and technical) have been configured in Cornerstone LMS. Technical training requirements are being identified by department. Trainings will be assigned by role when the Oracle LMS module is implemented. <i>Reason for extension:</i> Multiple changes in leadership within People & Talent, not prioritized under previous leadership, difficulty organizing technical trainings requiring cross-departmental support, delay in Oracle implementation go-live.</p>							
2	2017	4/27/2017	Data Privacy Assessment	Finding Issued in Executive Session	5/1/2017	11/30/2021	7
3	2017	10/26/2017	Entity Level Assessment	Lack of a comprehensive risk management function to evaluate entity-wide risk	10/1/2018	3/31/2022	3
4		Lack of Authority-wide policy and procedure management function		9/30/2018	2/28/2022	3	
<p><i>Status notes:</i> EPMO has developed an Enterprise Risk Management (ERM) Policy to be institutionalized across the enterprise. EPMO has also developed a policy regarding policy and procedure administration to address Authority-wide policy development, issuance, and maintenance. A DC Water Policy Administrator position will be created. <i>Reason for extension:</i> Continued change in ownership of action plans. Difficulty executing cross-departmental initiatives.</p>							
5	2018	1/24/2019	Enterprise Work Order Management Assessment	DWO – Inadequate capture of labor and materials cost data in Maximo work orders	9/30/2020	9/30/2021	1
<p><i>Status notes:</i> Pilot for hydrant program is complete. Roll out of valve application is anticipated by the end of the fiscal year. <i>Reason for extension:</i> Deprioritized due to COVID.</p>							
6	2019	4/25/2019	Legal Operations Assessment	Lack of definition of Office of Legal Affairs' role in matters across the Authority	9/30/2020	9/30/2021	1
<p><i>Status notes:</i> Milestones provided by Legal regarding closure of this item. Meetings have been held with Division Chiefs to discuss the process of drafting a service level agreement (SLA) to formalize the role Legal Affairs will play and how and when Divisions should reach out to Legal for counsel. <i>Reason for extension:</i> Lack of departmental bandwidth / prioritization.</p>							

1

Open High Risk Prior Audit Findings

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions	
7	2019	4/25/2019	Occupational Safety and Health Internal Audit	Outdated comprehensive safety plan for the Authority	3/1/2020	9/30/2021	4
<p><i>Status notes:</i> Safety policies are now going through the process of leadership review. A schedule has been developed to track progress towards review of all policies leading up to the new target date. <i>Reason for extension:</i> Delays in development of large volume of policies. COVID-19 delays for pandemic priorities.</p>							
8	2019	7/25/2019	Purchasing Card Internal Audit	Non-compliance with documented PCard and TCard policies	5/25/2020	9/30/21	1
<p><i>Status notes:</i> PCard policy has been updated and updated training conducted for all cardholders. Travel policy updates are underway. <i>Reason for extension:</i> Travel policy updates were put on-hold at the beginning of the pandemic given other COVID-19 response priorities and limited TCard usage.</p>							
9	2020	4/23/2020	Facilities Management Internal Audit	Utilization of Maximo – Inconsistent Entry of Materials & Labor	6/15/2020	8/31/2021	2
10			Work Order Monitoring – Lack of Supervisor Review & KPIs	6/15/2020	8/31/2021	2	
<p><i>Status notes:</i> Facilities added new items to the Oracle system and Materials Management set up a new virtual warehouse for Facilities to utilize and apply materials costs to individual work orders. Mobile devices are currently being configured and tested. After testing is complete, all 20 iPads will be distributed to Facilities for full use moving forward. <i>Reason for extension:</i> Competing IT priorities that delayed the distribution of tablets and development of tablet software. Transitioning to new ERP also resulted in delays to population of Maximo inventory listing.</p>							

Legend	
	Past due
	Original target date has not yet come due

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CEO Report Dashboard

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ORGANIZATIONAL PERFORMANCE DASHBOARD (Jul 2021)


Financial Highlights

Net Operating Cash (\$m)		Operating Revenue (\$m)		Operating Expenses (\$m)		Capital Disbursement (\$m)		Operating Cash Bal (\$m)	
Actual	127.99	Actual	582.50	Actual	466.60	Actual	310.70	Actual	195.60
Target	95.87	Target	616.00	Target	502.40	Target	396.10	Target	185.00

Core Invest Yield (%)		Short Term Invest Yield (%)		Delinquent Acct Receivables (%)		On-time Vendor Payments (%)	
Actual	0.72	Actual	0.08	Actual	4.51	Actual	93.00
Target	0.19	Target	0.05	Target	3.00	Target	97.00

Operations and Engineering Highlights

Lead Concentration (ppb)	Total Coliform Rule (%)	Biosolids Production (wet tons)	Total Nitrogen (lbs/yr mil)
		Actual 418	

Plant Effluent Flow (gal mil)	Excess Flow (gal mil)	Water Main Leaks	Water Valve Leaks
	42	30	0

Fire Hydrants Insps. And Maint.	Fire Hydrants out of Service	Fire Hydrants Replaced (YTD)
1256	35	8

Sewer Main Backups	Sewer Lateral Backups	Dry Weather CSO	Permits Processed within SLA (%)	Electricity Usage (Kwh)
4	117	0	91	19469

Customer Experience Highlights

Call Center Performance		Command Center Performance		Emergency Response Time	
Actual	90%	Actual	82%	Actual	100%
Target	85% 	Target	85% 	Target	90%  (% of calls Received)

Low Income Assistance Program Highlights

SPLASH Contributions (\$tho)		Customer Assist. Program (\$tho)	
Actual	60.29	Current	261.85
Target	66.67	Previous	185.65

People and Talents Highlights

Recruitment Activity	
Filled	4
Open	46

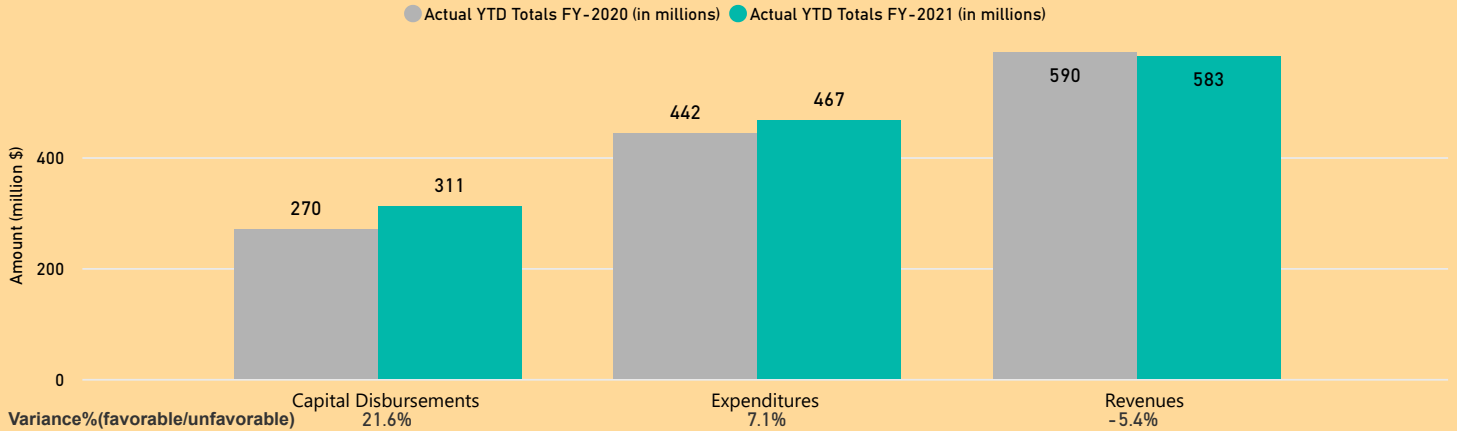
Administration Highlights

Employee Lost Time Incidence Rate	
	2.50%

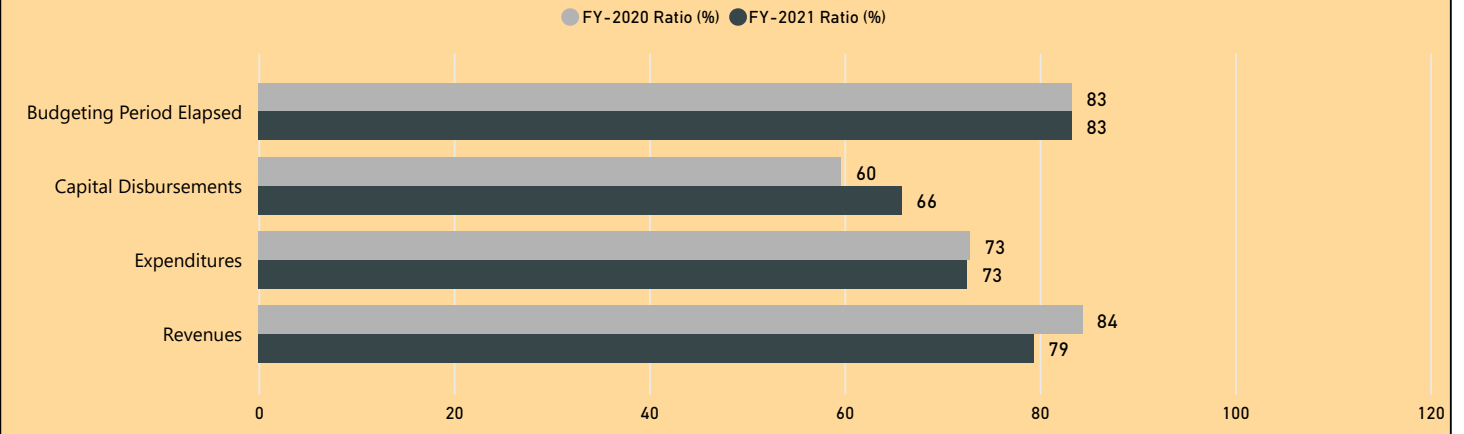
FINANCIAL HIGHLIGHTS

Financial Performance Summary

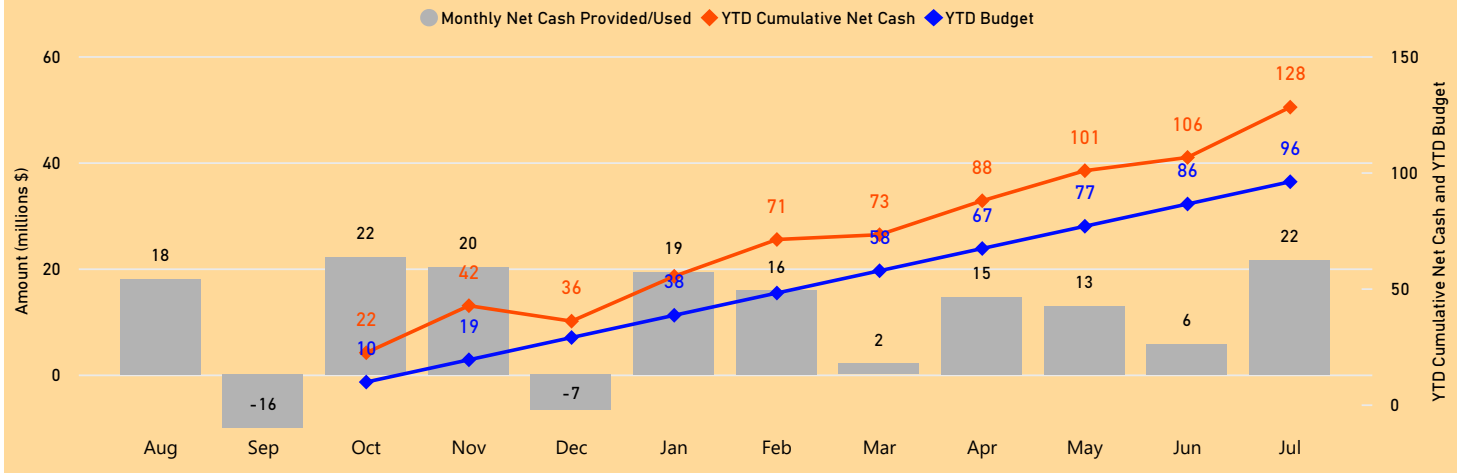
Revenue, Expenditure, and Capital Disbursement



Year to Date Analysis



Net Operating Cash

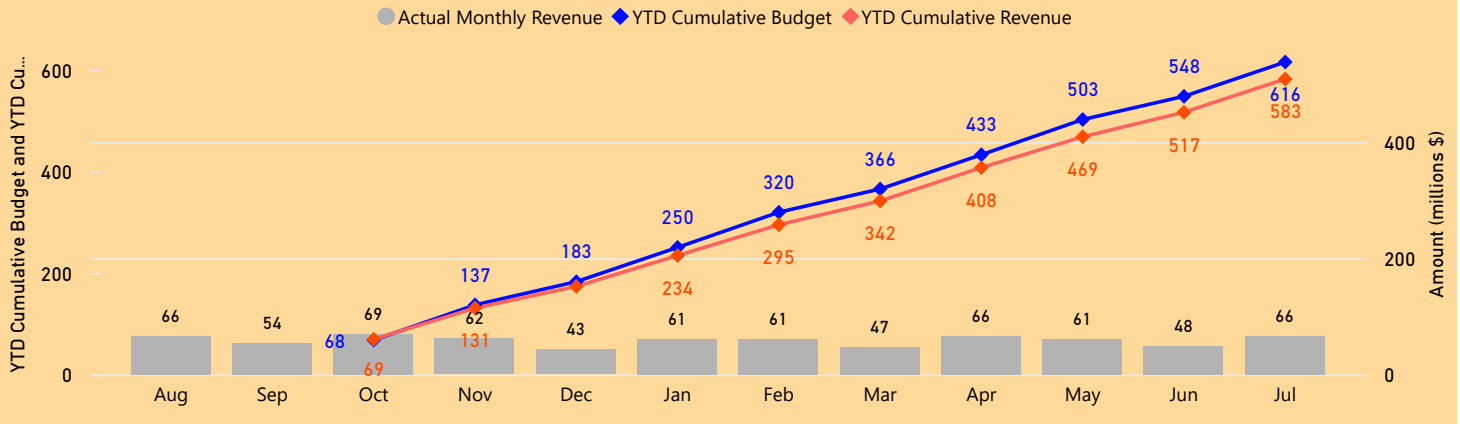


Net cash to date for July was above budget by \$32.1 Million

FINANCIAL HIGHLIGHTS

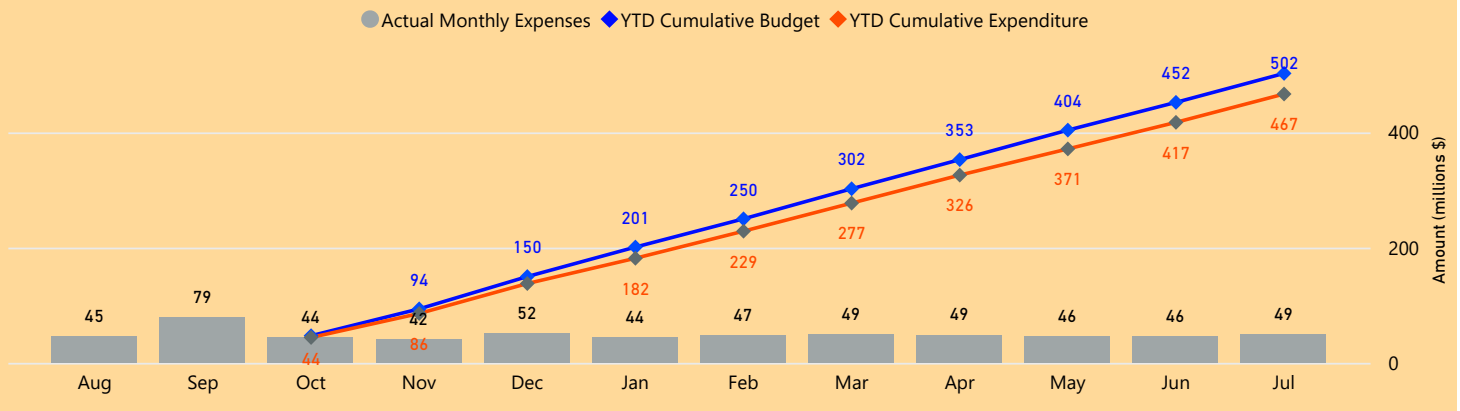
Revenues & Operating Expenses

Operating Revenues



Revenue to date for July was below budget by \$33.6 Million

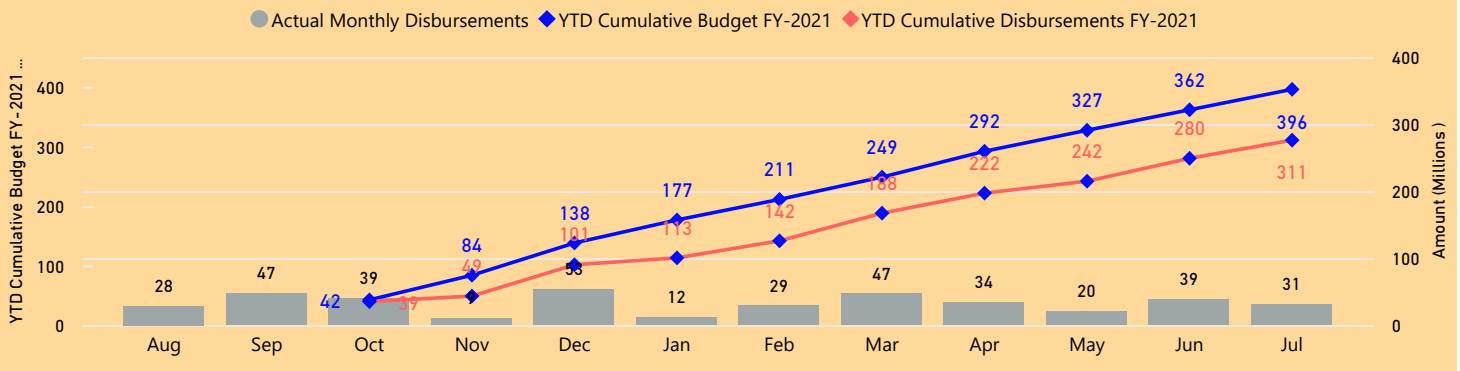
Operating Expenses



Expenditure to date for July was below budget by \$35.8 Million

Capital Spending

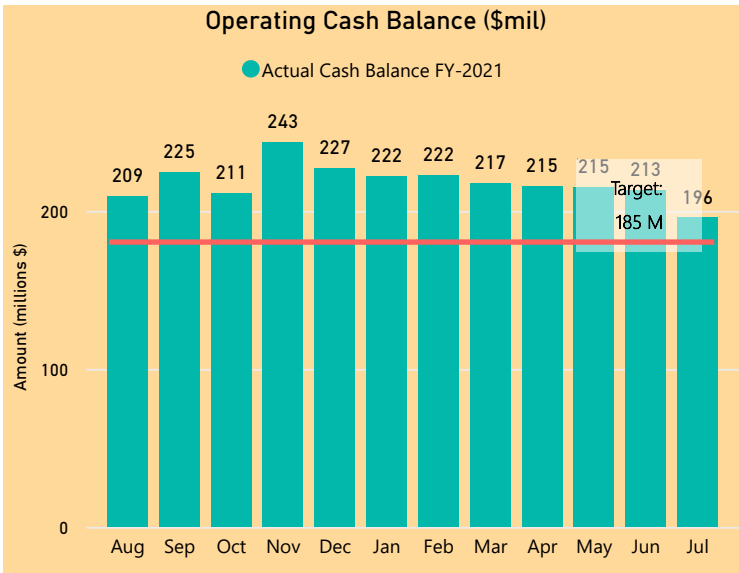
Capital Disbursement



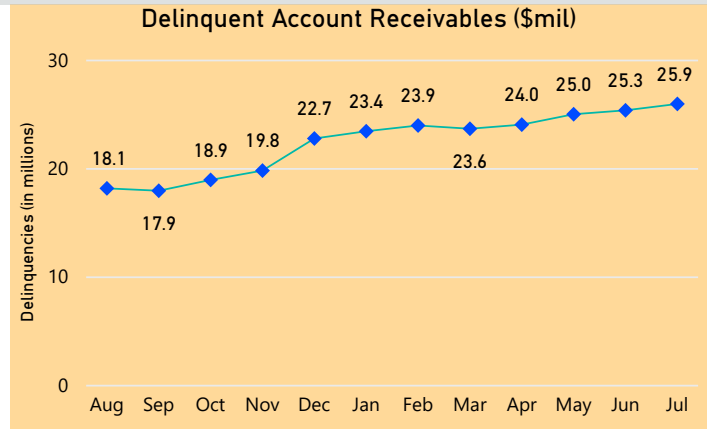
Disbursements to date for July was below budget by \$85.4 Million. YTD spending reflects comparison to the revised budget.

FINANCIAL HIGHLIGHTS

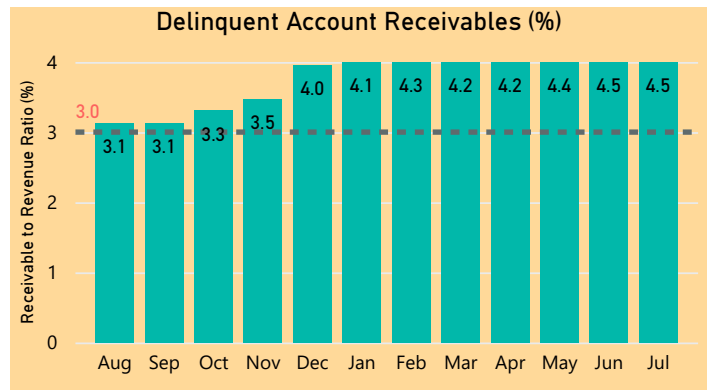
Operating Cash & Receivables



Cash Balance for July was above target by \$10.6 million

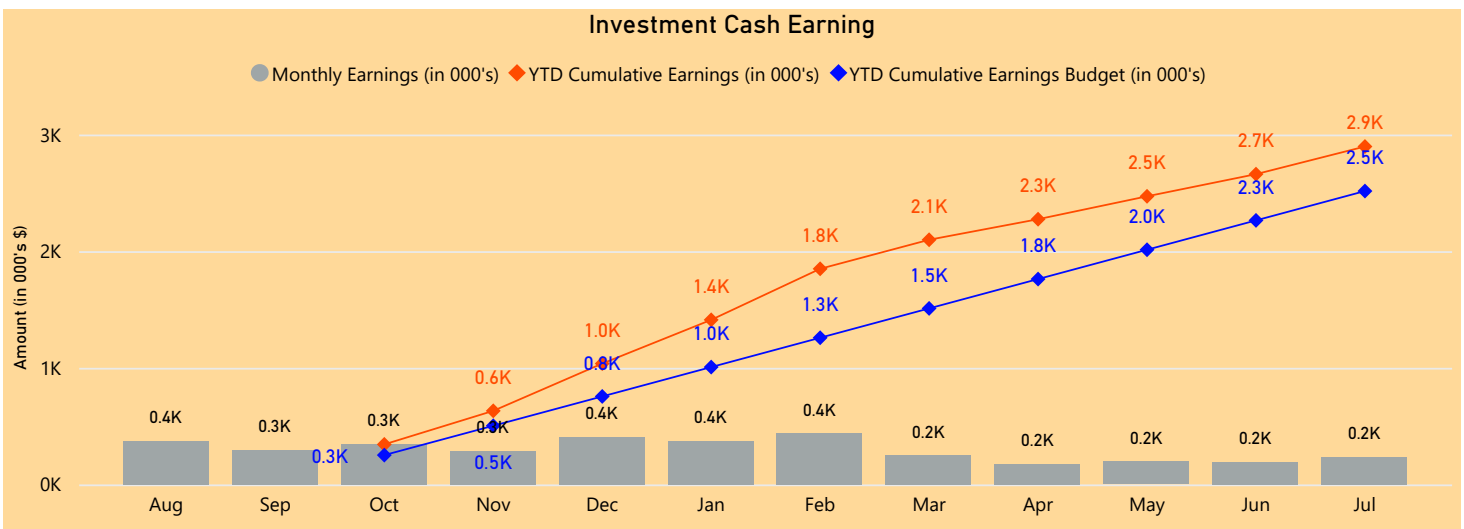


Starting March, the increase is primarily due to increased delinquencies and deferred payments resulting from the COVID-19 pandemic



July Receivables to Revenue Ratio is 4.51, Delinquency is \$25.91 million.

Investment Earnings

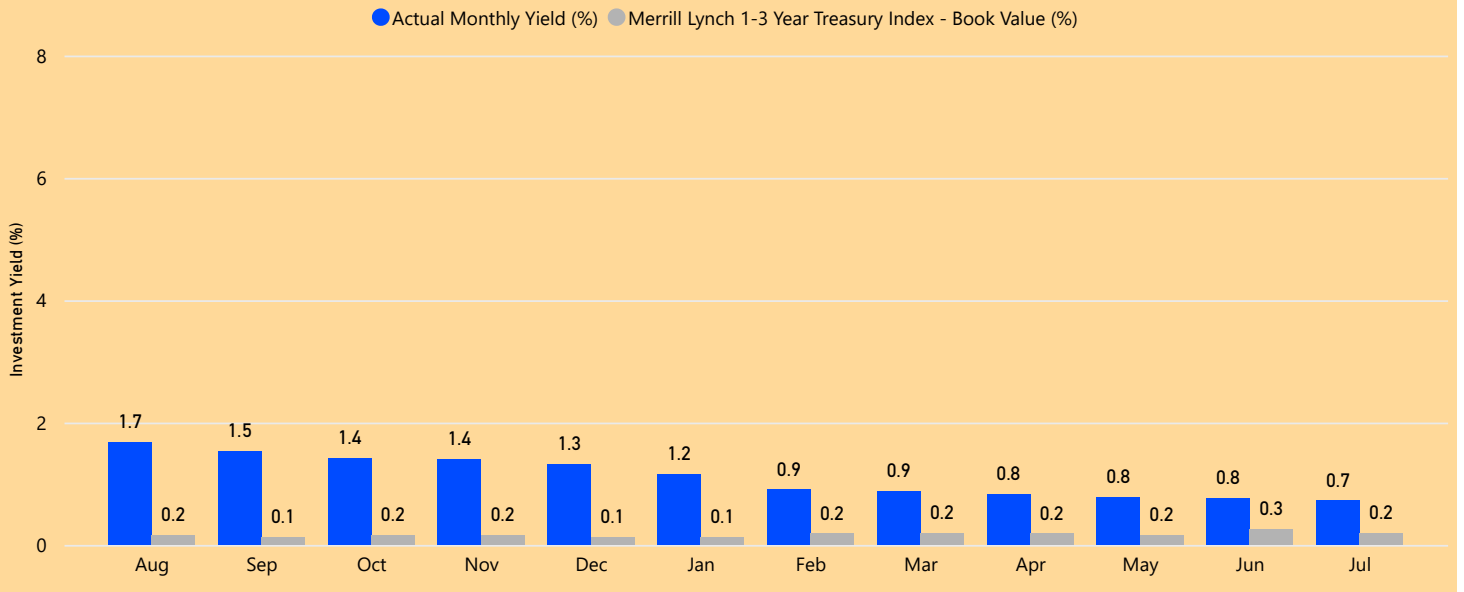


Earnings to date for July were above Projected Budget by \$381,827.

FINANCIAL HIGHLIGHTS

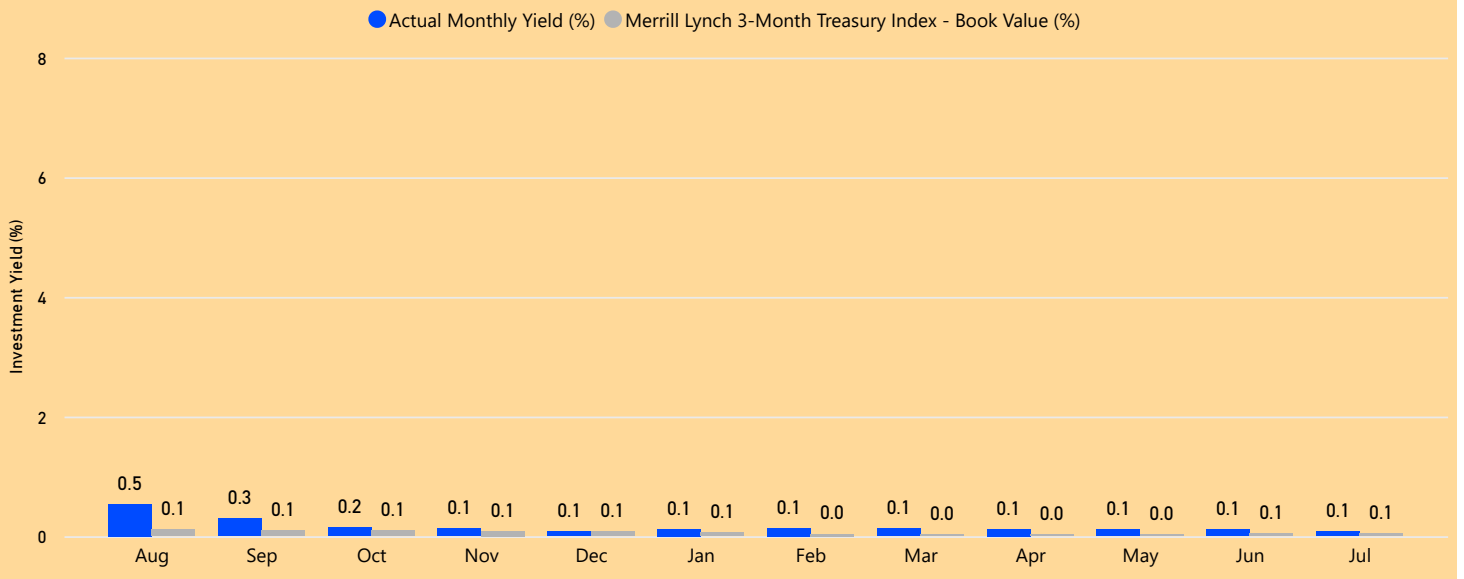
Investment Yields

Core Investment Yield



Yield for July was more than the treasury index by 0.53%

Short Term Investment Yield

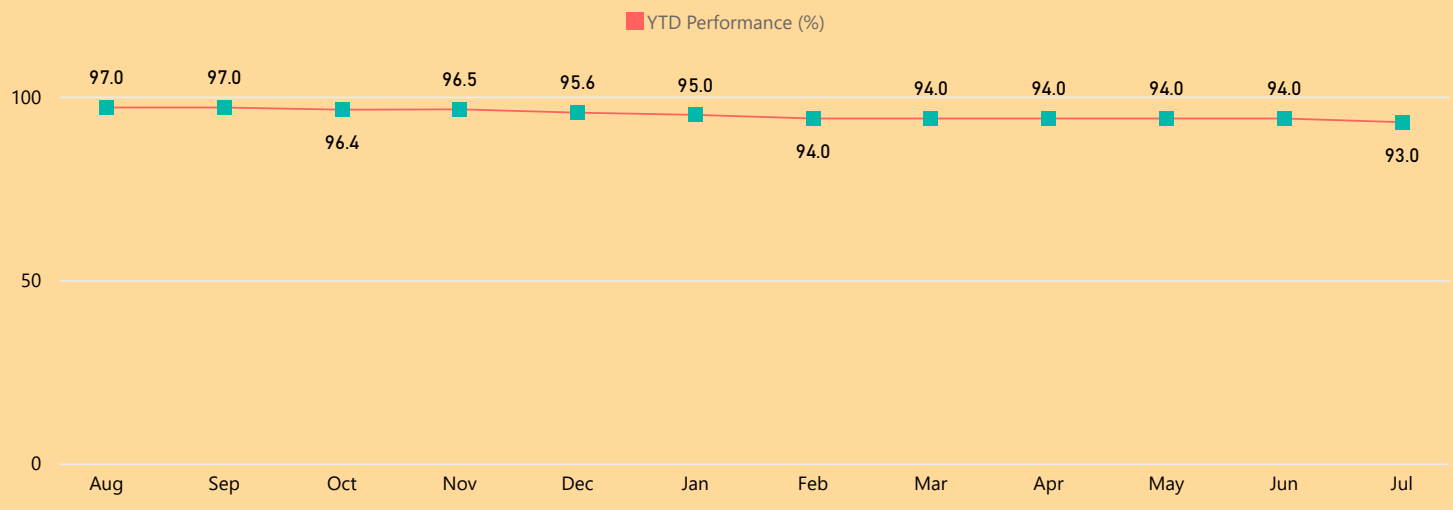


Short Term Yield for July was more than the Merrill Lynch yield by 0.03%

FINANCIAL HIGHLIGHTS

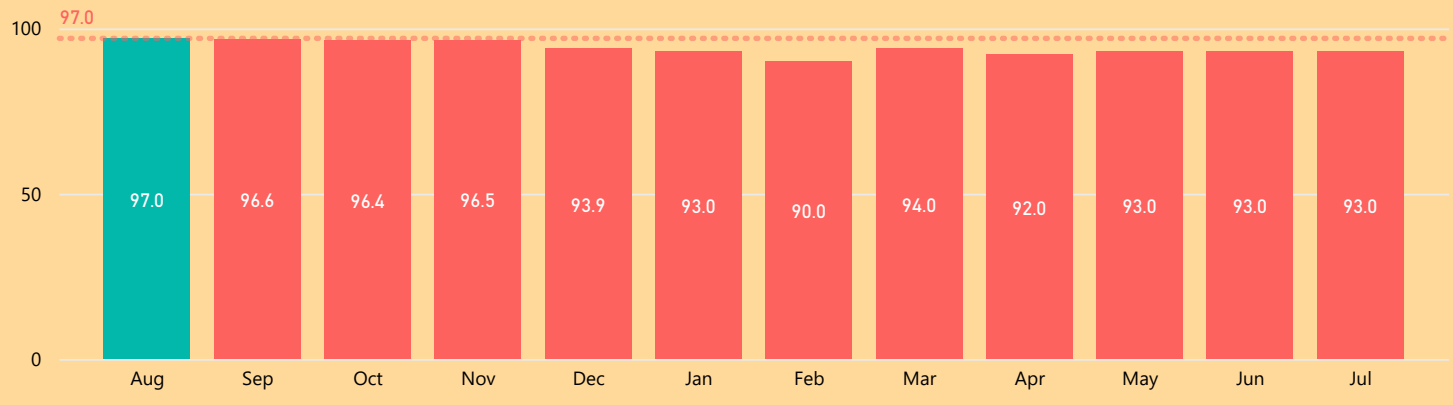
Vendor Payments

YTD Performance



Monthly Performance (%)

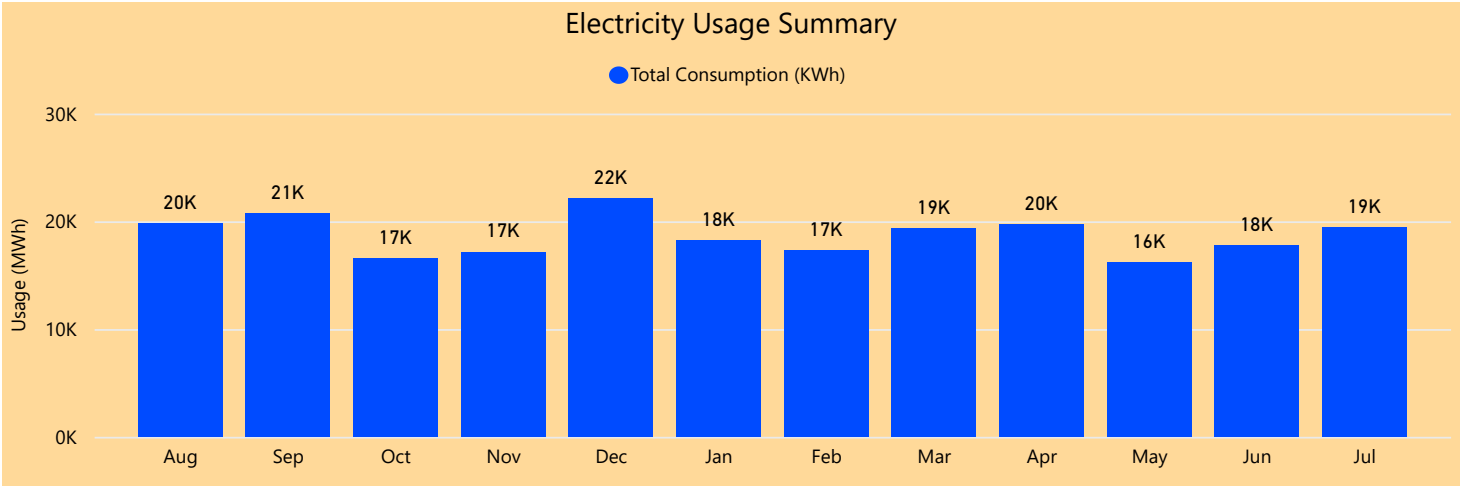
Target: 97%



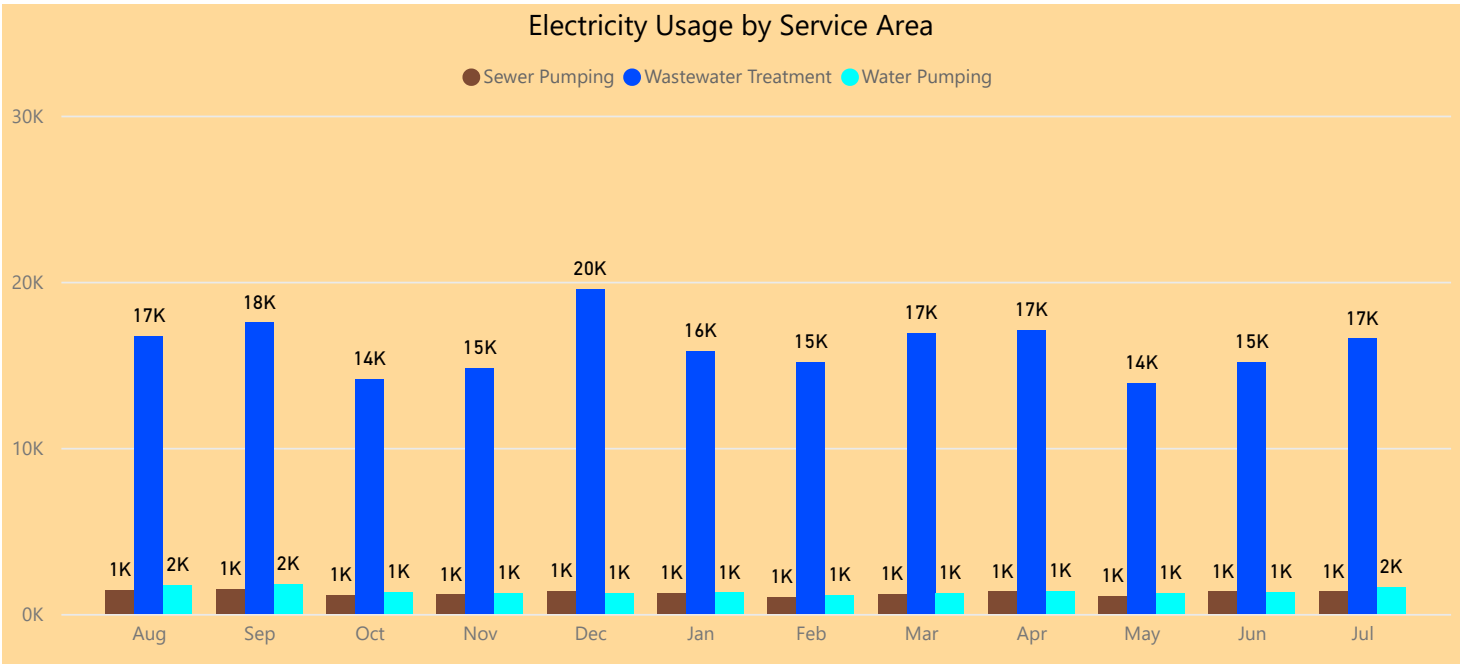
Performance for July was 4.0% below the monthly target of 97.0%

OPERATIONS AND ENGINEERING

Energy Consumption



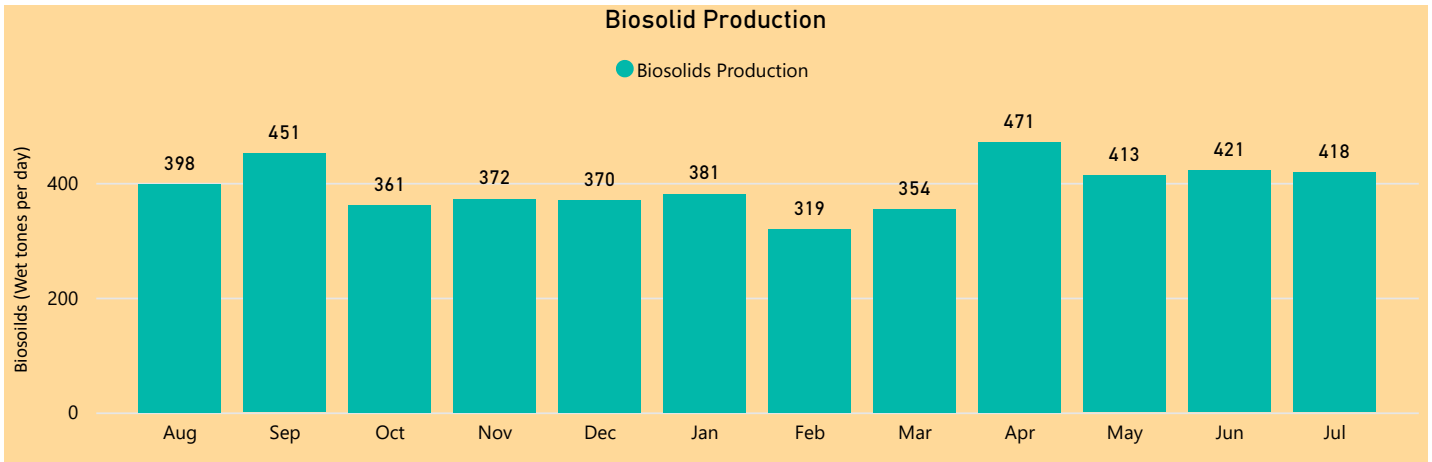
Electricity consumption in Jul 2021 was 19469 KWh.



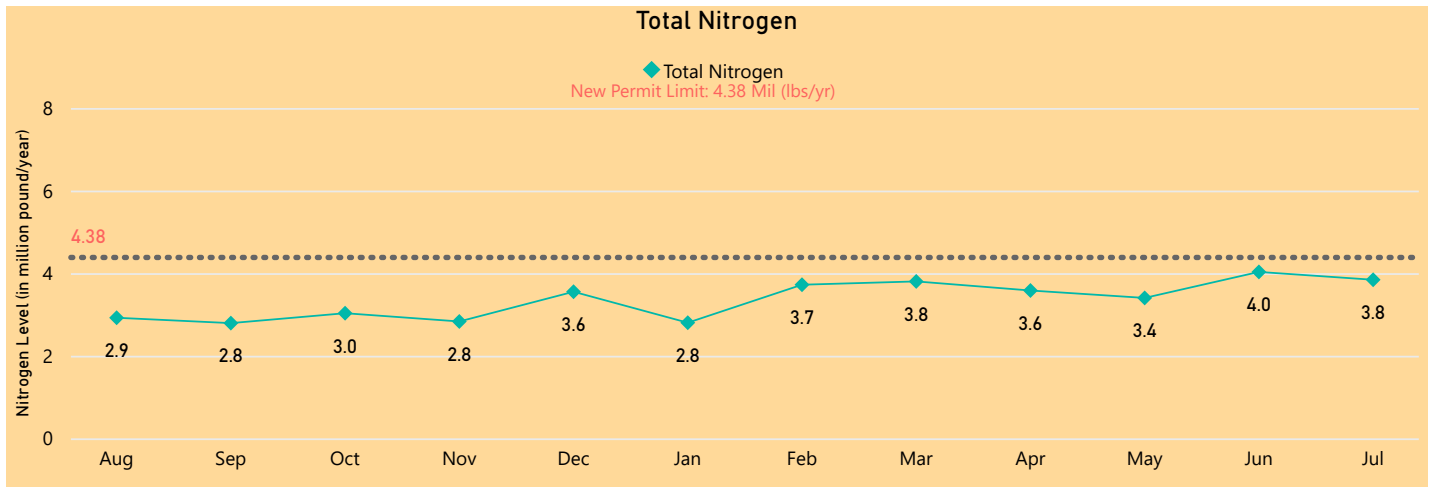
Wastewater treatment has the highest electricity consumption in Jul 2021 at 16556 KWh.

OPERATIONS AND ENGINEERING

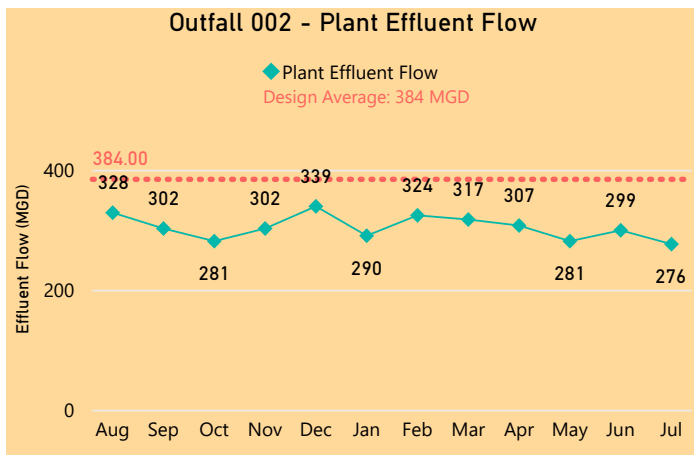
Wastewater Treatment



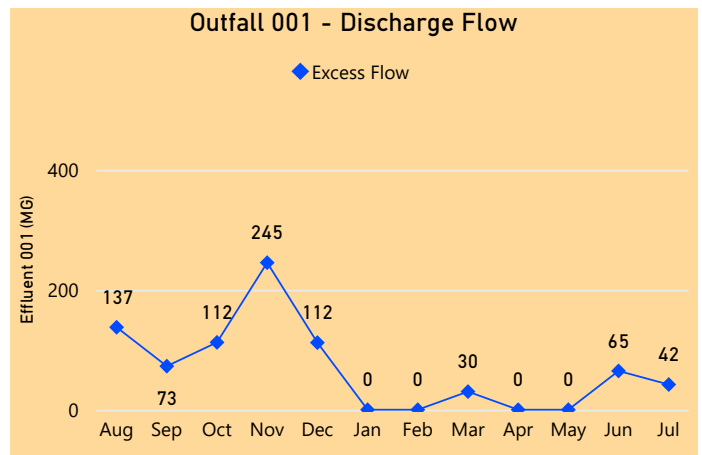
Biosolids daily production for Jul 2021 was 417.84 wet ton per day.



Nitrogen level for Jul 2021 was below permit by 0.54 million lbs/yr.



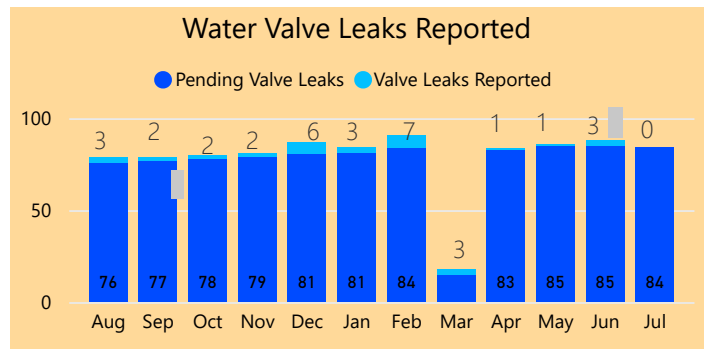
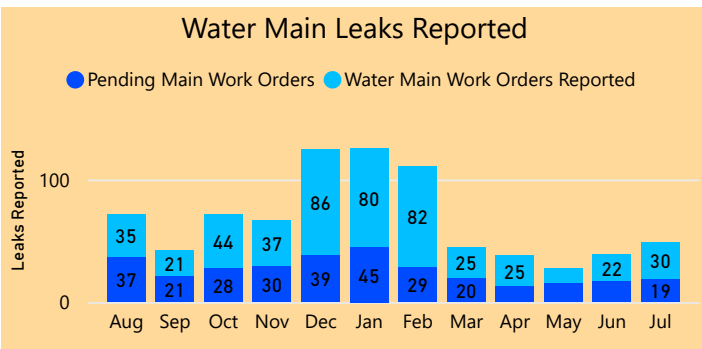
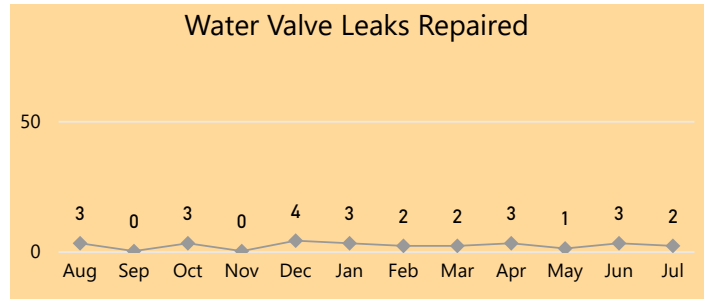
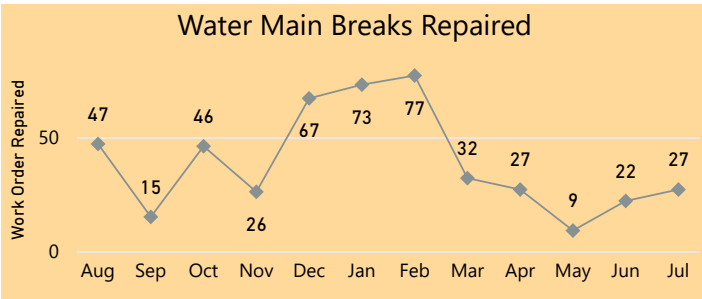
In Jul 2021 effluent flow was below permit by 108 MGD.



Excess flow events were recorded at 42 MG in Jul 2021.

OPERATIONS AND ENGINEERING

Water Distribution Operations

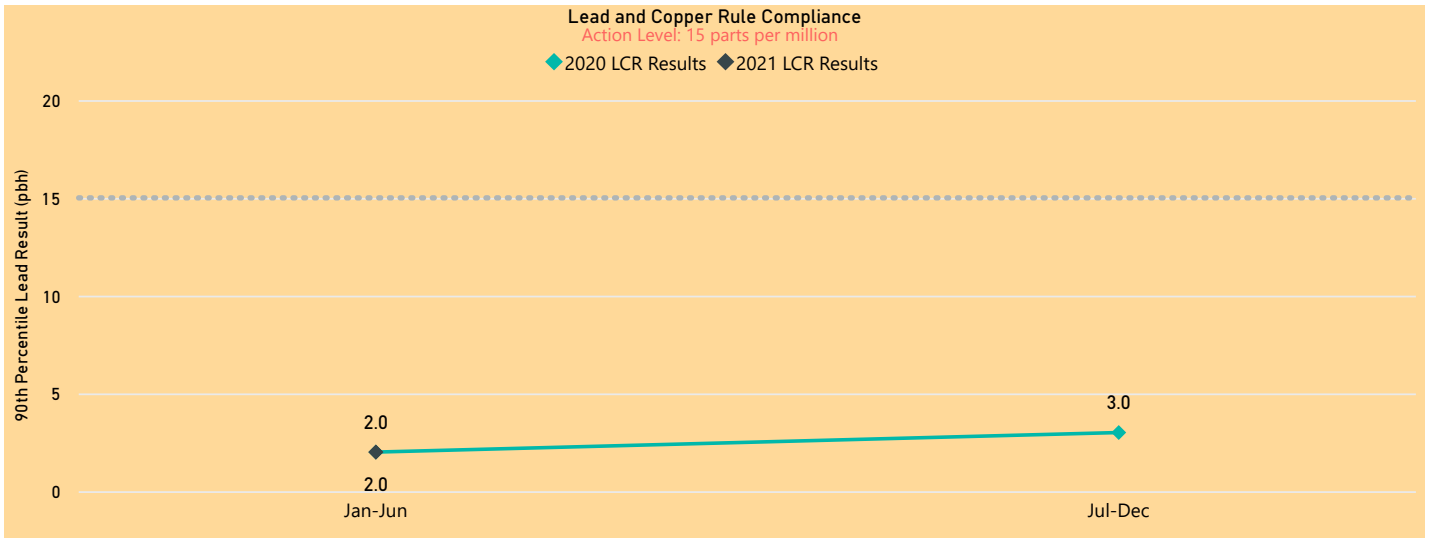


There were 30 Water Main Work Orders reported in July.

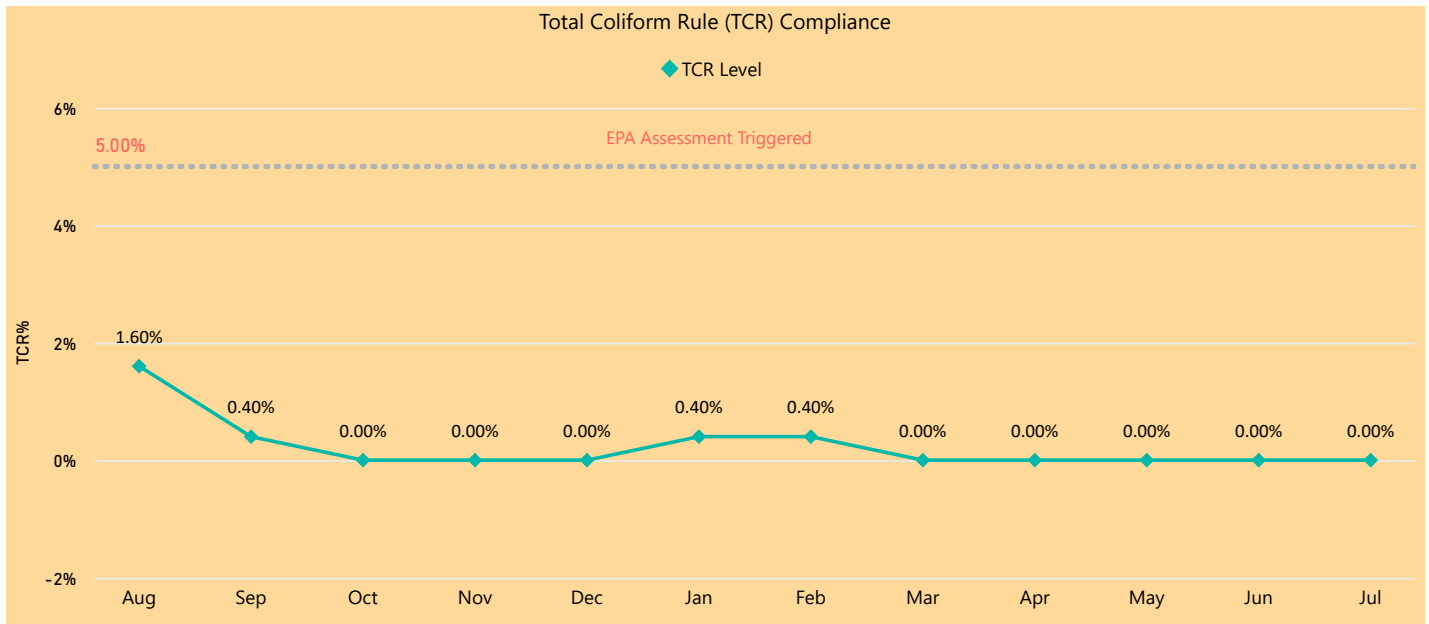
0 leaks were reported in July.

OPERATIONS AND ENGINEERING

Drinking Water Quality



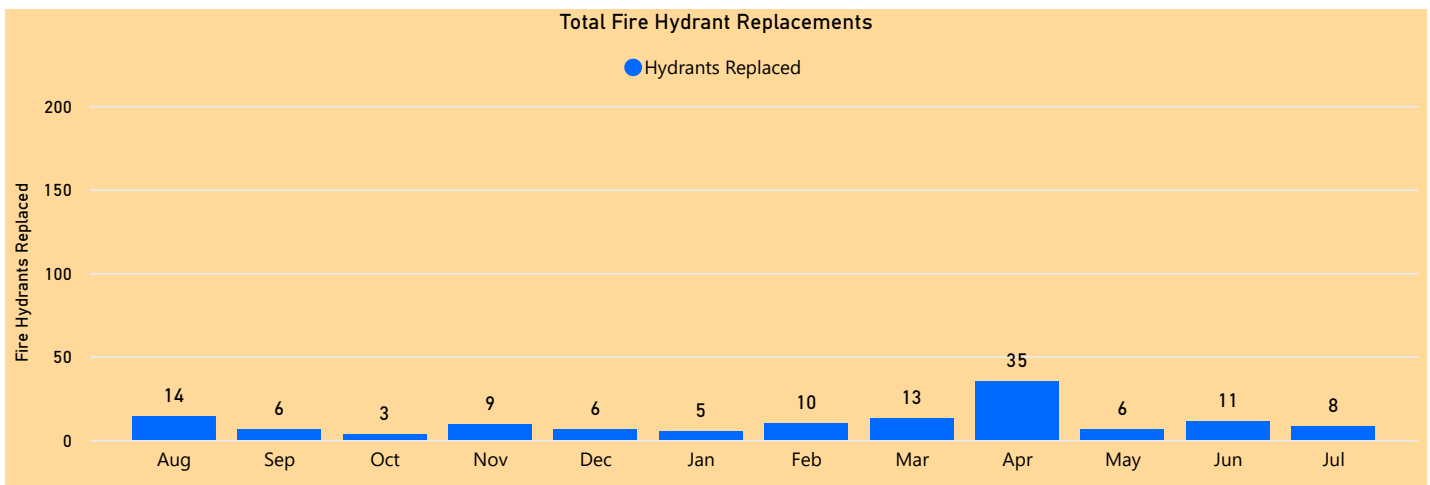
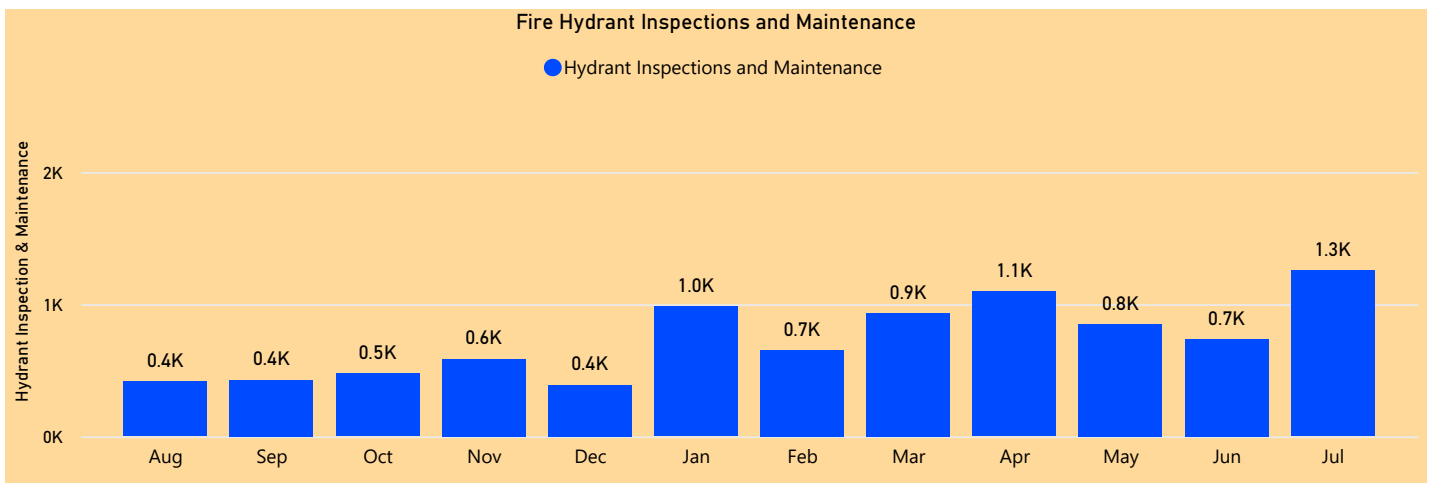
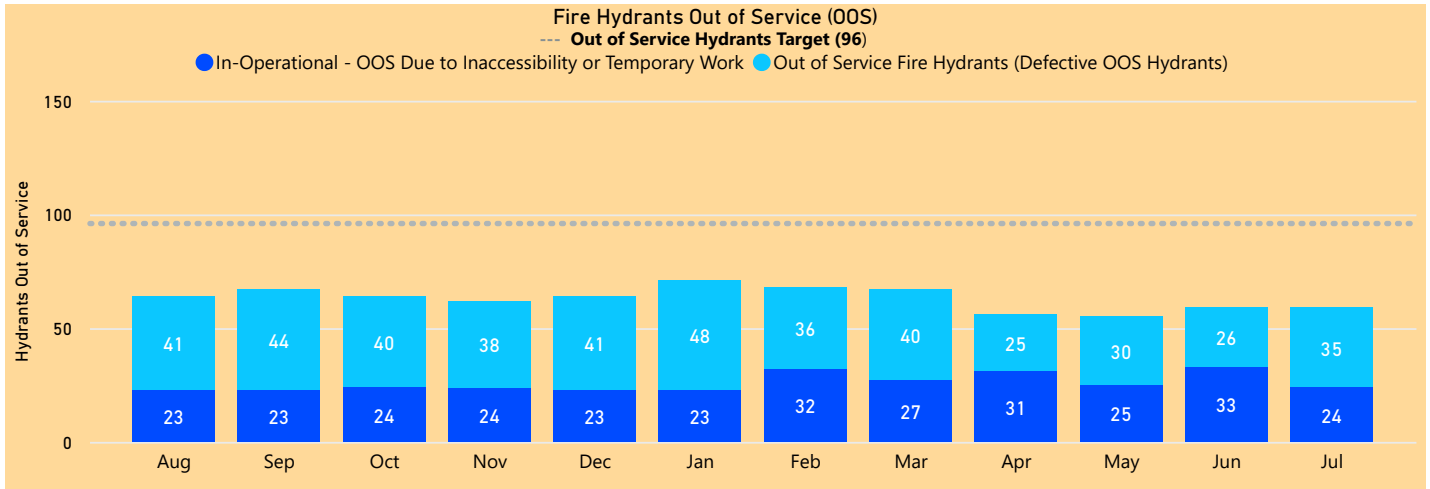
90th percentile of lead results for 2nd semester 2021 is pending



Coliform Positive was recorded at 0% for Jul 2021

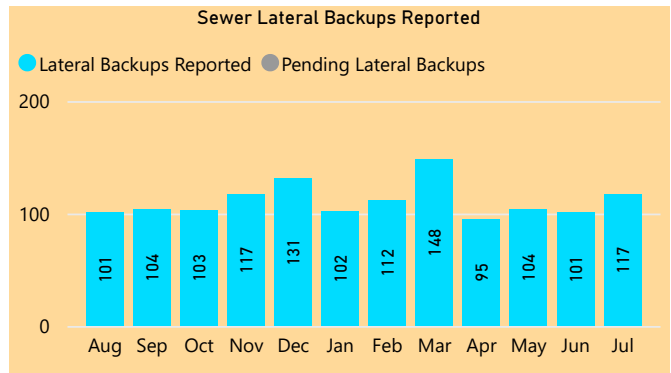
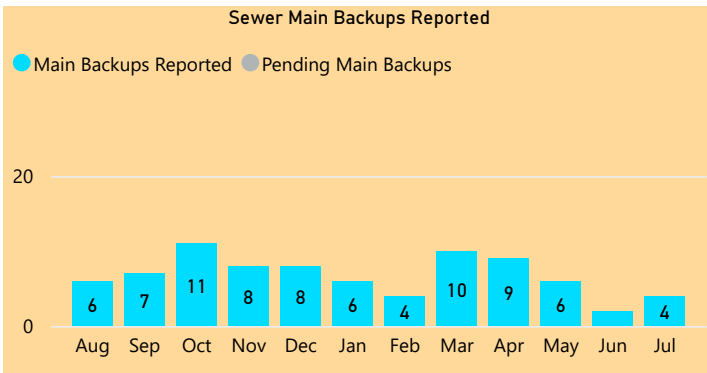
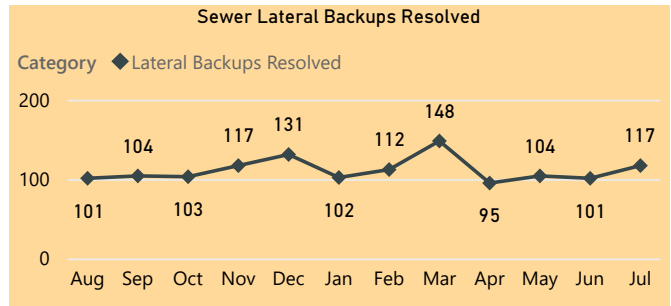
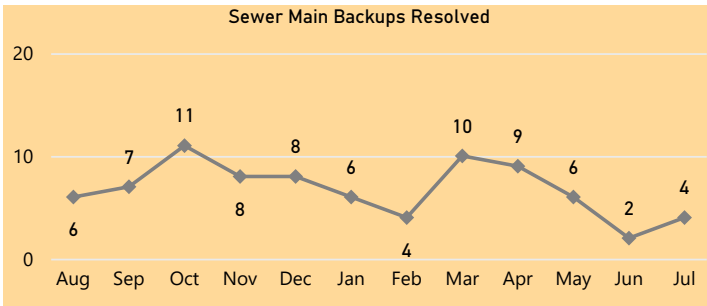
OPERATIONS AND ENGINEERING

Fire Hydrants



OPERATIONS AND ENGINEERING

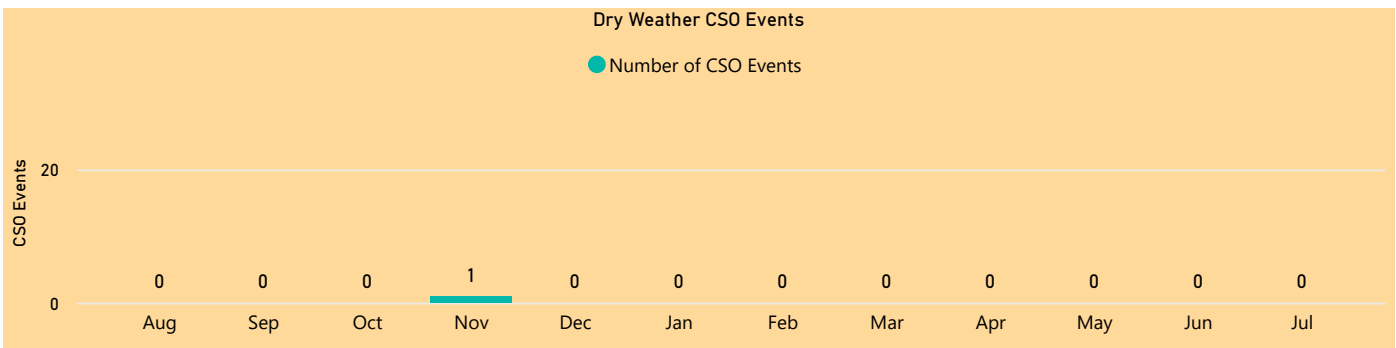
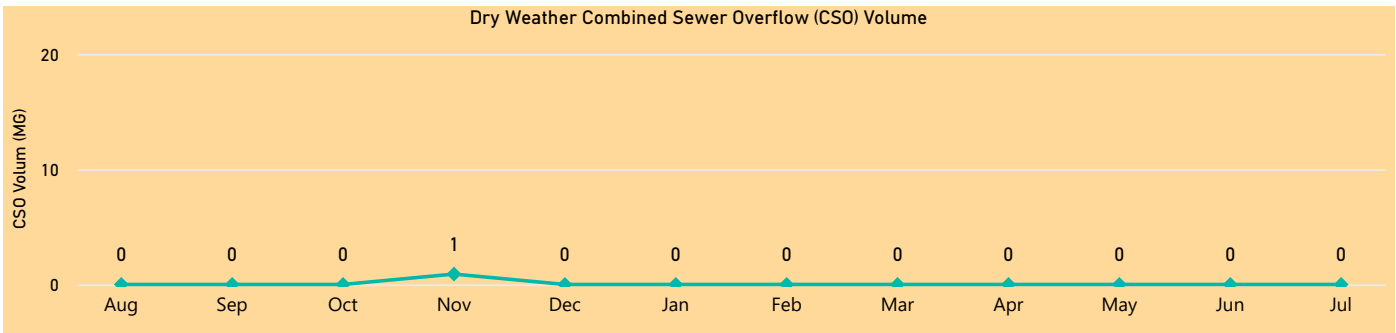
Sewer System Operations



0 pending main backup(s) reported

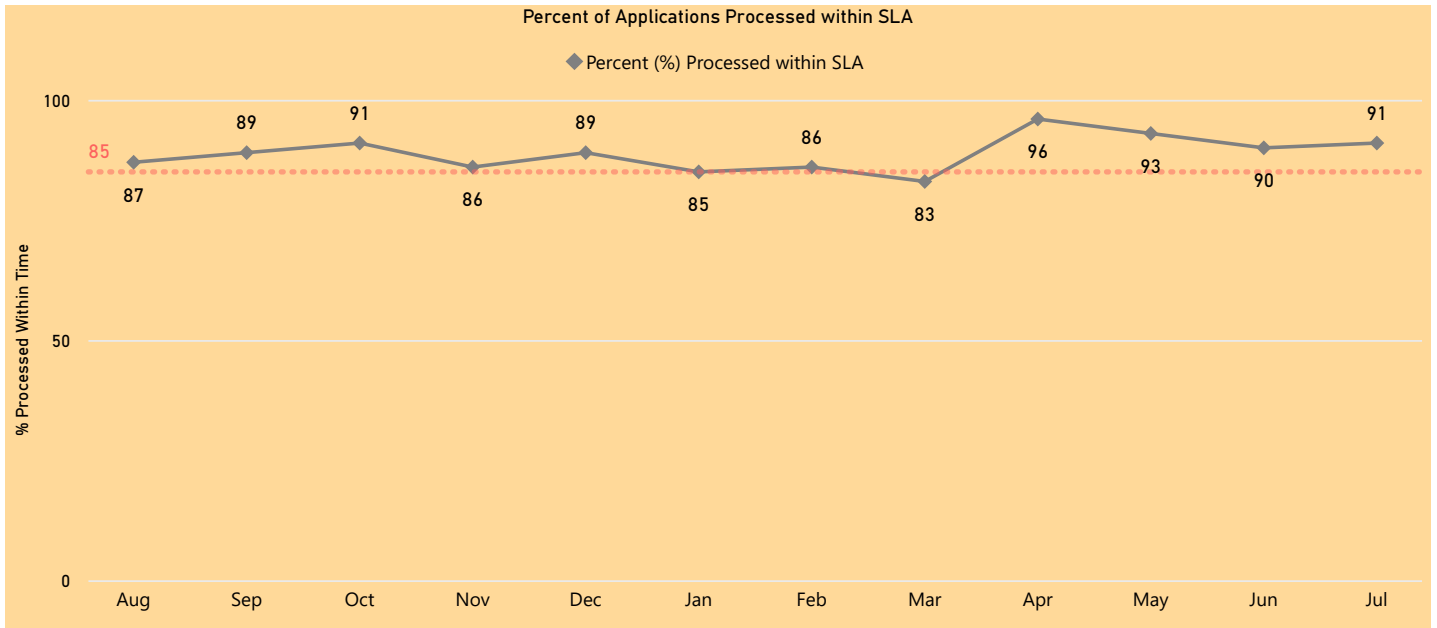
0 pending lateral backup(s) reported

Combined Sewer System

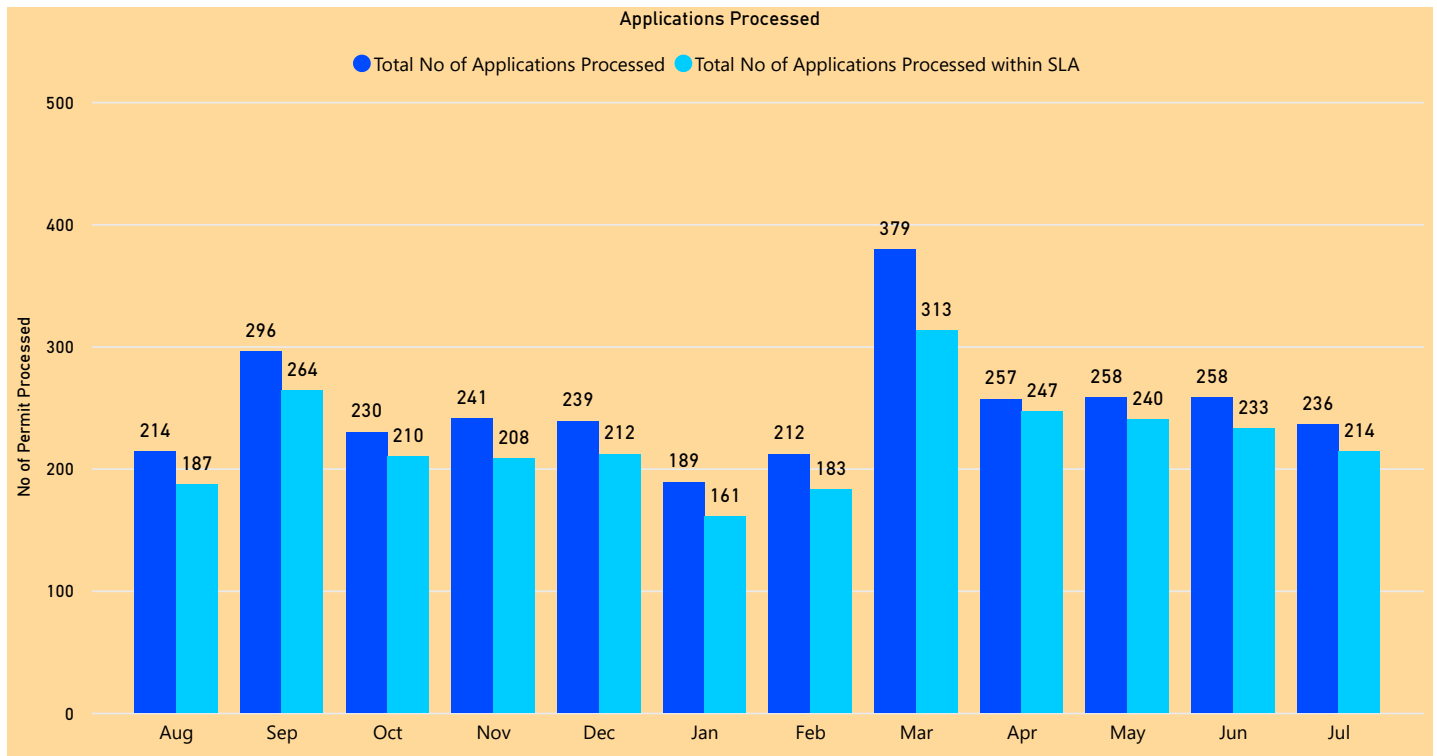


OPERATIONS AND ENGINEERING

Permit Processing

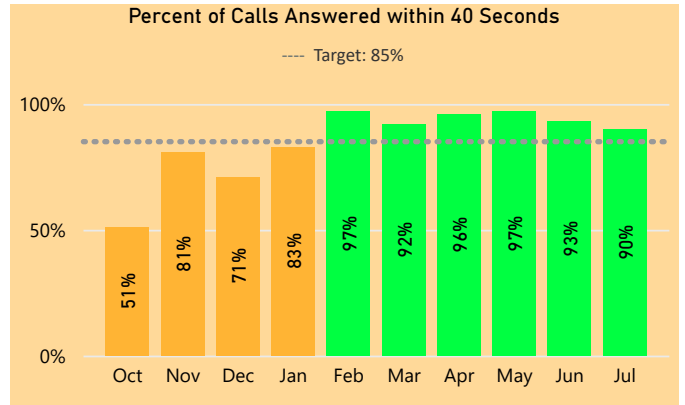
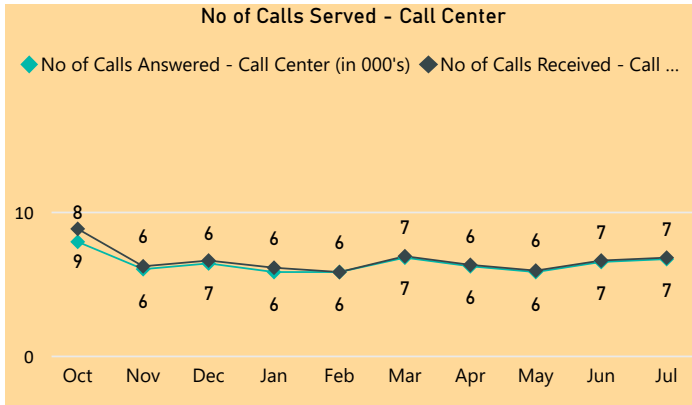


Permits processed in Jul 2021 were 6% above the SLA target 85%



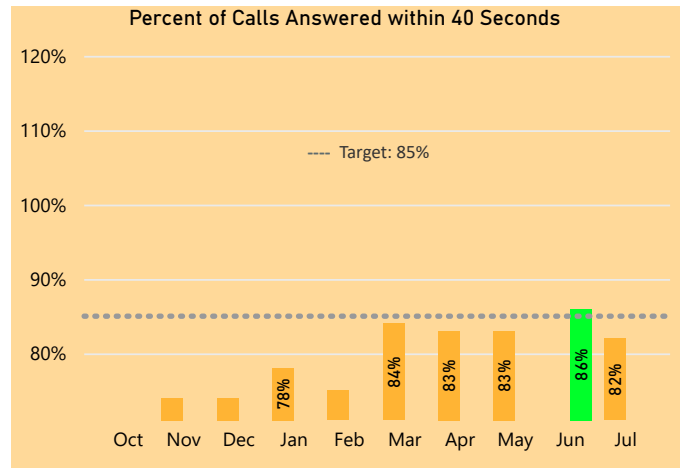
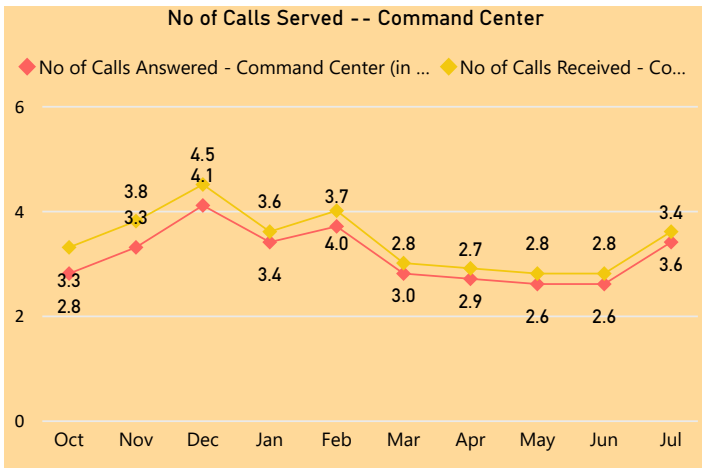
CUSTOMER EXPERIENCE

Customer Care - Call Center Performance



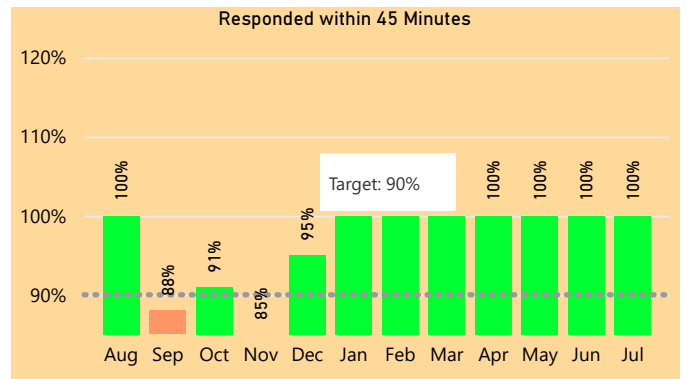
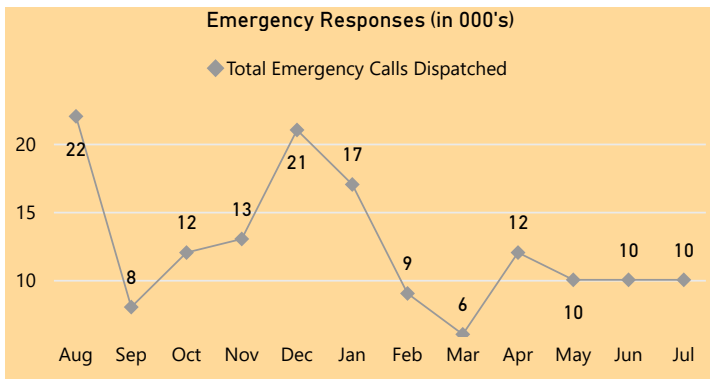
Call Center was above target by 5%.

Customer Care - Command Center Performance



Command Center was under target by 3% due to increased call volum...

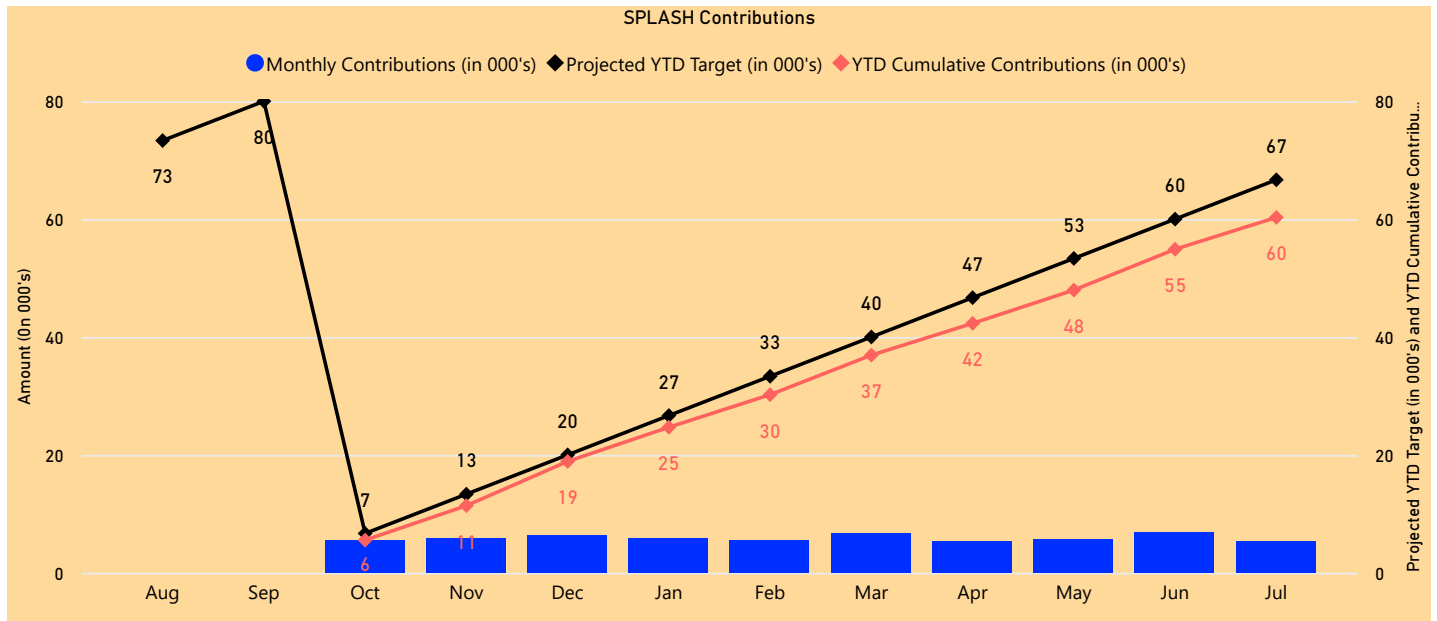
Customer Care - Emergency Response Time



Performance for Jul 2021 was above target by 10%.

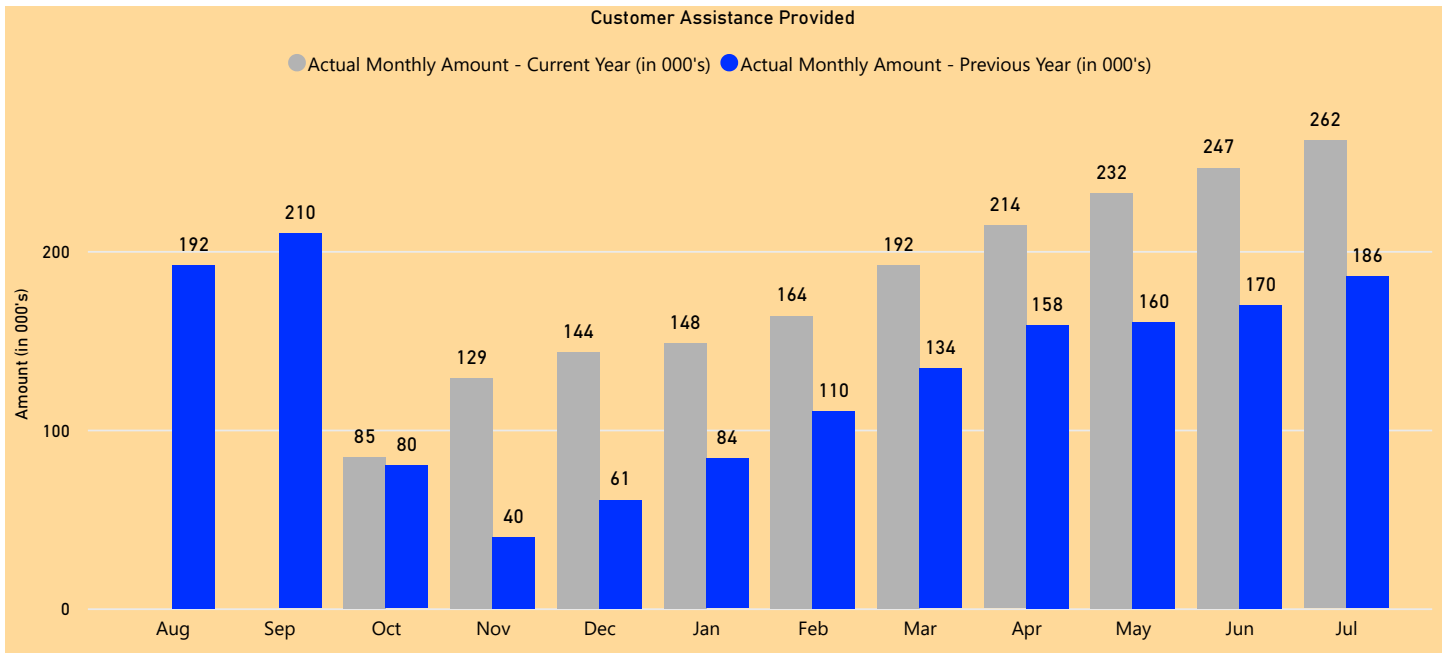
LOW INCOME ASSISTANCE PROGRAM

SPLASH Program



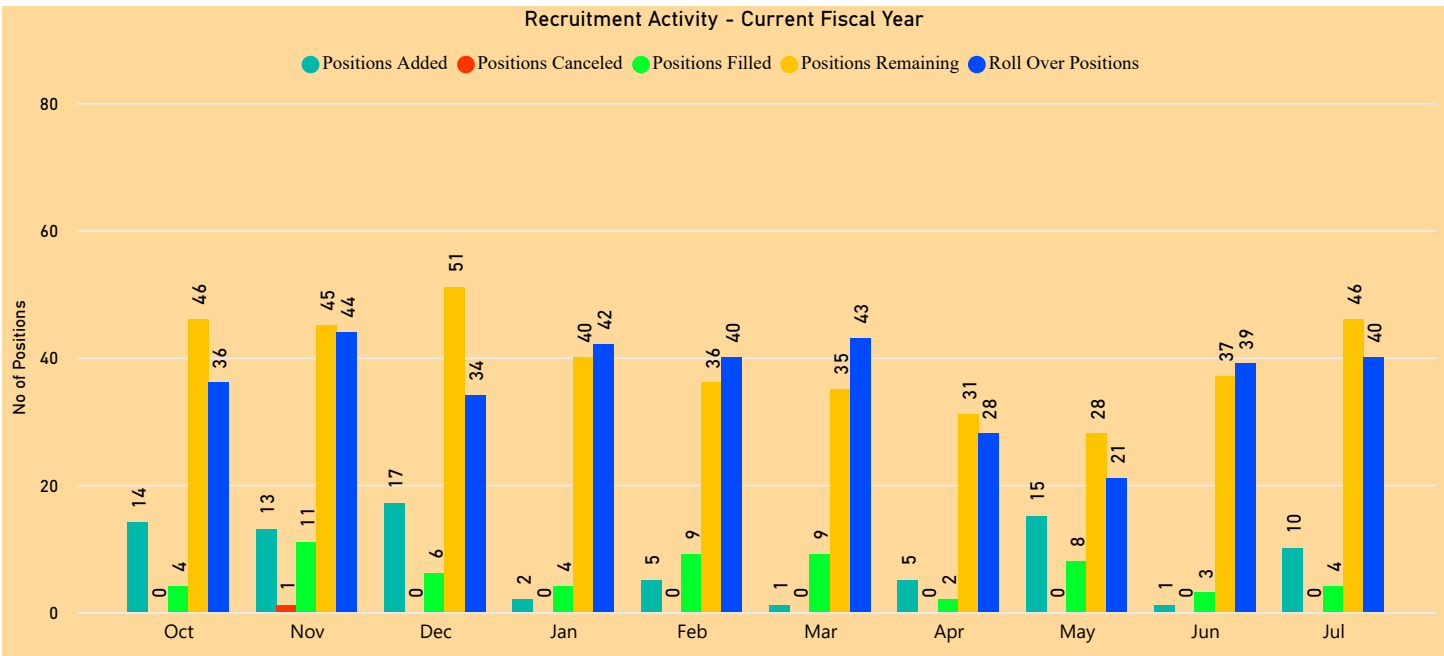
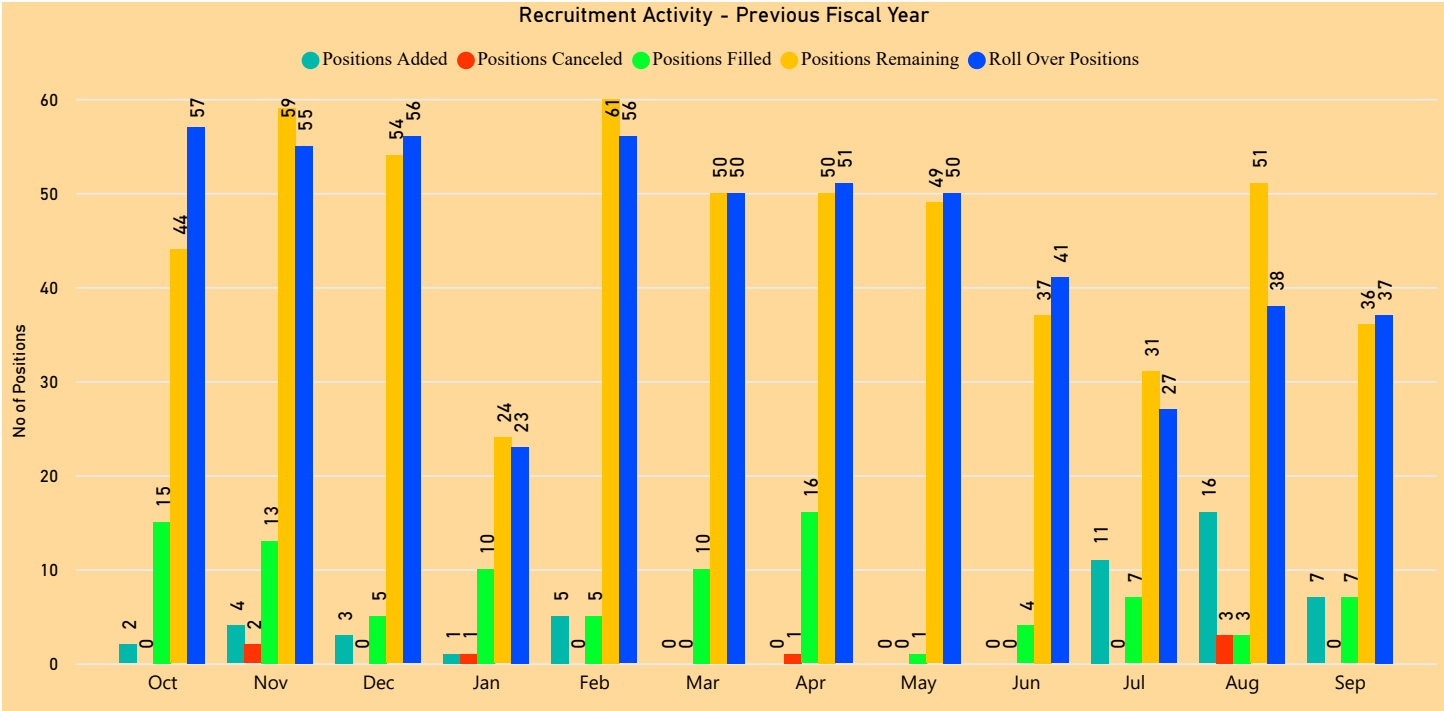
Total SPASH contribution to date for Jul 2021 was under target by \$6380.

Customer Assistance Program (CAP)



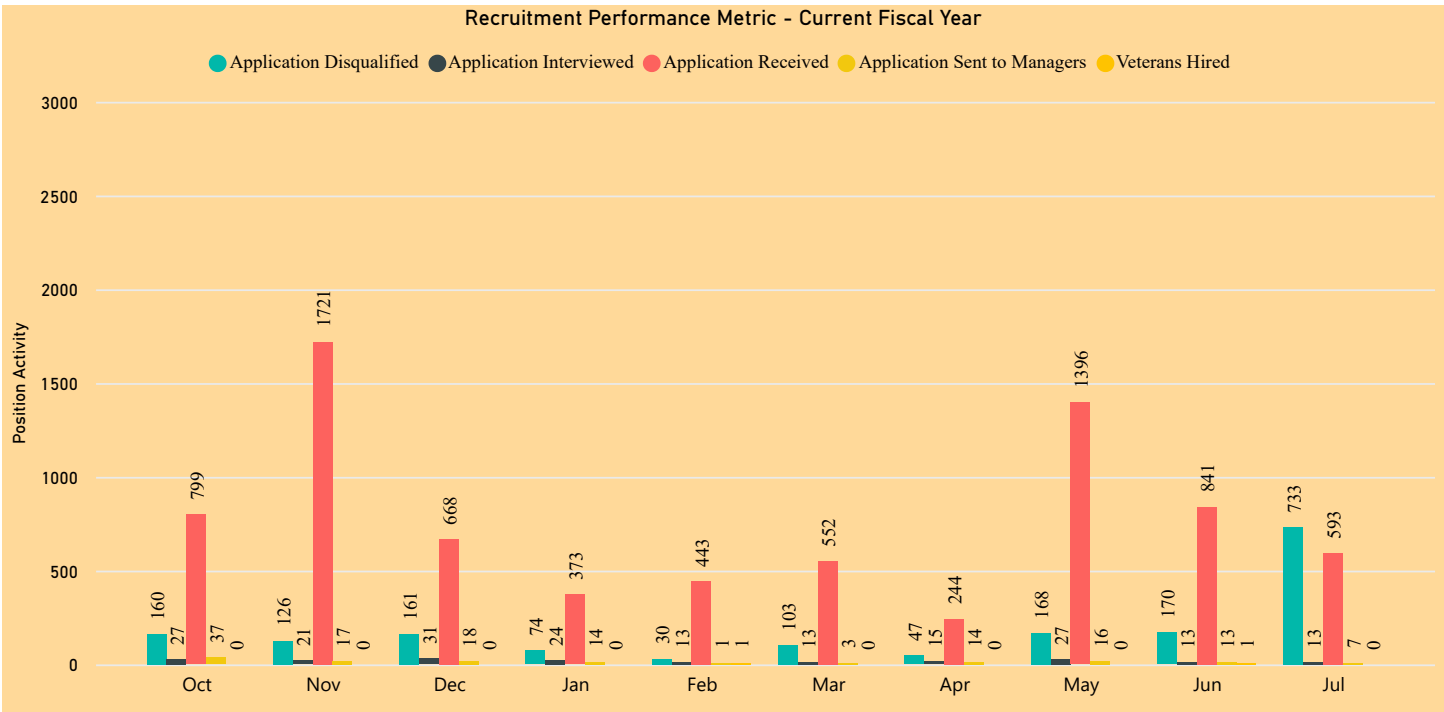
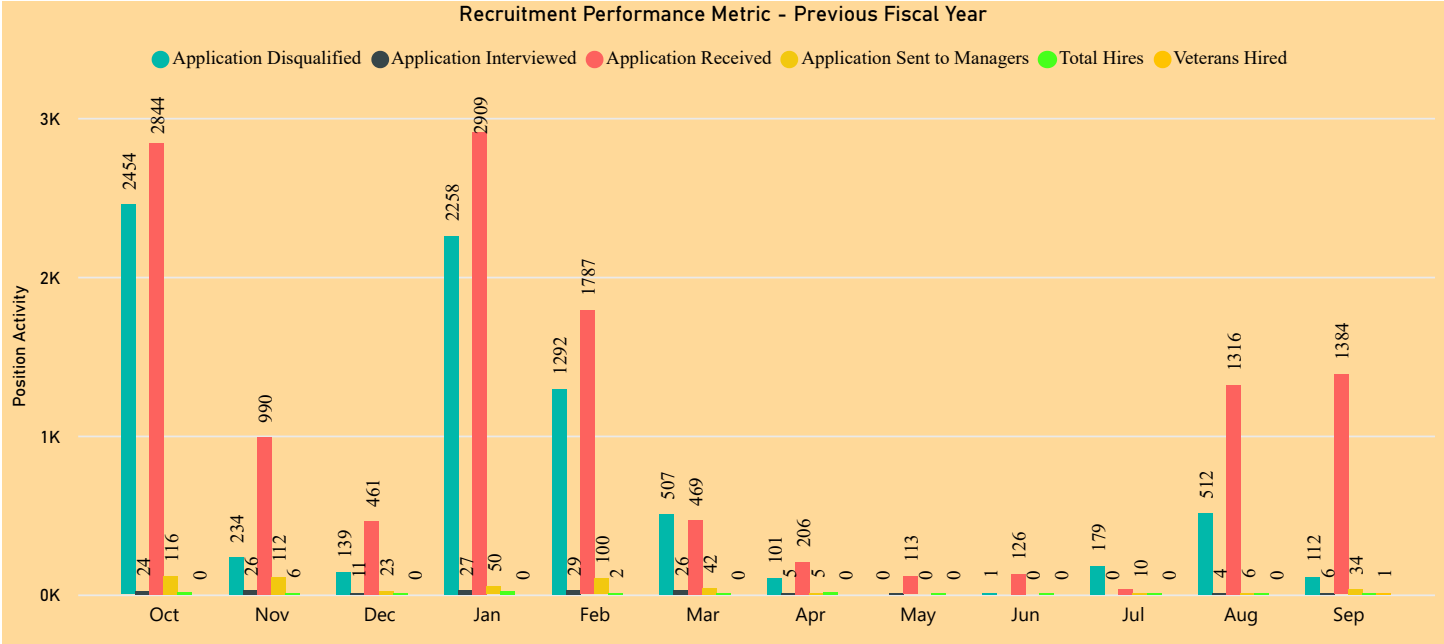
PEOPLE AND TALENT

Human Resources



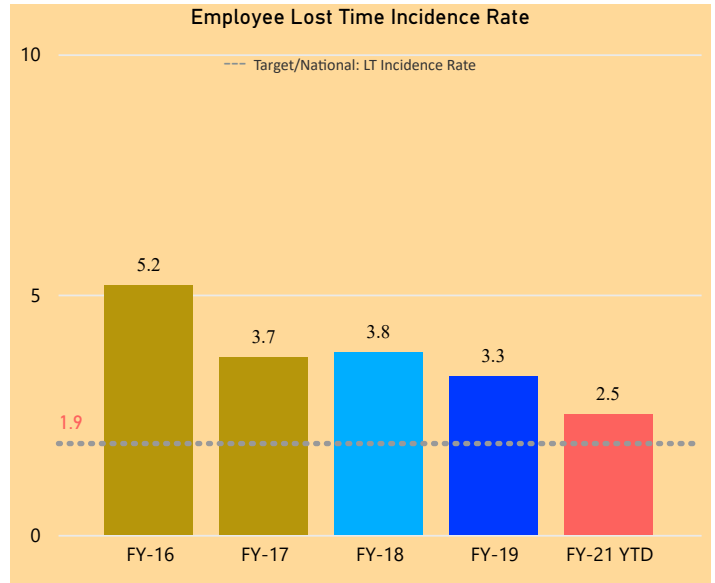
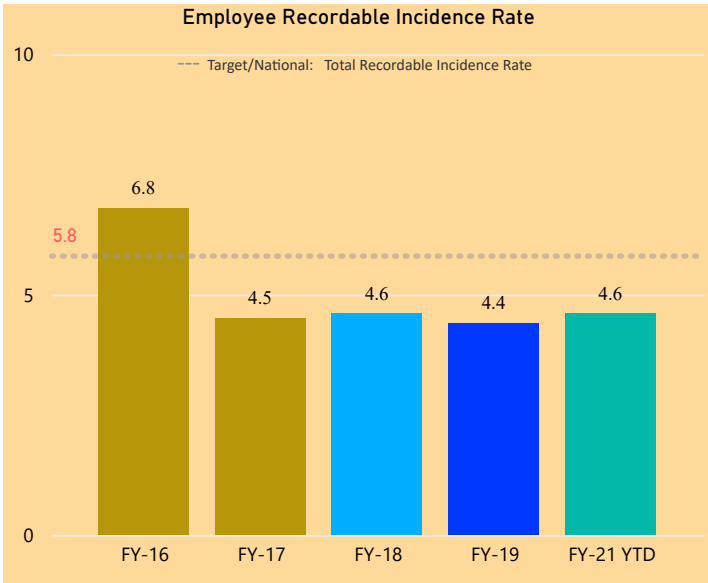
PEOPLE AND TALENT

Human Resources



ADMINISTRATION

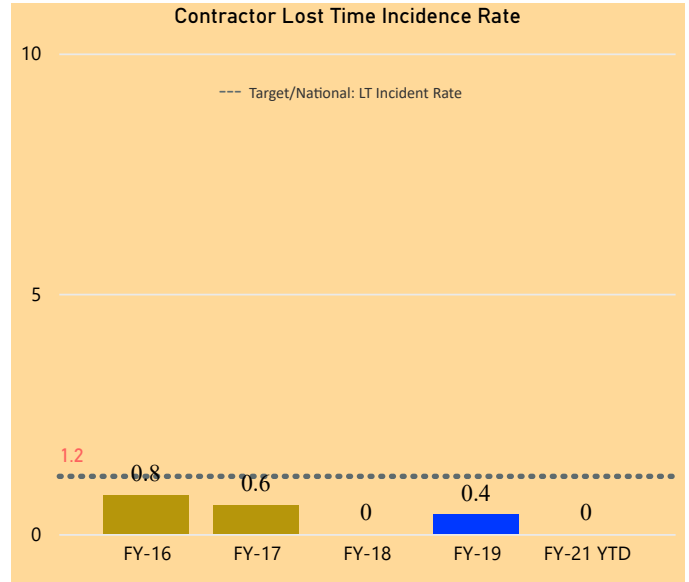
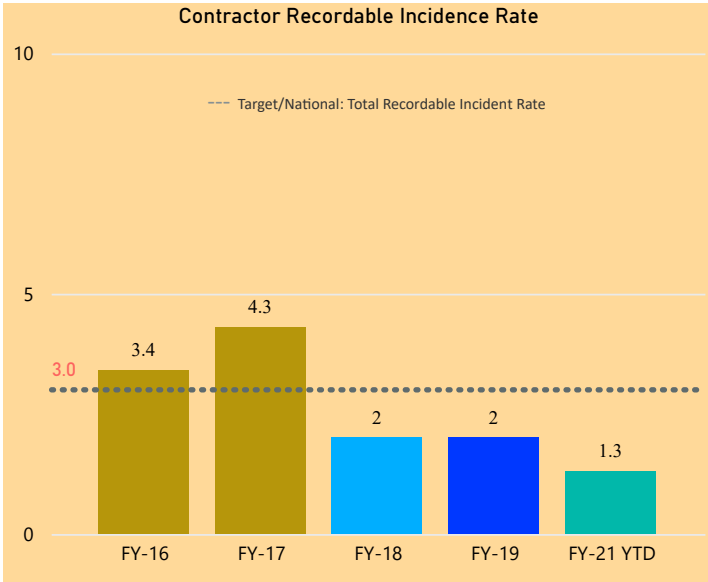
Safety



There have been 23 lost time incidents in FY 2021 YTD.

ADMINISTRATION

Safety



There have been 0 lost time incidents in FY 2021 YTD.

INTERPRETATION OF CHARTS:

FINANCIAL HIGHLIGHTS

Revenue, Expenditure, Capital Disbursement

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

Net Operating Cash

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

Operating Revenues

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

Operating Expenses

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

Capital Disbursements

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

Operating Cash Balance

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

Delinquent Account Receivables

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

Investment Cash Earnings

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

Core Investments Yield

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

Short Term Investment Yield

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

Dynamic Color Coding Legend

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

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

A

Vendor Payment Performance

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

OPERATIONS & ENGINEERING

Electricity Usage Summary

- Bar graph shows total electricity consumption per month

Electricity Usage by Service Area

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

Biosolids Production

- Bar graph shows monthly average daily biosolids production

Total Nitrogen

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

Plant Effluent Flow

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

Excess Flow

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

Non-Revenue Water

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

Lead and Copper Rule (LCR) Compliance

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

Total Coliform Rule (TCR)

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

Water Main Leaks

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

Dynamic Color Coding Legend

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

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

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

Water Valve Leaks

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

Fire Hydrants Out of Service (OOS)

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

Fire Hydrant Inspections and Maintenance

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

Fire Hydrant Replacements Per Month

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

Sewer Main Backups

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

Sewer Lateral Backups

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

Combined Sewer dry weather Overflow (CSO) Events

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

Total Applications Processed within Service Level Agreement (SLA)

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

Dynamic Color Coding Legend

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

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

CUSTOMER EXPERIENCE

CUSTOMER CARE

Call Center Performance

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

Command Center Performance

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

First Call Resolution (FCR)

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

Emergency Response Time

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

LOW INCOME ASSISTANCE PROGRAM

SPLASH Contributions

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

Customer Assistance Program (CAP)

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

PEOPLE AND TALENT

HUMAN RESOURCES

Open Positions

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

Dynamic Color Coding Legend

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

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

ADMINISTRATION

SAFETY

Employee Lost Time Incidence Rate

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

Contractor Lost Time Incidence Rate

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

Dynamic Color Coding Legend

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

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

Interpretation of Charts A

Color Key

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

Presented and Adopted: September 2, 2021

SUBJECT: Approval to Publish the Notice of Proposed Rulemaking to Amend Retail Sewer Rates Regulations to Establish a New High Flow Filter Backwash Sewer Rate for Fiscal Year 2022

**#21-75
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 September 2, 2021 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following actions with respect to the publication of the Notice of Proposed Rulemaking to amend Retail Sewer Rates regulations to establish a new High Flow Filter Backwash Sewer Rate for Fiscal Year 2022.

WHEREAS, 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 to generate sufficient revenues to pay for DC Water’s projected operating and capital expenses; and

WHEREAS, on July 27, 2021, the DC Retail Water and Sewer Rates Committee met to consider proposed amendments to the Retail Sewer Rates regulations to establish a new High Flow Filter Backwash Sewer Rate consistent with the Cost of Service Study, dated May 20, 2021; and

WHEREAS, DC Water engaged Raftelis Financial Consultants, Inc. to prepare a Cost of Services Study entitled, “Washington Aqueduct Discharge Rate Calculation for FY 2022,” dated May 20, 2021, calculated an appropriate rate for transporting and treating filter backwash flows from the Washington Aqueduct (WAD); and

WHEREAS, the proposed High Flow Filter Backwash Sewer Rate, if adopted, would consist of a sewer rate of \$3.03 per one hundred cubic feet (“Ccf”) (\$4.05 per 1,000 gallons) for filter backwash discharge applicable to the following conditions: (a) the discharge must exceed an annual average of one (1) million gallons per day (MGD) but not more than ten (10) MGD; (b) the discharge must be interruptible and only occur during periods of dry weather flow, as determined by DC Water; and (c) the discharge must be subject to a wastewater discharge permit.

WHEREAS, on July 27, 2021, after considering the need for the new High Flow Filter Backwash Sewer Rate, the DC Retail Water and Sewer Rate Committee recommended

the Board approve the publication of the Notice of Proposed Rulemaking to amend the Retail Sewer Rates regulations to establish a new High Flow Filter Backwash Sewer Rate for FY 2022; and

WHEREAS, on September 2, 2021, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the District members of the Board of Directors, upon further consideration and discussion, approved establishing a new High Flow Filter Backwash Sewer Rate for FY 2022.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the publication of the Notice of Proposed Rulemaking to establish a new High Flow Filter Backwash Sewer Rate for FY 2022 as follows:

Section 4101, RATES AND CHARGES FOR SEWER SERVICE, of Chapter 41, RETAIL WATER AND SEWER RATES, of Title 21 DCMR, WATER AND SANITATION, shall be amended as follows:

4101 RATES AND CHARGES FOR SEWER SERVICE

4101.8 High Flow Filter Backwash sewer rate shall be three dollars and three cents (\$3.03) per Ccf (\$4.051 per 1,000 gallons) and applicable to the following conditions:

- (a) the discharge must exceed an annual average of one (1) million gallons per day (MGD), but not more than an annual average of ten (10) MGD;
 - (b) the discharge must be interruptible and only occur during periods of dry weather flow, as determined by DC Water; and
 - (c) the discharge is subject to a wastewater discharge permit.
2. 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 D.C. Official Code § 34-2202.16.
 3. This resolution is effective immediately.

Secretary to the Board of Directors

Presented and Adopted: September 2, 2021

SUBJECT: Approval to Publish Notice of Proposed Rulemaking to Amend 21 DCMR Chapter 4 Contested Water and Sewer Bills Regulations

**#21-76
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 September 2, 2021 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposal to amend the 21 DCMR Chapter 4, Contested Water and Sewer Bills Regulations.

WHEREAS, on July 27, 2021, the DC Retail Water and Sewer Rates Committee met to consider proposed amendments to 21 DCMR Chapter 4, Contested Water and Sewer Bills Regulations, as proposed by the General Manager; and

WHEREAS, the General Manager recommended amendments consistent with D.C. Law 23-0229, *District of Columbia Water and Sewer Authority Omnibus Amendment Act of 2020* (“Act”), effective March 16, 2021, which codified provisions related to the process of contested water and sewer bills; make the provisions clearer for pro se customers taking advantage of the bill challenge process; codified the reasonable practices of DC Water’s Customer Care Division; and updated outdated and confusing procedures; and

WHEREAS, the General Manager recommends amending the 21 DCMR Chapter 4, Contested Water and Sewer Bills Regulations as presented in Attachment A; and

WHEREAS, on July 27, 2021, upon further discussion and consideration of the General Manager’s recommendation, the DC Retail Water and Sewer Rates Committee recommended to the Board approve the publication of the Notice of Proposed Rulemaking to amend the 21 DCMR Chapter 4, Contested Water and Sewer Bills Regulations as presented in Attachment A.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the publication of the Notice of Proposed Rulemaking to amend 21 DCMR Chapter 4, Contested Water and Sewer Bills Regulations as presented in Attachment A. The redlined version is presented in Attachment B.

2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to initiate the public comment process as required by the District of Columbia's Administrative Procedures.

This resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

Proposed Amendments to 21 DCMR Chapter 4
Contested Water and Sewer Bills Regulations

CHAPTER 4, CONTESTED WATER AND SEWER BILLS of Title 21 DCMR, WATER AND SANITATION, shall be amended as follows:

400. RIGHT TO CHALLENGE GENERAL MANAGER'S DECISIONS AND BILLS

400.1 The owner or occupant of the premises may contest any water bill, sanitary sewer service bill or groundwater sewer service bill rendered for the premises, or any determination of practicability made by the General Manager pursuant to Section 207 of this title, by following the procedures set forth in this Chapter.

400.2 The owner or agent of the owner may contest any determination of practicability made by the General Manager pursuant to Section 5403 of this title, or any determination of imminent threat made by the General Manager pursuant to Section 5405 of this title, by following the procedures set forth in this Chapter.

400.3 In all cases where a bill or a determination as to practicability made by the General Manager pursuant to Chapter 2 and Chapter 54 or a determination as to imminent threat pursuant to Chapter 54 is contested, the procedures set forth in this Chapter shall apply and take precedence of any inconsistent provisions of this title to the extent of that inconsistency.

400.4 Any owner or occupant shall have the right to inspect DC Water records regarding his or her account upon request during the normal business hours of the DC Water.

400.5 An applicant or holder of a certificate to test backflow preventers may contest any decision by the General Manager to deny, suspend or revoke a certificate pursuant to § 5408 by following the procedures set forth in this Chapter.

400.6 A User may appeal a final decision made by the General Manager pursuant to Chapter 15 of this title by following the procedures set forth in this Chapter.

400.7 A Non-Residential Customer may appeal a determination issued by the General Manager denying a Zero FOG Discharge Exemption issued pursuant to Subsection 112.13 of this title by following the procedures set forth in this Chapter.

401. NOTICE OF RIGHT TO CHALLENGE BILLS, AND PRACTICABILITY AND IMMINENT THREAT DETERMINATIONS

401.1 Each water, sewer, and groundwater sewer service bill shall contain a written

statement advising the owner or occupant of the following:

- (a) The owner or occupant may challenge the bill in accordance with the provisions of § 402, provided that the owner or occupant must timely challenge each bill separately for any challenges made under § 402.1 (a).
- (b) Upon receipt of a challenge to a water, sewer and groundwater sewer service bill, DC Water will investigate the bill;
- (c) If DC Water finds the bill to be erroneous, it shall adjust the bill accordingly and credit the account in accordance with section 409.4 of this chapter;
- (d) The owner or occupant will not be subject to any penalty, interest charge or termination of service for nonpayment of the disputed bill until the owner or occupant has been advised in writing of the results of the investigation;
- (e) The owner or occupant will be notified in writing of the results of the investigation;
- (f) If the bill has not been paid, the owner or occupant will be notified in writing of the amount found to be due as a result of the investigation, and the date on which the bill shall be paid;
- (g) The owner or occupant may request a hearing in writing, within fifteen (15) days of the date of the decision, if he or she is not satisfied with the decision of DC Water; and
- (h) The owner or occupant may request a written statement of billing, for the most recent two (2) year billing and payment history of the account. Upon receipt of a written request, DC Water shall prepare this statement of billing within thirty (30) days.

401.2 Each determination of practicability made by the General Manager pursuant to § 207 of this title shall contain a written statement advising the owner or occupant of the following:

- (a) The owner or occupant may challenge the determination in accordance with the provisions of § 402;
- (b) Upon receipt of a challenge to a determination of practicability, DC Water will investigate the determination; and
- (c) The owner or occupant will be notified in writing of the results of the investigation and the date and time of any hearing, if required.

401.3 Each determination of practicability made by the General Manager pursuant to §

5403, each determination of imminent threat made by the General Manager pursuant to § 5405 and each denial, suspension or revocation of certification to test backflow preventers made by the General Manager pursuant to § 5408 shall contain a written statement advising the applicant or certificate holder of the following:

- (a) The owner or owner's agent, applicant or certificate holder may challenge the denial, suspension or revocation of certification in accordance with the provisions of § 402; and
- (b) The owner or owner's agent, applicant or certificate holder shall be notified in writing of the date and time of any hearing, if required.

401.4 A determination issued by the General Manager denying a Zero FOG Discharge Exemption shall contain a written statement advising the customer of the following:

- (a) The Customer may challenge the denial in accordance with the provisions in Section 402;
- (b) The Customer may request a hearing in writing, within fifteen (15) days of receipt of the General Manager's written determination, if he or she is not satisfied with the General Manager's determination; and
- (c) The Customer shall be notified in writing of the date and time of any hearing, if requested.

402 INITIATING A CHALLENGE

402.1 An owner or occupant may challenge the charges assessed by DC Water for water, sewer and groundwater sewer service, or any other billed service as follows:

- (a) Billing disputes involving usage, meter accuracy, meter malfunction, or leaks, the owner or occupant may dispute the bill by:
 - 1. Paying the current charges in the bill and notifying DC Water in writing, within twenty (20) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect and that the bill is being paid under protest; or
 - 2. Not paying the current charges in the bill and notifying DC Water in writing, within twenty (20) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect.
- (b) All other disputes regarding billing charges not covered by section 402.1(a), such as erroneous classification due to failure of DC Water to change

classification after receiving notice of change by customer, misapplication of account credits, incorrect impervious area, incorrect meter size, or payments applied to the wrong account, the owner or occupant may dispute those charges by:

1. Paying the current charges in the current bill and notifying DC Water in writing, within two (2) years after the date of the alleged erroneous charges, the reason(s) why the current charge and any similar charges issued within two (2) years of the date of written notice of dispute is believed to be incorrect and that the current bill is being paid under protest; or
 2. Not paying the current charges in the bill and notifying DC Water in writing, within twenty (20) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect; or
 3. For issues related to misapplication of account credits or payments applied to the wrong account, notifying DC Water in writing, two (2) years of the misapplied credit and/or payment, requesting a review of the account for misapplied credits and/or payments.
- (c) Disputes under § 402.1(a) and § 402.1(b)(2), each bill challenge only applies to the current bill; the owner or occupant must file a separate dispute for each future bill.
- (d) Disputes under § 402.1(b)(1):
1. May be treated as continuous and will apply to future bills until the General Manager has issued a decision.
 2. The owner or occupant continues to pay the current monthly bill or the General Manager, at the General Manager's sole discretion, has agreed to a temporary billing arrangement.
- (e) Disputes under § 402.1(b), DC Water may review bills rendered within two (2) years prior to the date of written notice of the dispute.

402.2 Challenges will be deemed to be filed untimely as follows:

- (a) Challenges under § 402.1(a) will be untimely if made more than twenty (20) days after the bill date.
- (b) Challenges under § 402.1(b)(1) will be untimely if made more than two (2) years after the bill date.

- (c) Challenges under § 402.1(b)(2) will be untimely if made more than twenty (20) days after the bill date.
- (d) Challenges under § 402.1(b)(3) will be untimely if made more than two (2) years after the misapplied credit and/or payment.
- (e) Challenges made more than twenty (20) days under §§ 402.1(a)(2) and (b)(2) shall be subject to the imposition of a penalty for nonpayment of charges as provided in 21 DCMR 112 and/or termination of service for nonpayment.
- (f) Challenges made more than twenty (20) days under § 402.1(a) may not be investigated as provided under Section 403.

402.3 Nothing in this section shall be interpreted to relieve the owner or occupant of responsibility for paying all previously or subsequently rendered, uncontested water, sewer and groundwater sewer service charges, penalties, interest, and administrative costs.

402.4 An owner or occupant may appeal a practicability determination made by the General Manager pursuant to Section 207 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the notice required in § 207. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter, "Petition for Administrative Hearing".

402.5 An owner or owner's agent may appeal a practicability determination made by the General Manager pursuant to Section 5403 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the notice required in Section 5403. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter "Petition for Administrative Hearing".

402.6 An owner or owner's agent may appeal a determination of imminent threat made by the General Manager pursuant to § 5405 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the termination. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter "Petition for Administrative Hearing."

402.7 Non-residential and multi-family owners or their agents may seek an impervious surface area charge adjustment under Subsection 402.1 if the owner or agent can establish that the property has been assigned to the wrong rate class, the impervious service area used in the computation of the charge is incorrect or if the ownership information is incorrect.

402.8 Non-residential and multi-family owners or their agents shall submit a site survey, prepared by a registered professional land surveyor, showing impervious surfaces on the site and other information that may be requested by DC Water.

402.9 A User subject to the requirements of Chapter 15 of this title, may appeal any of the following final decisions made by the General Manager by filing a petition for an administrative hearing in accordance with the requirements set forth in Section 412 entitled "Petition for Administrative Hearing":

- (a) Determination that a Users uncontaminated non-wastewater flows are discharging to a sewer specifically designated as sanitary sewer;
- (b) Determination regarding the issuance, revocation, or non-transferability of a Wastewater Discharge Permit, or the terms and conditions of a Wastewater Discharge Permit;
- (c) Determination regarding the issuance, suspension, termination, or denial of a Temporary Discharge Authorization or Waste Hauler Discharge Permit, or the terms and conditions of a Temporary Discharge Authorization or Waste Hauler Discharge Permit; and
- (d) Determination regarding the suspension of water and sewer service due to an imminent danger to the environment or the operation or integrity of the District's wastewater system.

402.10 A Non-Residential Customer subject to the requirements of Subsection 112.13 of this title, may appeal the General Manager's determination denying a Zero FOG Discharge Exemption by filing a petition for an administrative hearing within fifteen (15) days of the date of the General Manager's written determination in accordance with the requirements set forth in Section 412 entitled "Petition for Administrative Hearing".

403. INVESTIGATION OF CHALLENGED BILL

403.1 Upon receipt of a timely challenge to a water, sewer or groundwater sewer bill, DC Water shall suspend the obligation of the owner and occupant to pay the contested charges contained in the disputed bill and the owner or occupant will not be subject to any penalty, interest charge or termination of service for nonpayment of the disputed bill until the owner or occupant has been advised in writing of the results of the investigation.

403.2 As necessary to investigate the challenge, DC Water may:

- (a) Verify the computations made in the formulation of the water and sewer charges;
- (b) Verify the meter reading;

- (c) If feasible, check the premises for leaking fixtures, underground invisible leaks, and house-side connection leaks;
- (d) Check the meter for malfunction by removing and testing the meter;
- (e) Review account to ensure accurate account status; and
- (f) Make a reasonable investigation of any facts asserted by the owner or occupant which are material to the determination of a correct bill.

403.3 DC Water may request that the customer submit a plumber's report stating that there are no leaks on the property and that no issues on private property are contributing to increase water usage.

404. REPORT AND ADJUSTMENT

404.1 Upon completion of the investigation, DC Water shall issue a written decision containing a brief description of the investigation and findings.

404.2 On the basis of the investigation and findings, DC Water shall make appropriate adjustments to the bill for water or sewer charges in accordance with the provisions of this Chapter.

405. ADJUSTMENT FOR METER OR COMPUTATION ERRORS

405.1 If the investigation discloses meter overread or faulty computation, adjustment(s) shall be made to reflect the correct charges, as indicated by the correct reading or corrected computations.

405.2 If the meter test results confirms meter overread on a DC Water issued meter, the water and sewer service bill shall be adjusted to equal the average consumption of water at the same premises for up to three (3) previous comparable periods for which records are available.

405.3 If the meter test results confirms meter overread on a DC Water issued meter, and the investigation concerns groundwater sewer service, the groundwater sewer service bill shall be adjusted to equal the average groundwater meter registration at the same premises for up to three (3) previous comparable periods for which records are available.

405.4 If records for up to three (3) previous comparable billing periods are not available, the bill shall be adjusted based on the actual usage for the first comparable billing period after the meter has been replaced.

406. ADJUSTMENT FOR HOUSEHOLD LEAKS OR AIR CONDITIONING MALFUNCTION

- 406.1 The repair of leaking faucets, household fixtures, and similar leaks, and the repair of malfunctioning water-cooled air conditioning equipment, are the responsibility of the owner or occupant.
- 406.2 If the investigation discloses leaking faucets, leaking fixtures, or similar leaks, no adjustment will be made to the bill for any portion of the excessive consumption attributable to those leaks.
- 406.3 If the investigation discloses a malfunctioning water-cooled air conditioning system, no adjustment will be made to the bill for any portion of the excessive consumption attributable to that air conditioning system malfunction.

407. ADJUSTMENT FOR LEAKS WHICH OCCUR BETWEEN THE METER AND THE STRUCTURES THAT ARE SERVED BY THE METER AND FOR UNDERGROUND LEAKS

- 407.1 When a meter leak is discovered due to a DC Water issued meter, the Authority shall make the repairs to the meter. A licensed plumber may make the necessary repairs at the expense of the Authority if the amount and nature of the repairs is approved in advance by the General Manager but only if the General Manager has not determined that the leak constitutes an emergency or unsafe condition.
- 407.2 If the investigation indicates a possible a leak in underground service pipe, the General Manager shall investigate the cause and location when notified of the possibility of leaks. If the investigation discloses a leak, other than a meter leak, of indeterminate location in the underground service, or at some other location where the leak is not apparent from visual or other inspection, the General Manager shall determine whether the leak is on public space, on private property, on property that is under the control of the occupant, or the result of infrastructure for which the owner or occupant is responsible for maintaining and repairing.
- 407.3 If, pursuant to § 407.2 the leak is determined to have been caused by the Authority, or is determined to be the result of infrastructure for which the Authority is responsible for maintaining and repairing , the Authority shall repair the leak and the General Manager shall adjust the bill to equal the average consumption of water at the same premises for up to three (3) previous comparable periods for which records are available. If the leak is determined to have been caused by the owner or occupant, no adjustment shall be made.
- 407.4 If, pursuant to § 407.2 the leak is determined to be on private property or on property that is under the control of the owner or occupant, or the result of

infrastructure for which the owner or occupant is responsible for maintaining and repairing, the owner or occupant shall repair the leak. The General Manager may, at their discretion, upon request of the owner, adjust the disputed bill and any bills issued during the investigation for a period not to exceed (30) calendar days and following the issuance of the bill investigation report.

407.5 The adjusted amount, in accordance with 407.4, shall not exceed 50% of the excess water usage -over the average consumption of water at the same premises for up to three (3) previous comparable periods for which records are available. The General Manager may take the following into consideration in determining whether there should be a reduction in the bill(s):

- (a) There has been no negligence on the part of the owner or occupant in notifying DC Water of unusual conditions indicative of a waste of water;
- (b) The owner has repaired the leak within 30 calendar days after the bill investigation report is issued to the owner or occupant;
- (c) The owner provides evidence that repairs have been made and that those repairs were performed by a licensed District of Columbia master plumber in accordance with the rules and regulations of the District of Columbia Department of Consumer and Regulatory Affairs; and
- (e) The request for adjustment has been made in accordance with § 402.1 (a).

407.6 The General Manager may, at their discretion, adjust up to 100% of the excess sewer charges resulting from an underground leak if it is determined that the excess water usage did not enter the wastewater system.

407.7 No Adjustment shall be made if the leak is determined to have been caused by the owner or occupant.

408. INCONCLUSIVE FINDINGS

408.1 In cases in which all checks and tests result in inconclusive findings that provide no reasonable explanation for excessive consumption, no adjustment shall be made to the bill for any portion of the excessive consumption, except as may be approved at the sole discretion of the General Manager, based upon a demonstration by the owner or occupant that such an adjustment will further a significant public interest.

409. NOTICE OF INVESTIGATION RESULTS AND ADJUSTED BILLS

409.1 After reviewing the report and making any adjustments to the water or sewer

service charges, in accordance with the provisions of this Chapter, the Authority shall mail or email, where an email address is available on the account, written notice of the following to the owner or occupant:

- (a) The results of the investigation; and
- (b) If an adjustment is warranted, the amount of the adjustment.

409.2 An owner or occupant may appeal the General Manager's decision by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the decision.

409.3 The new date for payment of the original or adjusted bill, as set forth in the notice, shall not be less than fifteen (15) days after the mailing date of the notice.

409.4 If the original bill was paid and an adjustment is warranted:

- (a) The amount of the overcharge shall be credited to the account and applied first to any outstanding account balance;
- (b) If after the adjustment and any outstanding account balance has been paid, the customer may request DC Water to issue a refund for any credit balance that remains
- (c) If after the adjustment and any outstanding account balance has been paid, the customer does not request a refund, any credit will remain on the account and applied to future charges.

409.5 The notice shall also inform the owner or occupant of the right to appeal the determination and bill (or amended bill) set forth in the notice, and shall set forth the following:

- (a) The requirements for filing the appeal under § 410.2; and
- (b) If an appeal is filed, there will be no penalty or service cut-off for non-payment of the bill until the appeal has been considered and he or she has been notified in writing of the results of the appeal and a new date for payment

410. ADMINISTRATIVE HEARINGS

410.1 The purpose of hearings held under this Section is to provide the petitioner with an opportunity to appeal the decision of the General Manager pertaining to:

- (a) The validity of any water, sewer or groundwater sewer service charge;

- (b) The practicability determination made pursuant to Section 207 of Chapter 2 regarding metering of groundwater flows;
- (c) A practicability determination made pursuant to Section 5403 of Chapter 54 regarding the installation of backflow preventers to prevent cross connections;
- (d) An imminent threat determination made pursuant to Section 5405 of Chapter 54;
- (e) A denial, suspension, or revocation of a certificate to test backflow preventers pursuant to Section 5408 of Chapter 54;
- (f) The determination that a User's uncontaminated non-wastewater flows are discharging to a sewer specifically designated as sanitary sewer;
- (g) Issuance, revocation, or non-transferability of a Wastewater Discharge Permit, or the terms and conditions of a Wastewater Discharge Permit;
- (h) Issuance, suspension, termination, or denial of a Temporary Discharge Authorization or Waste Hauler Discharge Permit, or the terms and conditions of a Temporary Discharge Authorization or Waste Hauler Discharge Permit;
- (i) Suspension of water and sewer service due to an imminent danger to the environment or the operation or integrity of the District's wastewater system;
- (j) The Zero FOG Discharge Exemption determination that a Food Service Establishment has the potential to discharge oil and grease laden wastewater to the District's wastewater system; and
- (h) Any other decision under this Title that explicitly grants the right to appeal the General Manager's decision.

410.2 The rules of procedure set forth in this Section shall govern the form, content and filing of requests for a hearing to contest water, sewer and groundwater service charges, interest, penalties, fees and determinations of practicability made pursuant to Chapter 2.

410.3 Petitioner shall have the right to do the following:

- (a) Represent themselves or be represented by an attorney;
- (b) To present their case or defense by oral or documentary evidence;

- (c) To submit evidence in rebuttal; and
- (d) To conduct a cross-examination as may be required for a full disclosure of the facts.

411. COMPUTATION OF TIME

- 411.1 The computation of any period of time prescribed or allowed by this Chapter, by notice, order, rule or regulation to DC Water, or by statute, shall not include the day of the act, event, bill, notice or default.
- 411.2 The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until midnight of the next day which is not a Saturday, Sunday, or legal holiday.
- 411.3 Whenever a party is required to serve papers or do some act within a prescribed period, and does so by mail, three (3) days shall be added to the prescribed period.
- 411.4 Days as used in this chapter shall refer to calendar days unless otherwise specified.

412. PETITION FOR ADMINISTRATIVE HEARING

- 412.1 An owner or occupant may file a petition for an administrative hearing to review the decision of the General Manager within fifteen (15) calendar days of the date of the decision.
- 412.2 A petition for an administrative hearing shall be made in writing within fifteen (15) calendar days of the date of the notice specified by § 409.1 of this Chapter.
- 412.3 Petitions for review shall be filed with:

District of Columbia Water and Sewer Authority
ATTN: Administrative Hearings
1385 Canal Street SE
Washington, DC 20003

413. SURETY BOND/DEPOSIT

- 413.1 The owner or occupant shall post a surety bond or deposit, equal to not less than one-half (1/2) of the outstanding water, sewer, or groundwater sewer service charges, penalties, and interest owed at the time the request for administrative hearing is made.

- 413.2 The requirement to post a surety bond or deposit shall not apply to an owner who occupies the single-family house where the contested charges were incurred.
- 413.3 The deposit shall be in the form of a certified check or money order. The deposit shall be placed in an escrow account and accrue interest. The interest rate shall be determined based on the Annualized Treasury Bill Yield Rate, which is published in nationally circulated newspapers, including the Washington Post and the New York Times. If more than one rate is published, the lowest rate shall be used.
- 413.4 A surety bond shall accrue interest only if it is in a form that is equivalent to cash.
- 413.5 Upon receipt of the surety bond or deposit, the portion of the water and sewer charges being challenged shall not be subject to penalty or interest, and service shall not be terminated for non-payment of the contested charges, until a final decision has been rendered.
- 413.6 The owner or occupant shall pay all charges not in dispute within thirty (30) days of the date that the bill for such charges is rendered.

414. HEARING OFFICERS

- 414.1 Upon the filing of a request for hearing, the General Manager may conduct a hearing or assign a hearing officer ("hearing officer") to the case. Thereafter, all motions and procedural requests shall be addressed to the hearing officer.
- 414.2 No hearing officer shall conduct a hearing in a proceeding in which he or she is prejudiced or partial with respect to any owner or occupant, or where that officer has any interest in the matter pending for decision.
- 414.3 No hearing officer shall have the authority to overrule any law or regulation of the District of Columbia.
- 414.4 The hearing officer shall have the following powers:
- (a) To give notice concerning hearings;
 - (b) To administer oaths and affirmations;
 - (c) To examine witnesses and to take testimony;
 - (d) To issue subpoenas and order the parties to submit documents or other evidence;

- (e) To request that investigative reports be prepared by DC Water in instances where the reports do not exist;
- (f) To grant requests for discovery, if the discovery is necessary for the disposition of the appeal;
- (g) To rule upon offers of proof and to receive relevant evidence;
- (h) To regulate the course and conduct of hearings;
- (i) To hold conferences, before or during a hearing, for the settlement or simplification of issues;
- (j) To rule on motions and to dispose of procedural requests or similar matters;
- (k) To issue final decisions as provided in this Section or by law;
- (l) To adjust the charges for water, sewer, and groundwater sewer service based upon facts adduced at hearings held pursuant to this Chapter;
- (m) To adjust the charges for groundwater sewer service based upon a challenge to a determination of practicability made pursuant to § 207; and
- (n) To take any other action authorized by this Chapter, the Administrative Procedure Act, or by any other applicable statute, rule or regulation.

415. SCHEDULING OF HEARING/DEFAULT JUDGMENT

415.1 The hearing officer shall set the date, time and place of the hearing.

415.2 The hearing officer may agree to reschedule the hearing upon the written request of one of the parties for good cause shown or upon the consent of all parties.

415.3 The failure to appear at the scheduled hearing or to request, in advance, that the scheduled hearing be postponed, may result in a default judgment.

415.4 The hearing officer may issue a final order affirming the imposition of any charges, fines, interest and penalties that the DC Water has assessed against the property by default.

415.5 Failure to comply with the conditions imposed by the hearing officer may result in the entry of a default judgment.

416. DISMISSAL OF HEARINGS

- 416.1 A petitioner may request a dismissal by filing a written motion with the hearing officer or orally requesting dismissal at the hearing.
- 416.2 DC Water may request a dismissal by filing a written motion with the hearing officer or orally requesting dismissal at the hearing.
- 416.3 If a written motion to dismiss is filed, the opposing party shall have fourteen (14) calendar days to file an opposition to the motion with the hearing officer.
- 416.4 The hearing officer may, on his or her own motion, dismiss a hearing demand, either entirely or as to any stated issue, under any of the following circumstances:
- (a) Where the matter or issue has previously been the subject of a hearing;
 - (b) The petitioner failed to appear at a hearing, and the owner or occupant failed to request a continuance or show good cause for failing to appear;
 - (c) Where the owner or occupant requesting a hearing is not a lawful owner or occupant or does not otherwise have a right to a hearing. This would include, but is not limited to, cases in which the individual is not the owner or occupant;
 - (d) Where the petitioner has failed to file a timely hearing demand pursuant to the provisions of this Chapter; and
 - (e) Where the hearing officer, in his or her opinion, finds that a petition filed in any proceeding does not raise a question of fact or law or the claim is frivolous.
- 416.5 The dismissal shall be in the form of an order by the hearing officer, which shall contain a statement of facts and law and the reason for the dismissal. No such order shall be necessary where all the parties have expressly requested the dismissal.
- 416.6 The dismissal order shall be given to the parties or mailed to them at their last known address.

417. SERVICE OF DOCUMENTS

- 417.1 The initial document filed by any party shall state on the first page the name and post office address of the person or persons to be served with any documents filed in the proceeding.
- 417.2 Whenever any document is filed by any party with the hearing officer, copies shall be served by the filing party upon all parties to the proceedings.
- 417.3 Service may be made by regular mail, by registered or certified mail, or by personal delivery.
- 417.4 Service upon a party or an attorney of record or designated representative of a party shall occur at the time of hand delivery; by email if one is on record; or if by mail, to the address

of record, by the postmark date plus three (3) days, as prescribed in § 411.3.

418. PROOF OF SERVICE

418.1 A party filing a document with the hearing officer shall furnish written proof that a copy also has been sent to every other party.

418.2 The proof shall show the date and manner of service and may be as follows:

- (a) Written acknowledgement of service;
- (b) Affidavit of the person making service;
- (c) Certificate of an attorney of record; or
- (d) By other proof satisfactory to the hearing officer.

418.3 Acknowledgement of service may be made by any person at the address shown on the document who is sixteen (16) years of age or older.

419. STYLE OF PLEADINGS AND PETITIONS

419.1 All pleadings, notices, orders and other papers filed under the provisions of this Chapter shall be captioned "Before the District of Columbia Water and Sewer Authority."

419.2 A document shall contain the DC Water Docket Number if assigned.

419.3 Each petition filed under this Chapter shall be styled in the manner of pleadings as provided in this Section.

419.4 Each document shall contain a title appropriate to the proceedings which describe generally the type of document, such as one of the following:

In the Matter of the _____ (Charges, Interest, Penalties, and Fees) for the water and sewer services rendered to _____ (Property Address) owned by _____ (Name of Owner of Record) and occupied by _____ (Name of Occupant)

419.5 Upon filing, each petition shall be given a docket number and shall become a matter of public record.

419.6 Each petition shall contain the following:

- (a) Facts related to the water and sewer service account including the following:
 - (1) The account number;
 - (2) The service address;

- (3) The name of the party who holds the account;
 - (4) The type of property and number of units;
 - (5) If petitioner is disputing billing charges, the date of the bill(s) in dispute and
 - (6) The number of people residing at the service address during the period of the disputed bill(s).
- (b) A concise statement of the facts concerning the dispute;
 - (c) Supporting data, facts, or evidence upon which petitioner relies as justification for the dispute; and
 - (d) If petitioner is disputing billing charges, a request for adjustment of the water and sewer service charges.

420. HEARINGS

- 420.1 A party to any hearing may invite any member of the public to attend the hearing.
- 420.2 Hearings shall be held at the location indicated on the hearing notice; Provided, that the hearing officer, at his or her discretion, may establish other permanent or temporary hearing locations.
- 420.3 The hearing officer shall ensure that the hearing is conducted in an orderly manner and shall have the authority to exclude any owner or occupant or other person from the hearing on the grounds of substantial interference with, or obstruction of, an orderly hearing process.
- 420.4 If an owner or occupant requests a hearing on charges from more than one water and sewer service or groundwater sewer service billing period, the hearing officer may consolidate the hearings.
- 420.5 The Rules of Civil Procedure and the Rules of Criminal Procedure for the Superior Court of the District of Columbia are not binding for these administrative hearings.
- 420.6 All testimony shall be given under oath or affirmation administered by the hearing officer.
- 420.7 The burden of proof shall be on the parties seeking relief.
- 420.8 The standard of proof shall be a preponderance of the evidence.
- 420.9 Hearing officers assigned to render a decision in any proceedings under this Chapter shall not communicate, directly or indirectly, with any person involved in or affiliated with any of the parties, except upon notice and opportunity for all parties to participate.
- 420.10 If any person refuses to respond to a subpoena, refuses to take the oath or affirmation

as a witness, refuses to be examined, or refuses to obey any lawful order of the hearing officer, the hearing officer may petition the Superior Court of the District of Columbia for an order requiring compliance.

420.11 The hearing officer shall follow the general rules of evidence applicable to administrative hearings under the District of Columbia Administrative Procedure Act. P.L. 90-614 (D.C. Code § 2-501 *et seq.*

421. ARGUMENT BEFORE THE HEARING OFFICER

421.1 The hearing officer shall give the parties to the proceeding adequate opportunity during the course of a hearing for the presentation of arguments in support of or in opposition to the petition for administrative review, motions, objections, and exceptions to the rulings of the Officer.

421.2 The hearing officer may impose time limits on the arguments.

421.3 Oral argument shall be recorded and will be available as part of the record.

422. FINAL DECISIONS

422.1 The hearing officer shall issue a final decision containing a concise statement of facts and conclusions of law.

422.2 The final decision shall include specific findings on each issue of fact and shall be based upon reliable, probative, and substantive evidence. Mere conclusory assertions or summaries of evidence shall not constitute a sufficient basis for findings or fact within the meaning of this Section.

422.3 The final decision of the hearing officer shall be based upon consideration of the entire record of the proceeding, and no evidence, information, or other knowledge, except that of which official notice is taken, shall be considered.

422.4 If the hearing officer rules in favor of the owner or occupant, and finds that the owner or occupant has made payments in excess of the amount due:

- (a) The amount of the overcharge shall be credited to the account and applied first to any outstanding account balance.
- (b) If after the adjustment and any outstanding account balance has been paid, the customer may request DC Water to issue a refund for any credit balance that remains.
- (c) If after the adjustment and any outstanding account balance has been paid, the customer does not request a refund, any credit will remain on the account and applied to future charges.

422.5 If the hearing officer rules in favor of the DC Water, and finds that the owner or occupant has outstanding water and sewer charges, the owner or occupant shall be required to pay the difference between the amount in escrow, if any, and the amount of outstanding charges, penalties, interest, and fees within fifteen (15) days of the notice of the decision.

423. PAYMENT

423.1 Checks or money orders shall be made payable to the “District of Columbia Water and Sewer Authority.”

423.2 Certified checks or cash shall be required for payments exceeding two hundred dollars (\$200).

423.3 If any check or other instrument offered to make any payment due is dishonored, the owner or occupant shall be responsible for any fees established by DC Water.

424. TRANSCRIPTS OF HEARING

424.1 Transcripts of the hearing proceedings may be ordered through a form provided by the General Manager.

424.2 The costs for transcript(s) of the hearing record shall be borne by the party requesting the transcript.

424.3 Fees for transcripts shall be at a rate set by the General Manager based on the costs DC Water has incurred.

424.4 Transcripts may be ordered upon payment of a deposit, the amount of which shall be set by the General Manager.

424.5 When the cost of the transcript has been determined to be less than the amount of the transcript deposit, the amount by which the deposit exceeds the cost of the transcript shall be refunded.

424.6 When the cost of the transcript is determined to exceed the amount of the transcript deposit, the petitioner shall be notified in writing of the balance due for preparing the transcript. The balance due shall be paid before the transcript is released.

424.7 If the owner or occupant fails to make a payment when due as required by this Section or if any check offered to make payment is dishonored, the request for the transcript shall be dismissed, and the deposit shall not be refunded.

424.8 Changes in the official transcripts shall be made only when they involve errors of substance.

424.9 A motion to correct a transcript shall be filed with the hearing officer and the other party within ten (10) days after receipt of the transcript.

424.10 If no objections to the motion are filed within ten (10) days after the filing of the motion, the transcript may, upon the approval of the chief hearing officer, be changed to reflect the corrections.

424.11 If objections to a motion to correct a transcript are received, the motion and objection shall be submitted to the reporter or transcriber by the chief hearing officer with a request to compare the transcript with the stenographic or other record of the hearing.

424.12 After receipt of the transcriber's report, an order shall be entered by the hearing officer settling the record and ruling on the motion.

425. TERMINATION OF WATER AND SANITARY SEWER SERVICES FOR NONPAYMENT

425.1 The purpose of this Section is to establish the criteria and procedures for terminating water and sewer services for nonpayment of any charges, penalties, interests, or fees permitted by law to be assessed against the owner or occupant of real property.

425.2 Except as otherwise provided in this Chapter, DC Water shall provide the owner or occupant with a final notice specifying that the water and sewer services will be terminated.

425.3 The final notice shall specify the date that service will be subject to termination.

425.4 In deciding whether or not to terminate water and sewer services for a delinquent account, the General Manager may consider the following:

- (a) Whether a tenant is eligible to establish an account in his or her own name;
- (b) The payment history of the owner or occupant;
- (c) Any other factor relevant to the efficacy of alternate methods of collecting the amounts due and owing; and
- (d) Whether the owner or occupant has applied for any customer assistance programs for which the owner or occupant is eligible.

426. HONORING REQUESTS FROM OWNERS FOR TERMINATION OF WATER AND SEWER SERVICE

426.1 DC Water, upon receipt of a written request from the owner of a property provided water and sewer services, shall terminate services when one of the following conditions exists:

- (a) The property is vacant;
- (b) There is an outstanding delinquent balance on the account;

- (c) The water and sewer service has been terminated for nonpayment, and it is verified that service has been restored by the occupant or someone solicited by the occupant, without the authorization of DC Water; or
- (d) The owner provides documentation that the property is occupied by parties without a legal right to be on the property and who occupy the property without the consent of the owner.

426.2 DC Water may request the owner to provide a notarized affidavit stating that the property is vacant or that it is occupied by parties without a legal right to be on the property and who occupy the property without the consent of the owner.

426.3 DC Water may determine that the request for termination of service will not be honored if the property is occupied and any of the following conditions exists:

- (a) There is no delinquent balance on the account and the property is occupied by tenants or others with the consent of the owner; or
- (b) The owner is the account holder, the tenant agrees to assume prospective responsibility for prospective water and sewer charges and the General Manager determines that it is practicable for the tenant to assume responsibility for the water and sewer charges.

427. REAL PROPERTY LIENS AND TAX SALE

427.1 When bills for water and sewer service charges, meter maintenance and repairs, or sanitary sewer services are more than sixty (60) days overdue, DC Water shall provide the owner of record with a written notice of intent to file a lien.

427.2 The written notice shall state the following:

- (a) The outstanding balance;
- (b) A notice that if the bills are not paid in full or payment arrangements are not made within fourteen (14) calendar days of the date of the notice, a certificate of delinquency may be filed by DC Water with the Recorder of Deeds;
- (c) That a certificate of delinquency shall constitute a lien against the real property; and
- (d) The owner of a single family home has the opportunity to present evidence that he or she occupies the premises.

427.3 The owner of a single family home who occupies the premises shall present evidence of occupancy within fourteen (14) calendar days of the date of the notice of intent.

427.4 Acceptable evidence of occupancy shall include the following with personal identifiable

information redacted (e.g. social security number, date of birth and financial account number):

- (a) Income tax returns;
- (b) Non-driver's identification card or a valid driver's license;
- (c) The most recent electric, gas or telephone bill;
- (d) Proof of eligibility of Homestead Deduction in accordance with DC Official Code § 47-850; and
- (e) Other documentation considered credible by DC Water, including but not limited to a notarized affidavit.

427.5 Single family homes that are owner occupied, shall not be sold at tax sale for delinquent water and sewer charges, but a lien shall be attached to the real property until the outstanding balance is paid in full.

427.6 At the end of the fourteen-calendar day (14) period, if the balance has not been paid in full, a Certificate of Delinquency shall be filed by DC Water and mailed, by certified mail, to the owner of record at the address listed by the Office of Tax and Revenue for the receipt of tax notices.

427.7 Real property tax sales pursuant to this Section shall be conducted by the Office of Tax and Revenue.

427.8 The rules and regulations applicable to tax sales used by the Office of Tax and Revenue shall govern tax sales, under this Section.

427.9 If a rule or regulation of the Office of Tax and Revenue conflicts with a provision of the District of Columbia Water and Sewer Operations Amendment Act of 1990, ([D.C. Law 8-136](#)) or any statute governing the enforcement of water and sewer liens at tax sale, [D.C. Law 8-136](#) or the applicable statute shall govern.

427.10 The Director of the Department of Housing and Community Development may submit bids for properties to be included in the housing program, authorized by § 2 of the Act, and to make payments to the Water and Sewer Enterprise Fund from appropriations or sums otherwise provided.

428. OPPORTUNITY FOR A TENANT TO RECEIVE SERVICE IN OWN NAME

- 428.1 DC Water may permit the tenant(s) to receive the bills in their own name, when the owner or agent of the rental property fails to pay the delinquent account in full and it is determined to be practicable.
- 428.2 At least ten (10) working days prior to terminating water and sewer services to the premises, DC Water shall send a notice to the tenant(s) in accordance with § 425.2.
- 428.3 Once it is determined that the tenants will be billed directly for water and sewer charges, DC Water will read the meter on service at the affected address and render a final bill to the owner or the agent for the owner.
- 428.4 If water and sewer charges incurred by the tenant(s) remain unpaid for more than thirty (30) days after the rendering of a bill for the charges, penalties and interest shall be applied to the tenant's outstanding charges, and water and sewer services may be terminated.
- 428.5 If water and sewer service charges billed directly to the tenant or tenants are unpaid and result in the termination of services, the tenant or tenants shall be required to pay all delinquent charges, penalties, interest and fees incurred during the period they received bills.
- 428.6 If service has been terminated due to a delinquent tenant account, services shall not be restored until all charges, penalties, interest and fees for the property are paid in full.

429. SPECIAL PROVISIONS GOVERNING MASTER-METERED APARTMENT BUILDINGS

- 429.1 Section 428 shall apply to all master-metered water and sewer accounts in residential rental apartment buildings billed directly to the owner, agent, lessor, or manager of the premises (hereinafter referred to as "owner").
- 429.2 DC Water shall provide the tenants with the opportunity to assume prospective financial responsibility for the water and sewer services pursuant to the provisions of §§ 428 and 430.

430. DETERMINATION OF PRACTICABILITY

- 430.1 DC Water may decide to continue water and sewer service to any master-metered residential, rental apartment building despite the nonpayment of a delinquent

account by the owner, if the General Manager determines that it is practicable for the tenants to assume prospective financial responsibility for water and sewer services by receiving the service in their own names, either individually or collectively, on the same terms as any other customer and without any liability for the amount due while service was billed directly to the owner.

430.2 In order to qualify as a tenant group or association, the group or tenant association shall provide documentation that the following requirements have been met:

- (a) It is appointed as the authorized agent for each tenant;
- (b) Have capital reserves equal to the estimated quarterly water and sewer service charges for the premises;
- (c) It is authorized to collect water and sewer charges from each tenant and to pay the charges;
- (d) Have a written agreement specifying the fair and equitable apportionment of the water bill to each tenant, and the tenant's agreement to pay his or her portion of the bill to the tenant group or association in a timely manner;
- (e) Maintain its records and a system of accounts in a manner consistent with generally accepted accounting principles;
- (f) Agree to make its financial records available for inspection by the tenant; and
- (g) Obtain a bond to guarantee the integrity of its financial transactions.

430.3 The General Manager may find that it is practicable to meter each apartment on the premises if the following requirements are met:

- (a) The owner of the premises agrees in writing to install individual meters for each unit on the premises at the owner's expense and risk;
- (b) The owner agrees in writing to complete the installation within sixty (60) days of the date of the written agreement; and
- (c) Each tenant agrees in writing to establish an individual account in his or her name.

430.4 The General Manager may permit tenants to assume prospective financial responsibility for water and sewer service charges if there exists a tenant group or association that is willing and able to accept responsibility for collecting water and sewer bill payments from each tenant at the premises, and of paying each bill when it becomes due.

430.5 The General Manager shall prepare a finding of practicability which contains the following information:

- (a) The address of the premises;
- (b) The name of the owner;
- (c) The number of units;
- (d) A determination of whether it is feasible to meter each unit on the premises, pursuant to the provisions of § 430.3 of this Chapter;
- (e) If individual metering is not feasible, whether a tenant group or association exists which meets the requirements of § 430.2, and that the requirements of this Chapter have been met; and
- (f) Any other information pertaining to the premises and its service which may have a bearing on the General Manager's decision on practicability.

431. NOTICE TO TENANTS

431.1 At least fourteen (14) calendar days prior to terminating water and sewer services to the premises, the General Manager shall post notice outside the premises.

431.2 The notice shall provide the tenant(s) with the following information:

- (a) The owner is delinquent in the payment of water and sewer service charges;
- (b) Water and sewer services to the premises may be terminated;
- (c) DC Water may permit the tenants to establish a water and sewer account in their own names if the General Manager considers it is practicable under the provisions of § 430.1 of this Section;
- (d) The tenants may petition the Superior Court to establish a receivership;
- (d) The tenants have the right to deduct all future payments made by the tenants for water and sewer services from rent owed as provided by DC Official Code § 34-2303 (b).
- (f) The tenants may request to receive service in their own name either individually or collectively in accordance with the provisions of § 428;

- (g) The time period within which the tenants or their authorized agents must request to assume prospective responsibility for water and sewer service charges; and
 - (h) The mailing address and telephone number of the office within DC Water, where the tenants can obtain additional information.
- 431.3 Each tenant shall agree in writing to establish an individual or collective water and sewer utility service account within thirty (30) days of the date on the notice issued pursuant to § 431.2.
- 431.4 Each tenant shall establish individual water and sewer service accounts within sixty (60) days of the date the General Manager finds that the following requirements are met:
- (a) It is practicable to install individual meters for each unit on the premises, and
 - (b) A tenant group that meets the requirements of this Chapter exists.
- 431.5 The tenants' group or association shall establish a water and sewer service account within thirty (30) days of the date the Director determines that it is practicable for the tenants to assume prospective responsibility for water and sewer and groundwater sewer service charges.
- 431.6 Tenants who move into the premises shall execute the agreement with the tenant group or association or establish an individual account.
- 431.7 The failure to execute a written agreement for individual or collective accounts and to establish a water and sewer service account in a timely manner shall result in the termination of water and sewer services to the premises.

432. TENANT PAYMENT OF WATER AND SEWER SERVICE BILL

- 432.1 The General Manager may terminate water and sewer service to the premises of a tenant who has agreed to accept responsibility for payment of water and sewer services charges individually or with a tenant association when the tenant or the tenant group or association is delinquent in payment.
- 432.2 The rights of the tenant group or association shall terminate upon the occurrence of any of the following:
- (a) The failure to make timely payments;
 - (b) The failure of the tenant group or association to maintain bonding;

- (c) The failure of the tenant group or association to keep adequate records; or
- (d) The failure of the tenant group or association to obtain the consent of all the premises' tenants, including the consent of all tenants who move into the premises after the account is established.

432.3 Upon termination of the tenant group or association's account, DC Water shall bill the owner of the property directly for water and sewer charges.

499. DEFINITIONS

499.1 When used in this Chapter, the following words and phrases shall have the meanings ascribed:

Comparable periods -

- (a) No change in occupancy;
- (b) The same or like seasons; and
- (c) The same or like number of days and billing periods.

General Manager - The chief administrative officer of the District of Columbia Water and Sewer Authority or his or her designee.

Meter - Includes any device which is used to measure the amount of water utilized by consumers.

Occupant - any individual, corporation, association or partnership who holds or possesses a premises in subordination to the title of the owner of the premises, with the consent of the owner.

Owner - any individual, corporation, association, or partnership listed as the legal title holder of record.

Petitioner - an owner, occupant, owner's agent, applicant for certification to test backflow preventers or a holder of a certificate to test backflow preventers.

Practicable - For purposes of Section 430, a finding made by the General Manager that it is feasible to individually meter each apartment on the premises, or that there exists a tenant group or association that meets DC Water's requirements.

Privately owned water meter - meter required to be installed, at no cost to DC Water, for the measurement of water supplied and used by commercial and industrial users or by premises with three (3) or more separate dwelling units.

Single family home - means a housing unit designed and maintained for occupancy by only one family.

Tenant - any person who holds or possesses a habitation in subordination to the title of the owner of the premises in which the habitation is located, with the consent of the owner.

DC Water - the District of Columbia Water and Sewer Authority or its lawful agent, successor in interest or designee.

This rulemaking will be effective upon publication of the Notice of Final Rulemaking in the *D.C. Register*.

Attachment B

Redlined Amendments to 21 DCMR Chapter 4
Contested Water and Sewer Bills Regulations

Action Item 4:

**DC RETAIL WATER AND SEWER RATES COMMITTEE
PROPOSED AMENDMENTS TO
21 DCMR CHAPTER 4 - CONTESTED WATER AND SEWER BILLS**

DC Water requests that the DC Retail Water and Sewer Rates Committee recommend to the Board of Directors the publication of the proposed amendment to 21 DCMR Chapter 4 – Contested Water and Sewer Bills to revise the bill challenge regulations and other rules to be consistent DC Water Omnibus Amendment Act of 2020, other DC Laws, and Current DC Water Practice, as shown below:

CHAPTER 4, CONTESTED WATER AND SEWER BILLS of Title 21 DCMR, WATER AND SANITATION, shall be amended as follows:

400. RIGHT TO CHALLENGE GENERAL MANAGER'S DECISIONS AND BILLS

- 400.1 The owner or occupant of the premises may contest any water bill, sanitary sewer service bill or groundwater sewer service bill rendered for the premises, or any determination of practicability made by the General Manager pursuant to Section 207 of this title, by following the procedures set forth in this Chapter.
- 400.2 The owner or agent of the owner may contest any determination of practicability made by the General Manager pursuant to Section 5403 of this title, or any determination of imminent threat made by the General Manager pursuant to Section 5405 of this title, by following the procedures set forth in this Chapter.
- 400.3 In all cases where a bill or a determination as to practicability made by the General Manager pursuant to Chapter 2 and Chapter 54 or a determination as to imminent threat pursuant to Chapter 54 is contested, the procedures set forth in this Chapter shall apply and take precedence of any inconsistent provisions of this title to the extent of that inconsistency.
- 400.4 Any owner or occupant shall have the right to inspect WASADC Water records regarding his or her account upon request during the normal business hours of the ~~Department~~DC Water.
- 400.5 An applicant or holder of a certificate to test backflow preventers may contest any decision by the General Manager to deny, suspend or revoke a certificate pursuant to § 5408 by following the procedures set forth in this Chapter.
- 400.6 A User may appeal a final decision made by the General Manager pursuant to Chapter 15 of this title by following the procedures set forth in this Chapter.
- 400.7 A Non-Residential Customer may appeal a determination issued by the General Manager denying a Zero FOG Discharge Exemption issued pursuant to Subsection 112.13 of this title by following the procedures set forth in this Chapter.

401. NOTICE OF RIGHT TO CHALLENGE BILLS, AND PRACTICABILITY AND IMMINENT THREAT DETERMINATIONS

- 401.1 Each water, sewer, and groundwater sewer service bill shall contain a written statement advising the owner or occupant of the following:
- (a) The owner or occupant may challenge the bill in accordance with the provisions of § 402, provided that the owner or occupant must timely challenge each bill separately for any challenges made under § 402.1 (a).must raised
 - (b) Upon receipt of a challenge to a water, sewer and groundwater sewer service bill, WASADC Water will investigate the bill;

- (c) If WASADC Water finds the bill to be erroneous, it shall adjust the bill accordingly and credit the account in accordance with section 409.4 of this chapter; as a credit to the account with the credit first being applied to any outstanding account balance and current charges however, at the discretion of the General Manager DC Water may issue a refund for any amounts that remain after the account balance is paid in full, and refund any overcharge paid as a credit to the account provided there are no arrears that may be reduced prior to applying said credit;
- (d) The owner or occupant will not be subject to any penalty, interest charge or termination of service for nonpayment of the disputed bill until the owner or occupant has been advised in writing of the results of the investigation;
- (e) The owner or occupant will be notified in writing of the results of the investigation;
- (f) If the bill has not been paid, the owner or occupant will be notified in writing of the amount found to be due as a result of the investigation, and the date on which the bill shall be paid;
- (g) The owner or occupant may request a hearing in writing, within fifteen (15) days of the date of the decision, if he or she is not satisfied with the decision of WASADC Water; and
- (h) The owner or occupant may request a written statement of billing, for the most recent two (2) year eighteen (18) month billing and payment history of the account. Upon receipt of a written request, WASADC Water shall prepare this statement of billing within thirty (30) days.

401.2 Each determination of practicability made by the General Manager pursuant to § 207 of this title shall contain a written statement advising the owner or occupant of the following:

- (a) The owner or occupant may challenge the determination in accordance with the provisions of § 402;
- (b) Upon receipt of a challenge to a determination of practicability, WASADC Water will investigate the determination; and
- (c) The owner or occupant will be notified in writing of the results of the investigation and the date and time of any hearing, if required.

401.3 Each determination of practicability made by the General Manager pursuant to § 5403, each determination of imminent threat made by the General Manager pursuant to § 5405 and each denial, suspension or revocation of certification to test backflow preventers made by the General Manager pursuant to § 5408 shall contain a written statement advising the applicant or certificate holder of the following:

- (a) The owner or owner's agent, applicant or certificate holder may challenge the denial, suspension or revocation of certification in accordance with the provisions of § 402; and
- (b) The owner or owner's agent, applicant or certificate holder shall be notified in writing of the date and time of any hearing, if required.

401.4 A determination issued by the General Manager denying a Zero FOG Discharge Exemption shall contain a written statement advising the customer of the following:

- (a) The Customer may challenge the denial in accordance with the provisions in Section 402;
- (b) The Customer may request a hearing in writing, within fifteen (15) days of receipt of the General Manager's written determination, if he or she is not satisfied with the General Manager's determination; and
- (c) The Customer shall be notified in writing of the date and time of any hearing, if requested.

402 INITIATING A CHALLENGE

402.1 An owner or occupant may challenge the ~~most recent~~ charges assessed by ~~WASA-DC Water~~ for water, sewer and groundwater sewer service, or any other billed service as follows by either:

(a) Billing disputes involving usage, meter accuracy, meter malfunction, or leaks, the owner or occupant may dispute the bill by:

~~(a1.)~~ Paying the current charges in the bill and notifying DC Water in writing, within ~~thirty-twenty~~ (3020) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect and that the bill is being paid under protest; or

~~(b2.)~~ Not paying the current charges in the bill and notifying DC Water in writing, within ~~thirty-twenty~~ (3020) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect.

(b) All other disputes regarding billing charges not covered by section 402.1(a), such as erroneous classification due to failure of DC Water to change classification after receiving notice of change by customer, misapplication of account credits, incorrect impervious area, incorrect meter size, or payments applied to the wrong account, the owner or occupant may dispute those charges by:

(1) Paying the current charges in the current bill and notifying DC Water in writing, within two (2) years after the date of the alleged erroneous charges, the reason(s) why the current charge and any similar charges issued within two (2) years of the date of written notice of dispute is believed to be incorrect and that the current bill is being paid under protest; or

(2) Not paying the current charges in the bill and notifying DC Water in writing, within twenty (20) calendar days after the bill date, the reason(s) why the bill is believed to be incorrect; or

(3) For issues related to misapplication of account credits or payments applied to the wrong account, notifying DC Water in writing, two (2) years of the misapplied

credit and/or payment, requesting a review of the account for misapplied credits and/or payments.

(c) Disputes under § 402.1(a) and § 402.1(b)(2), each bill challenge only applies to the current bill; the owner or occupant must file a separate dispute for each future bill.

(d) Disputes under § 402.1(b)(1):

(1) May be treated as continuous and will apply to future bills until the General Manager has issued a decision.

(2) The owner or occupant continues to pay the current monthly bill or the General Manager, at the General Manager's sole discretion, has agreed to a temporary billing arrangement.

(e) Disputes under § 402.1(b), DC Water may review bills rendered within two (2) years prior to the date of written notice of the dispute.

~~402.2 Challenges received after the thirty day (30) period as stated in § 402.1 will be deemed to have been filed in an untimely manner and will not stop the imposition of a penalty for nonpayment of charges or the possibility of termination of service for nonpayment.~~

402.2 Challenges will be deemed to be filed untimely as follows:

(a) Challenges under § 402.1(a) will be untimely if made more than twenty (20) days after the bill date.

(b) Challenges under § 402.1(b)(1) will be untimely if made more than two (2) years after the bill date.

(c) Challenges under § 402.1(b)(2) will be untimely if made more than twenty (20) days after the bill date.

(d) Challenges under § 402.1(b)(3) will be untimely if made more than two (2) years after the misapplied credit and/or payment.

(e) Challenges made more than twenty (20) days under §§ 402.1(a)(2) and (b)(2) shall be subject to the imposition of a penalty for nonpayment of charges as provided in 21 DCMR 112 and/or termination of service for nonpayment.

(f) Challenges made more than twenty (20) days under § 402.1(a) may not be investigated as provided under Section 403.

- 402.3 Nothing in this section shall be interpreted to relieve the owner or occupant of responsibility for paying all previously or subsequently rendered, uncontested water, sewer and groundwater sewer service charges, penalties, interest, and administrative costs.
- 402.4 An owner or occupant may appeal a practicability determination made by the General Manager pursuant to Section 207 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the notice required in § 207. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter, "Petition for Administrative Hearing".
- 402.5 An owner or owner's agent may appeal a practicability determination made by the General Manager pursuant to Section 5403 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the notice required in Section 5403. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter "Petition for Administrative Hearing".
- 402.6 An owner or owner's agent may appeal a determination of imminent threat made by the General Manager pursuant to § 5405 by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the termination. This petition shall be filed in accordance with the requirements set forth in Section 412 of this chapter "Petition for Administrative Hearing."
- 402.7 Non-residential and multi-family owners or their agents may seek an impervious surface area charge adjustment under Subsection 402.1 if the owner or agent can establish that the property has been assigned to the wrong rate class, the impervious service area used in the computation of the charge is incorrect or if the ownership information is incorrect.
- 402.8 Non-residential and multi-family owners or their agents shall submit a site survey, prepared by a registered professional land surveyor, showing impervious surfaces on the site and other information that may be requested by [WASADC Water](#).
- 402.9 A User subject to the requirements of Chapter 15 of this title, may appeal any of the following final decisions made by the General Manager by filing a petition for an administrative hearing in accordance with the requirements set forth in Section 412 entitled "Petition for Administrative Hearing":
- (a) Determination that a Users uncontaminated non-wastewater flows are discharging to a sewer specifically designated as sanitary sewer;
 - (b) Determination regarding the issuance, revocation, or non-transferability of a Wastewater Discharge Permit, or the terms and conditions of a Wastewater Discharge Permit;
 - (c) Determination regarding the issuance, suspension, termination, or denial of a Temporary Discharge Authorization or Waste Hauler Discharge Permit, or the terms and conditions of a Temporary Discharge Authorization or Waste Hauler Discharge Permit; and

- (d) Determination regarding the suspension of water and sewer service due to an imminent danger to the environment or the operation or integrity of the District's wastewater system.

402.10 A Non-Residential Customer subject to the requirements of Subsection 112.13 of this title, may appeal the General Manager's determination denying a Zero FOG Discharge Exemption by filing a petition for an administrative hearing within fifteen (15) days of the date of the General Manager's written determination in accordance with the requirements set forth in Section 412 entitled "Petition for Administrative Hearing".

-403. INVESTIGATION OF CHALLENGED BILL

403.1 Upon receipt of a timely challenge to a water, sewer or groundwater sewer bill, WASADC Water shall suspend the obligation of the owner and occupant to pay the contested charges contained in the disputed bill pending investigation, provided that an accounting of undisputed charges is rendered to the owner and occupant for the purpose of paying undisputed charges, and the owner or occupant will not be subject to any penalty, interest charge or termination of service for nonpayment of the disputed bill until the owner or occupant has been advised in writing of the results of the investigation.

403.2 As necessary to investigate the challenge, WASADC Water may:

- (a) Verify the computations made in the formulation of the water and sewer charges;
- (b) Verify the meter reading for possible meter overread or doubtful registration;
- (c) If feasible, check the premises for leaking fixtures, underground invisible leaks, and house-side connection leaks;
- (d) Check the meter for malfunction by removing and testing the meter;
- ~~(e) — Check the water cooled air conditioning system, if any, for malfunction; and~~
- (e) Review account to ensure accurate account status; and
- (f) Make a reasonable investigation of any facts asserted by the owner or occupant which are material to the determination of a correct bill.

403.3 DC Water may request that the customer submit a plumber's report stating that there are no leaks on the property and that no issues on private property are contributing to increase water usage.

404. REPORT AND ADJUSTMENT

404.1 Upon completion of the investigation, WASADC Water shall issue a written decision containing a brief description of the investigation and findings.

404.2 On the basis of the investigation and findings, WASADC Water shall make appropriate adjustments to the bill for water or sewer charges in accordance with the provisions of this Chapter.

405. ADJUSTMENT FOR METER OR COMPUTATION ERRORS

~~405.1 If the investigation discloses meter overread or faulty computation, adjustment(s) shall be made to reflect the correct charges, as indicated by the correct reading or corrected computations.~~

~~405.2 If the investigation reveals doubtful meter registration or possible meter malfunction, WASADC Water shall remove the meter and test it.~~

405.1 If the investigation discloses meter overread or faulty computation, adjustment(s) shall be made to reflect the correct charges, as indicated by the correct reading or corrected computations.

405.~~23~~ If the meter test results ~~of the tests under § 405.2 verify confirms~~ doubtful registration or meter overread malfunction on a DC Water issued meter, the water and sewer service bill shall be adjusted to equal the average consumption of water at the same premises for up to three (3) previous comparable periods for which records are available.

405.~~34~~ If the meter test results ~~of the tests under § 405.2 verify confirms~~ doubtful registration or meter overread on a DC Water issued meter malfunction, and the investigation concerns groundwater sewer service, the groundwater sewer service bill shall be adjusted to equal the average groundwater meter registration at the same premises for up to three (3) previous comparable periods for which records are available.

405.~~45~~ If records for up to three (3) previous comparable billing periods are not available, the bill shall be adjusted based on the actual usage for the first comparable billing period after the meter has been replaced in accordance with the provisions of § 408.2.

406. ADJUSTMENT FOR HOUSEHOLD LEAKS OR AIR CONDITIONING MALFUNCTION

406.1 The repair of leaking faucets, household fixtures, and similar leaks, and the repair of malfunctioning water-cooled air conditioning equipment, are the responsibility of the owner or occupant.

406.2 If the investigation discloses leaking faucets, leaking fixtures, or similar leaks, no adjustment will be made to the bill for any portion of the excessive consumption attributable to those leaks.

406.3 If the investigation discloses a malfunctioning water-cooled air conditioning system, no adjustment will be made to the bill for any portion of the excessive consumption attributable to that air conditioning system malfunction.

407. ADJUSTMENT FOR LEAKS WHICH OCCUR BETWEEN THE METER AND THE STRUCTURES THAT ARE SERVED BY THE METER AND FOR UNDERGROUND LEAKS

- 407.1 When a meter leak is discovered due to a DC Water issued meter, the Authority shall make the repairs to the meter. A licensed plumber may make the necessary repairs at the expense of the Authority if the amount and nature of the repairs is approved in advance by the General Manager but only if the General Manager has not determined that the leak constitutes an emergency or unsafe condition.
- 407.2 If the investigation indicates a possible a leak in underground service pipe, ~~the~~ General Manager shall investigate the cause and location when notified of the possibility of leaks ~~in underground service pipe~~. If the investigation discloses a leak, other than a meter leak, of indeterminate location in the underground service, or at some other location where the leak is not apparent from visual or other inspection, the General Manager shall determine whether the leak is on public space, on private property, ~~or~~ on property that is under the control of the occupant, or the result of infrastructure for which the owner or occupant is responsible for maintaining and repairing.
- 407.3 If, pursuant to § 407.2 the leak is determined to have been caused by the Authority, or is determined to be ~~in the result of infrastructure for which the Authority is responsible for maintaining and repairing public space~~, the Authority shall repair the leak and the General Manager shall adjust the bill to equal the average consumption of water at the same premises for up to three (3) previous comparable periods for which records are available. If the leak is determined to have been caused by the owner or occupant, no adjustment shall be made.
- 407.4 If, pursuant to § 407.2 the leak is determined to be on private property or on property that is under the control of the owner or occupant, or the result of infrastructure for which the owner or occupant is responsible for maintaining and repairing, the owner or occupant shall repair the leak. The General Manager may, at ~~his~~ their discretion, upon request of the owner, adjust the disputed bill and any bills issued during the investigation for a (s) for period not to exceed (30) calendar days and the periods during which the leak occurred following the issuance of the bill investigation report.
- 407.5 The adjusted amount, in accordance with 407.4, shall not by an amount not to exceed 50% of the _____ excess water usage -over the average consumption of water at the same premises for up to three _ (3) previous comparable periods for which records are available. The General Manager may take _____ the following into consideration in determining whether there should be a reduction in the bill(s):
- (a) There has been no negligence on the part of the owner or occupant in notifying ~~the Department DC Water~~ of unusual conditions indicative of a waste of water;
 - (b) The owner has ~~taken steps to have the repaired the leak repaired promptly within 30 calendar days after the bill investigation report is issued to the owner or occupant, upon discovery of a leak on private property;~~
 - (c) The owner provides evidence that repairs have been made and that those repairs were performed by a licensed District of Columbia master plumber in accordance with the rules and regulations of the District of Columbia Department of Consumer and Regulatory Affairs ~~Repairs have been made by a District registered plumber and approved by the Chief, Plumbing Inspection Branch, Department of Consumer and Regulatory Affairs, or his or her designee in accordance with D.C. Code § 8-205;~~

~~(d) Form ES-138 has been obtained from the Authority, completed in full, signed by the owner or occupant, and certified by the plumber who made the repairs; and~~

(e) The request for adjustment has been made ~~promptly~~ in accordance with § 402.1 (a).

407.6 The General Manager may, at ~~his~~ their discretion, adjust up to 100% of the excess sewer charges resulting from an underground leak if it is determined that the excess water usage did not enter the wastewater system.

~~407.7~~ 5 ~~_____~~ No Adjustment shall be made if the leak is determined to have been caused by the owner or occupant.

408. INCONCLUSIVE FINDINGS

408.1 In cases in which all checks and tests result in inconclusive findings that provide no reasonable explanation for excessive consumption, no adjustment shall be made to the bill for any portion of the excessive consumption, except as may be approved by at the sole discretion of the General Manager, based upon a demonstration by the owner or occupant that such an adjustment will further a significant public interest.

409. NOTICE OF INVESTIGATION RESULTS AND ADJUSTED BILLS

409.1 After reviewing the report and making any adjustments to the water or sewer service charges, in accordance with the provisions of this Chapter, the Authority shall mail or email, where an email address is available on the account, ~~w~~ritten notice of the following to the owner or occupant:

(a) The results of the investigation; and

(b) ~~If the an adjustment is warranted bill has been adjusted, the amount of the adjustment. an amended bill reflecting any adjustment(s) made.~~

409.2 An owner or occupant may appeal the General Manager's decision by filing a petition for an administrative hearing within fifteen (15) calendar days of the date of the decision.

409.3 The new date for payment of the original or adjusted bill, as set forth in the notice, shall not be less than fifteen (15) days after the mailing date of the notice.

409.4 If the original bill was paid and an adjustment ~~has been made~~ is warranted:

~~(a) The amount of the overcharge shall be~~ credited to the account and applied first to any outstanding account balance;

~~(b) If after the adjustment and any outstanding account balance has been paid, the customer may request however, at the discretion of the General Manger DDC Water to may issue a refund for any credit balance amounts that remains after the account balance is paid in full. refunded to the party who paid the bill as a credited to the account with the credit~~

~~first being applied to any outstanding account balance provided there are no arrears that may be reduced prior to applying said credit.~~

~~(c) If after the adjustment and any outstanding account balance has been paid, the customer does not request a refund, any credit will remain on the account and applied to future charges.~~

409.5 The notice shall also inform the ~~challenging owner or occupant~~party of the right to appeal the determination and bill (or amended bill) set forth in the notice, and shall set forth the following:

- (a) The requirements for filing the appeal under § 410.2; and
- (b) If an appeal is filed, there will be no penalty or service cut-off for non-payment of the bill until the appeal has been considered and he or she has been notified in writing of the results of the appeal and a new date for payment

410. ADMINISTRATIVE HEARINGS

410.1 The purpose of hearings held under this Section is to provide the petitioner with an opportunity to appeal the decision of the General Manager pertaining to:

- (a) The validity of any water, sewer or groundwater sewer service charge;
- (b) The practicability determination made pursuant to Section 207 of Chapter 2 regarding metering of groundwater flows;
- (c) A practicability determination made pursuant to Section 5403 of Chapter 54 regarding the installation of backflow preventers to prevent cross connections;
- (d) An imminent threat determination made pursuant to Section 5405 of Chapter 54;
- (e) A denial, suspension, or revocation of a certificate to test backflow preventers pursuant to Section 5408 of Chapter 54;
- (f) The determination that a User's uncontaminated non-wastewater flows are discharging to a sewer specifically designated as sanitary sewer;
- (g) Issuance, revocation, or non-transferability of a Wastewater Discharge Permit, or the terms and conditions of a Wastewater Discharge Permit;
- (h) Issuance, suspension, termination, or denial of a Temporary Discharge Authorization or Waste Hauler Discharge Permit, or the terms and conditions of a Temporary Discharge Authorization or Waste Hauler Discharge Permit;
- (i) Suspension of water and sewer service due to an imminent danger to the environment or the operation or integrity of the District's wastewater system; ~~and~~

(j) The Zero FOG Discharge Exemption determination that a Food Service Establishment has the potential to discharge oil and grease laden wastewater to the District's wastewater system; and -

(h) Any other decision under this Title that explicitly grants the right to appeal the General Manager's decision.

410.2 The rules of procedure set forth in this Section shall govern the form, content and filing of requests for a hearing to contest water, sewer and groundwater service charges, interest, penalties, fees and determinations of practicability made pursuant to Chapter 2.

410.3 ~~The p~~Petitioner shall have the right to do the following:

- (a) Represent themselves~~himself or herself~~ or be represented by an attorney;
- (b) To present their~~his or her~~ case or defense by oral or documentary evidence;
- (c) To submit ~~the~~ evidence in rebuttal; and
- (d) To conduct a cross-examination as may be required for a full disclosure of the facts.

~~411.~~ COMPUTATION OF TIME

411.1 ~~In computing~~The computation of any period of time prescribed or allowed by this Chapter, by notice, order, rule or regulation to WASADC Water, or by statute, shall not include the day of the act, event, bill, notice or default. ~~after which the designated period of time begins to run is not to be included.~~

411.2 The last day of the period so computed shall be included unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until midnight of the next day which is not a Saturday, Sunday, or legal holiday.

411.3 Whenever a party is required to serve papers or do some act within a prescribed period, and does so by mail, three (3) days shall be added to the prescribed period.

411.4 Days as used in this chapter shall refer to calendar days unless otherwise specified.

412. PETITION FOR ADMINISTRATIVE HEARING

412.1 An owner or occupant may file a petition for an administrative hearing to review the decision of the General Manager within fifteen (15) calendar days of the date of the decision.

412.2 A petition for an administrative hearing shall be made in writing within fifteen (15) calendar days of the date of the notice specified by § 409.1 of this Chapter.

412.3 Petitions for review shall be filed with:

District of Columbia Water and Sewer Authority
ATTN: Administrative Hearings
1385 Canal Street SE
Washington, DC 20003~~WASA~~
~~810 First Street, N.W.,~~
~~Washington, D.C. 20002.~~

413. SURETY BOND/DEPOSIT

413.1 The owner or occupant shall post a surety bond or deposit, equal to not less than one-half (1/2) of the outstanding water, sewer, or groundwater sewer service charges, penalties, and interest owed at the time the request for administrative hearing is made.

413.2 The requirement to post a surety bond or deposit shall not apply to an owner who occupies the ~~single family~~single-family house where the contested charges were incurred.

413.3 The deposit shall be in the form of a certified check or money order. The deposit shall be placed in an escrow account and accrue interest. The interest rate shall be determined based on the Annualized Treasury Bill Yield Rate, which is published in nationally circulated newspapers, including the Washington Post and the New York Times. If more than one rate is published, the lowest rate shall be used.

413.4 A surety bond shall accrue interest only if it is in a form that is equivalent to cash.

413.5 Upon receipt of the surety bond or deposit, the portion of the water and sewer charges being challenged shall not be subject to penalty or interest, and service shall not be terminated for non-payment of the contested charges, until a final decision has been rendered.

413.6 The owner or occupant shall pay all charges not in dispute within thirty (30) days of the date that the bill for such charges is rendered.

414. HEARING OFFICERS

414.1 Upon the filing of a request for hearing, the General Manager may conduct a hearing or assign a hearing officer (“hearing officer”) to the case. Thereafter, all motions and procedural requests shall be addressed to the hearing officer.

414.2 No hearing officer shall conduct a hearing in a proceeding in which he or she is prejudiced or partial with respect to any owner or occupant, or where that officer has any interest in the matter pending for decision.

414.3 No hearing officer shall have the authority to overrule any law or regulation of the District of Columbia.

414.4 The hearing officer shall have the following powers:

- (a) To give notice concerning hearings;
- (b) To administer oaths and affirmations;
- (c) To examine witnesses and to take testimony;
- (d) To issue subpoenas and order the parties to submit documents or other evidence;
- (e) To request that investigative reports be prepared by WASADC Water in instances where the reports do not exist;
- (f) To grant requests for discovery, if the discovery is necessary for the disposition of the appeal;
- (g) To rule upon offers of proof and to receive relevant evidence;
- (h) To regulate the course and conduct of hearings;
- (i) To hold conferences, before or during a hearing, for the settlement or simplification of issues;
- (j) To rule on motions and to dispose of procedural requests or similar matters;
- (k) To issue final decisions as provided in this Section or by law;
- (l) To adjust the charges for water, sewer, and groundwater sewer service based upon facts adduced at hearings held pursuant to this Chapter;
- (m) To adjust the charges for groundwater sewer service based upon a challenge to a determination of practicability made pursuant to § 207; and
- (n) To take any other action authorized by this Chapter, the Administrative Procedure Act, or by any other applicable statute, rule or regulation.

-415. SCHEDULING OF HEARING/DEFAULT JUDGMENT

415.1 The hearing officer shall set the date, time and place of the hearing.

415.2 The hearing officer may agree to reschedule the hearing upon the written request of one of the parties for good cause shown or upon the consent of all parties.

415.3 The failure to appear at the scheduled hearing or to request, in advance, that the scheduled hearing be postponed, may result in a default judgment.

415.4 The hearing officer may issue a final order affirming the imposition of any charges, fines, interest and penalties that the DC Water DC Water Utility has assessed against the property by default.

415.5 Failure to comply with the conditions imposed by the hearing officer may result in the entry of a default judgment.

416. DISMISSAL OF HEARINGS

416.1 A petitioner may request a dismissal by filing a written ~~petition~~motion with the hearing officer or orally requesting dismissal at the hearing.

416.2 DC Water may request a dismissal by filing a written motion with the hearing officer or orally requesting dismissal at the hearing.

416.3 If a written motion to dismiss is filed, the opposing party shall have fourteen (14) calendar days to file an opposition to the motion with the hearing officer.

416.4 The hearing officer may, on his or her own motion, dismiss a hearing demand, either entirely or as to any stated issue, under any of the following circumstances:

(a) ~~(a)~~ —Where the matter or issue has previously been the subject of a hearing;

(b) ~~or th~~The petitioner ~~has previously been afforded an opportunity failed to appear at for a hearing on the same matter~~, and the owner~~r~~ or occupant ~~has failed to request a continuance or show good cause for failing to appear; to preserve his or her right to a hearing;~~

(c) Where the owner or occupant ~~demanding~~requesting a hearing is not a lawful owner or occupant or does not otherwise have a right to a hearing. This would include, but is not limited to, cases in which the individual is not the owner or occupant ~~as defined in D.C. Law 8-136;~~

(d) Where the petitioner has failed to file a timely hearing demand pursuant to the provisions of this Chapter; and

(e) Where the hearing officer, in his or her opinion, finds that a petition filed in any proceeding does not raise a question of fact or law or the claim is frivolous.

~~416.53~~ _____ —The dismissal shall be in the form of an order by the hearing officer, which shall contain a statement of facts and law and the reason for the dismissal. No such order shall be necessary where all the parties have expressly requested the dismissal.

416.64 The dismissal order shall be given to the parties or mailed to them at their last known address.

417. SERVICE OF DOCUMENTS

417.1 The initial document filed by any party shall state on the first page the name and post office address of the person or persons to be served with any documents filed in the proceeding.

- 417.2 Whenever any document is filed by any party with the hearing officer, copies shall be served by the filing party upon all parties to the proceedings.
- 417.3 Service may be made by regular mail, by registered or certified mail, or by personal delivery.
- 417.4 Service upon a party or an attorney of record or designated representative of a party shall occur at the time of hand delivery; [by email if one is on record](#); or if by mail, to the address of record, by the postmark date plus three (3) days, as prescribed in § 411.3.

418. PROOF OF SERVICE

- 418.1 A party filing a document with the hearing officer shall furnish written proof that a copy also has been sent to every other party.
- 418.2 The proof shall show the date and manner of service and may be as follows:
- (a) Written acknowledgement of service;
 - (b) Affidavit of the person making service;
 - (c) Certificate of an attorney of record; or
 - (d) By other proof satisfactory to the hearing officer.
- 418.3 Acknowledgement of service may be made by any person at the address shown on the document who is sixteen (16) years of age or older.

419. STYLE OF PLEADINGS AND PETITIONS

- 419.1 All pleadings, notices, orders and other papers filed under the provisions of this Chapter shall be captioned "Before the District of Columbia Water and Sewer Authority."
- 419.2 A document shall contain the [WASADC Water](#) Docket Number if assigned.
- 419.3 Each petition filed under this Chapter ~~shall be notarized and~~ shall be styled in the manner of pleadings as provided in this Section.
- 419.4 Each document shall contain a title appropriate to the proceedings which describe generally the type of document, such as one of the following:
- In the Matter of the _____ (Charges, Interest, Penalties, and Fees) for the water and sewer services rendered to _____ (Property Address) owned by _____ (Name of Owner of Record) and occupied by _____ (Name of Occupant)
- 419.5 Upon filing, each petition shall be given a docket number and shall become a matter of public record.

419.6 Each petition shall contain the following:

- (a) Facts related to the water and sewer service account including the following:
 - (1) The account number;
 - (2) The service address;
 - (3) The name of the party who holds the account;
 - (4) The type of property and number of units;
 - (5) If petitioner is disputing billing charges, tThe date of the bill(s) in dispute~~last bill;~~ and
 - (6) The number of people residing at the service address during the period of the disputed bill(s).
- (b) A concise statement of the facts concerning the disputed~~disputed~~ charges;
- (c) Supporting data, facts, or evidence upon which petitioner relies as justification for the disputed~~disputing the water and sewer service charges~~; and
- (d) If petitioner is disputing billing charges, aA request for adjustment of the water and sewer service charges.

420. HEARINGS

420.1 A party to any hearing may invite any member of the public to attend ~~All hearings shall be open to the public~~the hearing.

420.2 Hearings shall be held at the location indicated on the hearing notice; Provided, that the hearing officer, at his or her discretion, may establish other permanent or temporary hearing locations.

420.3 The hearing officer shall ensure that the hearing is conducted in an orderly manner and shall have the authority to exclude any owner or occupant or other person from the hearing on the grounds of substantial interference with, or obstruction of, an orderly hearing process.

420.4 If an owner or occupant requests a hearing on charges from more than one water and sewer service or groundwater sewer service billing period, the hearing officer may consolidate the hearings.

420.5 The Rules of Civil Procedure and the Rules of Criminal Procedure for the Superior Court of the District of Columbia are not binding for these administrative hearings.

420.6 All testimony shall be given under oath or affirmation administered by the hearing officer.

420.7 The burden of proof shall be on the parties seeking relief.

- 420.8 The standard of proof shall be a preponderance of the evidence.
- 420.9 Hearing officers assigned to render a decision in any proceedings under this Chapter shall not communicate, directly or indirectly, with any person involved in or affiliated with any of the parties, except upon notice and opportunity for all parties to participate.
- 420.10 If any person refuses to respond to a subpoena, refuses to take the oath or affirmation as a witness, refuses to be examined, or refuses to obey any lawful order of the hearing officer, the hearing officer may petition the Superior Court of the District of Columbia for an order requiring compliance.
- 420.11 The hearing officer shall follow the general rules of evidence applicable to administrative hearings under the District of Columbia Administrative Procedure Act. P.L. 90-614 (D.C. Code § ~~2-501~~ ~~+1501 et seq. (1992 Repl. Vol.)~~);

421. ARGUMENT BEFORE THE HEARING OFFICER

- 421.1 The hearing officer shall give the parties to the proceeding adequate opportunity during the course of a hearing for the presentation of arguments in support of or in opposition to the petition for administrative review, motions, objections, and exceptions to the rulings of the Officer.
- 421.2 The hearing officer may impose time limits on the arguments.
- 421.3 Oral argument shall be ~~transcribed~~ recorded and will be available as part of the record.

422. FINAL DECISIONS

- 422.1 The hearing officer shall issue a final decision containing a concise statement of facts and conclusions of law.
- 422.2 The final decision shall include specific findings on each issue of fact and shall be based upon reliable, probative, and substantive evidence. Mere conclusory assertions or summaries of evidence shall not constitute a sufficient basis for findings or fact within the meaning of this Section.
- 422.3 The final decision of the hearing officer shall be based upon consideration of the entire record of the proceeding, and no evidence, information, or other knowledge, except that of which official notice is taken, shall be considered.
- 422.4 If the hearing officer rules in favor of the owner or occupant, and finds that the owner or occupant has made payments in excess of the amount due, ~~the appropriate portion of the deposit or escrow funds, plus any accrued interest,~~
- (a) The amount of the overcharge shall be credited to the account and applied first to any outstanding account balance.

(b) If after the adjustment and any outstanding account balance has been paid, the customer may request DC Water to issue a refund for any credit balance that remains.

(c) If after the adjustment and any outstanding account balance has been paid, the customer does not request a refund, any credit will remain on the account and applied to future charges.

~~shall be credited to the owner or occupant's account within fifteen (15) days of the notice of decision and the balance ; however, at the discretion of the General Manger, DC Water may issue a refund for any amounts that remain after the account balance is paid in full shall be refunded to the party who posted the surety bond or made the deposit.~~

-
422.5 If the hearing officer rules in favor of the UtilityDC Water, and finds that the owner or occupant has outstanding water and sewer charges, the owner or occupant shall be required to pay the difference between the amount in escrow, if any, and the amount of outstanding charges, penalties, interest, and fees within fifteen (15) days of the notice of the decision.

423. PAYMENT

423.1 Checks or money orders shall be made payable to the "District of Columbia Water and Sewer Authority."

423.2 Certified checks or cash shall be required for payments exceeding two hundred dollars (\$ 200).

423.3 If any check or other instrument offered to make any payment due is dishonored, the owner or occupant shall be responsible for any fees established by WASADC Water.

424. TRANSCRIPTS OF HEARING

424.1 Transcripts of the hearing proceedings may be ordered through a form provided by the General Manager.

424.2 The costs for transcript(s) of the hearing record shall be borne by the ~~petitioner~~party requesting the transcript.

424.3 Fees for transcripts shall be at a rate set by the General Manager based on the costs DC Water has incurred.

424.4 Transcripts may be ordered upon payment of a deposit, the amount of which shall be set by the General Manager.

424.5 When the cost of the transcript has been determined to be less than the amount of the transcript deposit, the amount by which the deposit exceeds the cost of the transcript shall be refunded.

424.6 When the cost of the transcript is determined to exceed the amount of the transcript deposit, the petitioner shall be notified in writing of the balance due for preparing the transcript. The balance

due shall be paid before the transcript is released.

424.7 If the owner or occupant fails to make a payment when due as required by this Section or if any check offered to make payment is dishonored, the request for the transcript shall be dismissed, and the deposit shall not be refunded.

424.8 Changes in the official transcripts shall be made only when they involve errors of substance.

424.9 A motion to correct a transcript shall be filed with the ~~chief~~ hearing officer and the other party within ten (10) days after receipt of the transcript.

424.10 If no objections to the motion are filed within ten (10) days after the filing of the motion, the transcript may, upon the approval of the chief hearing officer, be changed to reflect the corrections.

424.11 If objections to a motion to correct a transcript are received, the motion and objection shall be submitted to the reporter or transcriber by the chief hearing officer with a request to compare the transcript with the stenographic or other record of the hearing.

424.12 After receipt of the transcriber's report, an order shall be entered by the ~~chief~~ hearing officer settling the record and ruling on the motion.

425. TERMINATION OF WATER AND SANITARY SEWER SERVICES FOR NONPAYMENT

425.1 The purpose of this Section is to establish the criteria and procedures for terminating water and sewer services for nonpayment of any charges, penalties, interests, or fees permitted by law to be assessed against the owner or occupant of real property.

425.2 Except as otherwise provided in this Chapter, WASADC Water shall provide the owner or occupant with a final notice specifying that the water and sewer services will be terminated.

425.3 The final notice shall specify the date that service will be subject to termination.

425.4 In deciding whether or not to terminate water and sewer services for a delinquent account, the General Manager may consider the following:

(a) Whether a tenant is eligible to establish an account in his or her own name;

(b) The payment history of the owner or occupant; ~~and~~

(c) Any other factor relevant to the efficacy of alternate methods of collecting the amounts due and owing; and

(d) Whether the owner or occupant has applied for any customer assistance programs for which the owner or occupant is eligible.

426. HONORING REQUESTS FROM OWNERS FOR TERMINATION OF WATER AND

SEWER SERVICE

426.1 WASADC Water, upon receipt of a written request from the owner of a property provided water and sewer services, shall terminate services when one of the following conditions exists:

- (a) The property is vacant;
- (b) There is an outstanding delinquent balance on the account;
- (c) The water and sewer service has been terminated for nonpayment, and it is verified that service has been restored by the occupant or someone solicited by the occupant, without the authorization of WASADC Water; or
- (d) The owner provides documentation that the property is occupied by parties without a legal right to be on the property and who occupy the property without the consent of the owner.

426.2 DC Water may request the owner to provide a notarized affidavit stating that the property is vacant or that it is occupied by parties without a legal right to be on the property and who occupy the property without the consent of the owner.

426.~~32~~ WASADC Water may determine that the request for termination of service will not be honored if the property is occupied and any of the following conditions exists:

- (a) There is no delinquent balance on the account and the property is occupied by tenants or others with the consent of the owner; or
- (b) The owner is the account holder, the tenant agrees to assume prospective responsibility for prospective water and sewer charges and the General Manager determines that it is practicable for the tenant to assume responsibility for the water and sewer charges.

427. REAL PROPERTY LIENS AND TAX SALE

427.1 When bills for water and sewer service charges, meter maintenance and repairs, or sanitary sewer services are more than sixty (60) days overdue, WASADC Water shall provide the owner of record with a written notice of intent to file a lien.

427.2 The written notice shall state the following:

- (a) The outstanding balance;
- (b) A notice that if the bills are not paid in full or payment arrangements are not made within ~~ten-fourteen (140) calendar working~~ days of the date of the notice, a certificate of delinquency ~~shall~~ may be filed by WASADC Water with the Recorder of Deeds;
- (c) That a certificate of delinquency shall constitute a lien against the real property; and
- (d) The owner of a single family home has the opportunity to present evidence that he or she occupies the premises.

- 427.3 The owner of a single family home who occupies the premises shall present evidence of occupancy within ~~ten~~fourteen (140) ~~working~~calendar days of the date of the notice of intent.
- 427.4 Acceptable evidence of occupancy shall include the following with personal identifiable information redacted (e.g. social security number, date of birth and financial account number):
- (a) Income tax returns;
 - (b) Non-driver's identification card or a valid driver's license;
 - (c) The most recent electric, gas or telephone bill; ~~and~~
 - (d) Proof of eligibility of Homestead Deduction perin accordance with DC Official Code § 47-850; and
 - (e) Other documentation considered credible by ~~DC Water~~DC -Water, including but not limited to a notarized affidavit.WASADC Water.
- 427.5 Single family homes that are owner occupied, shall not be sold at tax sale for delinquent water and sewer charges, but a lien shall be attached to the real property until the outstanding balance is paid in full.
- 427.6 At the end of the ~~fourteen~~ten-~~calendar~~ day (140) period, if the balance has not been paid in full, a Certificate of Delinquency shall be filed by WASADC Water and mailed, by certified mail, to the owner of record at the address listed by the Office of Tax and Revenue for the receipt of tax notices.
- 427.7 Real property tax sales pursuant to this Section shall be conducted by the Office of Tax and Revenue.
- 427.8 The rules and regulations applicable to tax sales used by the Office of Tax and Revenue shall govern tax sales, under this Section.
- 427.9 If a rule or regulation of the Office of Tax and Revenue conflicts with a provision of the District of Columbia Water and Sewer Operations Amendment Act of 1990, (D.C. Law 8-136) or any statute governing the enforcement of water and sewer liens at tax sale, D.C. Law 8-136 or the applicable statute shall govern.
- 427.10 The Director of the Department of Housing and Community Development may submit bids for properties to be included in the housing program, authorized by § 2 of the Act, and to make payments to the Water and Sewer ~~Utility~~-Enterprise Fund from appropriations or sums otherwise provided.
- 428. OPPORTUNITY FOR A TENANT TO RECEIVE SERVICE IN OWN NAME**
- 428.1 WASADC Water may permit the tenant(s) to receive the bills in their own name, when the owner or agent of the rental property fails to pay the delinquent account in full and it is determined to be practicable.

- 428.2 At least ten (10) working days prior to terminating water and sewer services to the premises, WASADC Water shall send a notice to the tenant(s) in accordance with § 425.2.
- 428.3 Once it is determined that the tenants will be billed directly for water and sewer charges, WASADC Water will read the meter on service at the affected address and render a final bill to the owner or the agent for the owner.
- 428.4 If water and sewer charges incurred by the tenant(s) remain unpaid for more than thirty (30) days after the rendering of a bill for the charges, penalties and interest shall be applied to the tenant's outstanding charges, and water and sewer services may be terminated.
- 428.5 If water and sewer service charges billed directly to the tenant or tenants are unpaid and result in the termination of services, the tenant or tenants shall be required to pay all delinquent charges, penalties, interest and fees incurred during the period they received bills.
- 428.6 If service has been terminated due to a delinquent tenant account, services shall not be restored until all charges, penalties, interest and fees for the property are paid in full.

429. SPECIAL PROVISIONS GOVERNING MASTER-METERED APARTMENT BUILDINGS

- 429.1 ~~This~~ Section 428 shall apply to all master-metered water and sewer accounts in residential rental apartment buildings billed directly to the owner, agent, lessor, or manager of the premises (hereinafter referred to as "owner").
- 429.2 WASADC Water shall provide the tenants with the opportunity to assume prospective financial responsibility for the water and sewer services pursuant to the provisions of §§ 428 and 430.

430. DETERMINATION OF PRACTICABILITY

- 430.1 WASADC Water may decide to continue water and sewer service to any master-metered residential, rental apartment building despite the nonpayment of a delinquent account by the owner, if the General Manager determines that it is practicable for the tenants to assume prospective financial responsibility for water and sewer services by receiving the service in their own names, either individually or collectively, on the same terms as any other customer and without any liability for the amount due while service was billed directly to the owner.
- 430.2 In order to qualify as a tenant group or association, the group or tenant association shall provide documentation that the following requirements have been met:
- (a) It is appointed as the authorized agent for each tenant;
 - (b) Have capital reserves equal to the estimated quarterly water and sewer service charges for the premises;
 - (c) It is authorized to collect water and sewer charges from each tenant and to pay the charges;

- (d) Have a written agreement specifying the fair and equitable apportionment of the water bill to each tenant, and the tenant's agreement to pay his or her portion of the bill to the tenant group or association in a timely manner;
 - (e) Maintain its records and a system of accounts in a manner consistent with generally accepted accounting principles;
 - (f) Agree to make its financial records available for inspection by the tenant; and
 - (g) Obtain a bond to guarantee the integrity of its financial transactions.
- 430.3 The General Manager may find that it is practicable to meter each apartment on the premises if the following requirements are met:
- (a) The owner of the premises agrees in writing to install individual meters for each unit on the premises at the owner's expense and risk;
 - (b) The owner agrees in writing to complete the installation within sixty (60) days of the date of the written agreement; and
 - (c) Each tenant agrees in writing to establish an individual account in his or her name.
- 430.4 The General Manager may permit tenants to assume prospective financial responsibility for water and sewer service charges if there exists a tenant group or association that is willing and able to accept responsibility for collecting water and sewer bill payments from each tenant at the premises, and of paying each bill when it becomes due.
- 430.5 The General Manager shall prepare a finding of practicability which contains the following information:
- (a) The address of the premises;
 - (b) The name of the owner;
 - (c) The number of units;
 - (d) A determination of whether it is feasible to meter each unit on the premises, pursuant to the provisions of § 430.3 of this Chapter;
 - (e) If individual metering is not feasible, whether a tenant group or association exists which meets the requirements of § 430.2, and that the requirements of this Chapter have been met; and
 - (f) Any other information pertaining to the premises and its service which may have a bearing on the General Manager's decision on practicability.

431. NOTICE TO TENANTS

431.1 At least ~~ten-fourteen~~ (140) ~~workingcalendar~~ days prior to terminating water and sewer services to the premises, the General Manager shall ~~send post notice outside the premises. a notice to each apartment unit on the premises.~~

~~431.2 The notice shall be addressed to the authorized tenant(s) in the building, but the tenant(s) need not be identified by name. Identifying the apartment unit and the correct address of the premises shall be sufficient to provide the tenant with the notice required under this subSection.~~

431.23 The notice shall provide the tenant(s) with the following information:

- (a) The owner is delinquent in the payment of water and sewer service charges;
- (b) Water and sewer services to the premises may be terminated;
- (c) WASADC Water may permit the tenants to establish a water and sewer account in their own names if the General Manager considers it is practicable under the provisions of § 430.1 of this Section;
- (d) The tenants may petition the Superior Court to establish a receivership;
- ~~(d) (e)~~ The tenants have the right to deduct all future payments made by the tenants for water and sewer services from rent owed as provided by DC Official Code § 34-2303 (b).
by § 2(g) of D.C. Law 8-136;
- (f) The tenants may request to receive service in their own name either individually or collectively in accordance with the provisions of § 428;
- (g) The time period within which the tenants or their authorized agents must request to assume prospective responsibility for water and sewer service charges; and
- (h) The mailing address and telephone number of the office within WASADC Water, where the tenants can obtain additional information.

431.34 Each tenant shall agree in writing to establish an individual or collective water and sewer utility service account within thirty (30) days of the date on the notice issued pursuant to § 431.23.

431.45 Each tenant shall establish individual water and sewer service accounts within sixty (60) days of the date the General Manager finds that the following requirements are met:

- (a) It is practicable to install individual meters for each unit on the premises, and
- (b) A tenant group that meets the requirements of this Chapter exists.

431.56 The tenants' group or association shall establish a water and sewer service account within thirty (30) days of the date the Director determines that it is practicable for the tenants to assume prospective responsibility for water and sewer and groundwater sewer service charges.

431.67 Tenants who move into the premises shall execute the agreement with the tenant group or association or establish an individual account.

431.78 The failure to execute a written agreement for individual or collective accounts and to establish a water and sewer service account in a timely manner shall result in the termination of water and sewer services to the premises.

432. TENANT PAYMENT OF WATER AND SEWER SERVICE BILL

432.1 The General Manager may terminate water and sewer service to the premises of a tenant who has agreed to accept responsibility for payment of water and sewer services charges individually or with a tenant association when the tenant or the tenant group or association is delinquent in payment.

432.2 The rights of the tenant group or association shall terminate upon the occurrence of any of the following:

- (a) The failure to make timely payments;
- (b) The failure of the tenant group or association to maintain bonding;
- (c) The failure of the tenant group or association to keep adequate records; or
- (d) The failure of the tenant group or association to obtain the consent of all the premises' tenants, including the consent of all tenants who move into the premises after the account is established.

432.3 Upon termination of the tenant group or association's account, WASADC Water shall bill the owner of the property directly for water and sewer charges.

499. DEFINITIONS

499.1 When used in this Chapter, the following words and phrases shall have the meanings ascribed:

Comparable periods -

- (a) No change in occupancy;
- (b) The same or like seasons; and
- (c) The same or like number of days and billing periods.

General Manager - The chief administrative officer of the District of Columbia Water and Sewer Authority or his or her designee.

Meters - Includes any device which is used to measure the amount of water utilized by consumers.

-

Occupant - any individual, corporation, association or partnership who holds or possesses a premises in subordination to the title of the owner of the premises, with the consent of the owner.

Owner - any individual, corporation, association, or partnership listed as the legal title holder of record.

Petitioner - an owner, occupant, owner's agent, applicant for certification to test backflow preventers or a holder of a certificate to test backflow preventers.

Practicable - For purposes of Section 430, a finding made by the General Manager that it is feasible to individually meter each apartment on the premises, or that there exists a tenant group or association that meets ~~the Department's~~ DC Water's requirements.

Privately owned water meters - meters required to be installed, at no cost to DC Water ~~the District~~, for the measurement of water supplied and used by commercial and industrial users or by premises with three (3) or more separate dwelling units.

Single family home - means a housing unit designed and maintained for occupancy by only one family.

Residential Tenants - any person who holds or possesses a habitation in subordination to the title of the owner of the premises in which the habitation is located, with the consent of the owner. a tenant as defined by the District of Columbia Water and Sewer Operations Amendment Act of 1990 (D.C. Law 8-136), D.C. Code § 43-1651(3) (1990 Repl. Vol.).

WASADC WaterDC WaterDC Water - the District of Columbia Water and Sewer Authority or its lawful agent, successor in interest or designee.

Presented and Adopted: September 2, 2021

SUBJECT: Approval to Publish Notice of Emergency and Proposed Rulemaking to Extend the DC Water Cares Emergency Relief Program for Low-Income Customers (Residential Assistance Program “RAP”) and Multifamily Assistance Program for Low Income Multifamily Tenants (Multifamily Assistance Program “MAP”) for Fiscal Year 2022 and Extend FY 2021 CAP2 Eligibility to FY 2022

**#21-77
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 September 2, 2021 upon consideration of a non-joint use matter, decided by a vote of ___ () in favor and ___ () opposed, to approve the following action with respect to the proposal to extend the DC Water Cares Emergency Relief Program for Low-Income Customers (“Residential Assistance Program” or “RAP”) and Multifamily Assistance Program for Low-Income Multifamily Tenants (“MAP”) for Fiscal Year 2022 and Extend FY 2021 CAP2 Eligibility to FY 2022.

WHEREAS, on September 3, 2020, the Board, through Resolution #20-65, approved the allocation of \$3 million to continue the District’s Emergency Residential Program in FY 2021 to provide one-time assistance up to \$2,000 to residential customers economically impacted by COVID-19 and to allocate \$7 million to establish a new program to provide one-time assistance to multi-family buildings where the occupants have been impacted by COVID and payment plans are established and adhered with the assistance determined and provided per affordable unit, and on a matching basis; and

WHEREAS, pursuant to Resolution #21-15, dated February 4, 2021, DC Water published the Notice of Final Rulemaking in the *D.C. Register* on February 19, 2021 at 68 DCR 2085, to finalize the rules and continue the implementation of the DC Water Cares – Emergency Relief Program for Low-Income Residential Customers (Residential Assistance Program (RAP)), which the Board on November 20, 2020 authorized for emergency implementation through Resolution # 20-82; and

WHEREAS, pursuant to Resolution #21-42, dated May 6, 2021, DC Water published the Notice of Final Rulemaking in the *D.C. Register* on May 21, 2021 at 68 DCR 5438, to finalize the rules and continue the implementation of the DC Water Cares: Multifamily Assistance Program (MAP) for Low-Income Multifamily Tenants, which the Board on

February 4, 2021 authorized for emergency implementation through Resolution #21-14; and

WHEREAS, the Board, through Resolutions #21-15 and 21-42, required the benefits provided under the DC Water Cares: RAP and MAP programs would only be provided for Fiscal Year 2021, and terminate on September 30, 2021 unless approved by the Board to continue in FY 2022; and

WHEREAS, on July 27, 2021, the DC Retail Water and Sewer Rates Committee met to consider extending the DC Water Cares: RAP and MAP for Fiscal Year 2022; and

WHEREAS, on July 27, 2021, the General Manager presented the proposal to extend the DC Water Cares: RAP and MAP to Fiscal Year 2022; and

WHEREAS, the General Manager proposed amendments to DC Water Cares: RAP and MAP to reflect the extension to Fiscal Year 2022; and amendments to DC Water Cares: MAP to permit Multi-family Customers to participate in the program regardless whether their tenants receive federal or District assistance to pay for water and sewer services, which will allow tenants to receive MAP assistance in addition to Stronger Together by Assisting You (STAY DC) and other assistance programs; to revise the benefit calculation dates from an average of 3-months from 4/1/20 to 12/31/20 to 10/1/20 to 9/30/21; and revise the past due balance period from 12/31/20 to 9/30/21; and

WHEREAS, residential customers eligible to receive DC Water Cares: RAP emergency assistance" shall be single-family or individually metered customers eligible for CAP with household income below sixty percent (60%) of the State Median Income (SMI) for the District of Columbia or CAP2 with household income between sixty percent (60%) of the SMI for the District of Columbia and below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit as determined by the Department of Energy and Environment; and

WHEREAS, multifamily tenants will continue to be eligible to receive assistance if they reside in an affordable housing unit or have an annual household income is equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit; and

WHEREAS, multifamily tenants are categorically eligible will continue to be eligible to receive assistance if they: 1) receive assistance for public benefits programs, including, but not limited to, the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or medical assistance programs, through Medicaid, Alliance and DC Healthy Families programs as determined by the District of Columbia Department of Human Services, 2) receive Low-Income Energy Assistance Program (LIHEAP) or Utility Discount Program (UDP) assistance as determined by District Department of Energy and Environment; or apply for assistance and their household income is equal or below 80% AMI as determined by DOEE; and

WHEREAS, the DC Water Cares RAP and MAP shall terminate at the end of Fiscal Year 2022, but may continue subject to Board approval; and

WHEREAS, on July 27, 2021, the Board through Resolution #21-74, authorized the General Manager to carryover the remaining unexpended approximately \$1.45 million of the \$3 million authorized for the RAP and \$4.21 million of the \$7 million of the authorized for MAP funds to the Fiscal Year 2022 Budget for the DC Water Cares Residential Assistance Program and Multifamily Assistance Programs, which will continue to provide benefits up to \$2,000 per household for eligible low-income Residential Customers and Multifamily Tenants impacted by COVID-19 with household income levels equal to or below 80% of the Area Medium Income (AMI); and

WHEREAS, on July 27, 2021 the General Manager recommends the immediate extension of the DC Water Cares: RAP and MAP to make these assistance programs available to eligible Residential Customers and tenants in Multifamily Customer properties due to ongoing economic impacts as a result of COVID-19, which continue to be acute, causing the number of potential eligible customers in arrears to increase, and the uncertainty of District and federal assistance programs to provide sufficient assistance, to address the accumulating outstanding balances; and

WHEREAS, on July 27, 2021, DC Retail Water and Sewer Committee, after having evaluated the proposal to extend the DC Water Cares: RAP and MAP programs, the recommendation of the General Manager, and the Board's authorization to carryover remaining DC Water Cares: RAP and MAP funds, recommended that the Board approve the publication of the Notice of Emergency and Proposed Rulemaking (NOEPR) for immediate implementation and public comment.

WHEREAS, on August 9, 2021, the Public Service Commission, through Order 20990, authorized the waiver of the recertification requirements for all Fiscal Year 2021 Utility Discount Programs participants to be categorically eligible for Fiscal Year 2022; DOEE has waived the recertification requirements for all Fiscal Year 2021 CAP3 participants to be categorically eligible for Fiscal Year 2022, and DC Water's Fiscal Year 2021 CAP customers are effectively recertified for FY 2022; however Fiscal Year 2021 CAP2 customers are required to reapply for benefits in Fiscal Year 2022 because the Customer Assistance Program regulations specifically require annual recertification; and

WHEREAS, on September 2, 2021, the General Manager recommended Board approval to amend the Customer Assistance Program regulations with the NOEPR for RAP and MAP to waive the recertification requirements for Fiscal Year 2021 CAP2 customers to be categorically eligible to receive CAP2 benefits in Fiscal Year 2022.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the publication of the Notice of Emergency and Proposed Rulemaking (NOEPR) to amend 21 DCMR 4102 Customer

Assistance Program as recommended by the DC Retail Water and Sewer Rates Committee and the General Manager to extend the DC Water Cares: RAP and MAP, effective for 120 days.

2. The Board hereby adopts and approves the amendment to the CAP2 regulations in the NOEPR to authorize the recertification of the FY 2021 CAP2 customers as categorically eligible for CAP2 benefits in FY 2022.
3. The General Manager shall amend the Customer Assistance Programs regulations as provided in Attachment A, B and C.
4. 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 Emergency and Proposed Rulemaking and Notice of Public Hearing in accordance with the District of Columbia Administrative Procedure Act and implementing rules and D.C. Official Code § 34-2202.16.
5. This resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

Subsection 4102.9, DC Water Cares Emergency Relief Program for Low-Income Residential Customers, of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.9 DC Water Cares Emergency Relief Program for Low-Income Residential Customers

- (a) Participation in the DC Water Cares Emergency Relief Program (DC Water Cares) shall be limited to a single-family or individually metered low-income 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
 - (2) DOEE has determined that the applicant's annual household income is equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit.
- (b) An approved customer shall receive the following benefits:
 - (1) Credit of one hundred percent (100%) off of the past due water and sewer bill balance; and
 - (2) The total amount of credits provides shall not exceed Two Thousand (2,000) dollars during Fiscal Year 2022.
- (c) Upon DC Water's receipt of notice from DOEE that the applicant meets the financial eligibility requirements, DC Water shall provide the credits to the customer's account from the date that DOEE accepts a completed application and for future qualifying events that may lead to collection activities to the end of the fiscal year in which the application was submitted.
- (d) The DC Water Cares Emergency Relief Program shall terminate on September 30, 2022.
- (e) Customer that received DC Water Cares benefits in FY 2021 must submit a renewal CAP or CAP2 application to DOEE to receive DC Water Cares benefits in Fiscal Year 2022.
- (f) If DC Water determines that the remaining budgeted funds are insufficient to provide DC Water Cares benefits, DC Water may:

- (1) Suspend the process for accepting DC Water Cares applicants; or
- (2) Suspend or adjust providing DC Water Cares benefits to eligible recipients.

This rulemaking will be effective upon Board adoption of the Notice of Emergency and Proposed Rulemaking (NOEPR) for 120 days or upon publication of the Notice of Final Rulemaking (NOFR) in the *D.C. Register*.

Attachment B

Subsection 4102.10, DC Water Cares: Multifamily Assistance Program (MAP), Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

- 4102.10 DC Water Cares: Multifamily Assistance Program (MAP).
- (a) The DC Water Cares: Multifamily Assistance Program (MAP) provides up to two thousand (\$2,000) per eligible unit of emergency relief to an eligible Occupant residing in a participating Multi-Family Customer's premises.
 - (b) For purposes of this subsection, Non-Residential Customers whose premises has four or more dwelling units, are deemed Multi-Family Customers, as defined in 21 DCMR 4104, and eligible to apply to participate in the MAP.
 - (c) For purposes of this subsection, the term "Occupant" includes a person that resides in a dwelling unit in an apartment, condominium, or cooperative housing association.
 - (d) Multi-Family Customers and their eligible Occupants may participate in the MAP by complying with the requirements in this subsection.
 - (e) To participate in the MAP, a Multi-Family Customer shall:
 - (1) Maintain an active DC Water account and be responsible for paying for water and sewer services at a Multi-Family Customer's property that is:
 - (A) Not owned or operated by the District of Columbia or
 - (B) Not owned or operated by the Federal Government.
 - (2) Have one or more eligible Occupant in an active lease or rental agreement, condominium housing association deed or title, or cooperative housing association occupancy agreement or title to reside in their premises;
 - (3) Complete and submit a DC Water Cares: Multifamily Assistance Program Terms and Conditions Application and comply with DC Water requests for information and access to the premises as necessary to determine compliance with the MAP requirements;

- (4) Upon approval to participate in the MAP, comply with all the MAP Terms and Conditions, post the MAP flier in a conspicuous location in the building or include the MAP flier in a notice or invoice to all unit Occupants to inform the Occupants about the MAP and encourage them to apply for assistance, if eligible;
 - (5) Upon receipt of MAP Credits, apply ninety percent (90%) of the MAP Credits to the DC Water approved eligible Occupant's account within thirty (30) days of receipt of the MAP Credit, and the remaining ten percent (10%) shall be maintain as a credit on the DC Water account;
 - (6) Notify the eligible Occupant in writing that the credits were applied to their account within thirty (30) days of the receipt of the MAP Credit;
 - (7) Enter a payment plan agreement with DC Water for any remaining arrears outstanding on the DC Water account within sixty (60) days of receipt of the first MAP Credits;
 - (8) Notify DC Water within thirty (30) days of any change in ownership or the eligible Occupant's occupancy.
- (f) To be eligible to participate in the MAP, an Occupant shall be (1) named on the occupancy agreement, including, but not limited to a lease or rental agreement, condominium deed or title, or cooperative housing association occupancy agreement or title, (2) reside in a Multi-Family Customer's property that is master metered and approved to participate in the MAP, and (3) meet one of the following requirements:
- (1) Reside in an Affordable Housing Unit as defined in 21 DCMR § 199.1, provided the Occupant does not notify DC Water to be excluded from receiving MAP assistance within ten (10) days of receipt of notice of eligibility from DC Water; or
 - (2) Meet the annual household income limits equal to or below eighty percent (80%) of the Area Median Income (AMI) for the District of Columbia, not capped by the United States median low-income limit as follows:
 - (A) Occupant submits a Resident Application for DC Water Cares: Multifamily Assistance Program to the District of Columbia Department of Energy and Environment

(DOEE) and DOEE determines that the applicant meets the annual household income requirements;

- (B) Occupant that is eligible to receive Low-Income Energy Assistance Program (LIHEAP) or Utility Discount Program (UDP) assistance during Fiscal Year 2022 as determined by DOEE, shall be categorically eligible to participate in the MAP, provided they do not notify DC Water to be excluded from participating within ten (10) days of receipt of the notice of eligibility from DC Water; or
- (C) Occupant that is eligible to receive assistance for public benefits programs during Fiscal Year 2022, including, but not limited to, the Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), or medical assistance programs, through Medicaid, Alliance and DC Healthy Families programs as determined by the District of Columbia Department of Human Services, shall be categorically eligible to participate in the MAP, provided they notify DC Water that they agree to participate in the MAP within ten (10) days of receipt of the notice of eligibility, but not later than September 21, 2022.

(3) Occupant is not eligible to receive MAP assistance if they:

(A) Reside in a dwelling unit that is 100% subsidized.

(g) DC Water shall notify the approved Multi-Family Customer and approved Occupant(s), setting forth the amount of the approved MAP Credits.

(h) DC Water shall apply up to two thousand dollars (\$2,000) in MAP Credits per eligible unit during Fiscal Year 2022 on an approved Multi-Family Customer's DC Water account that has one or more eligible Occupant as follows:

(1) The MAP Credits provided per eligible unit shall be calculated based on the greater of A. or B., which is then divided by the total number of dwelling units in the premises:

(A) The average of the Multi-Family Customer's DC Water charges billed from October 1, 2020 to September 30, 2021 subtracting any amount of water and sewer

charges applicable to any retail/commercial units and that result is multiplied by three (3); or

- (B) Total amount of the outstanding balance on the Multi-Family Customer's DC Water account as of September 30, 2021 subtracting any water and sewer charges applicable to any retail/commercial units.
- (2) DC Water shall revoke the amount of the MAP Credits applied to a Multi-Family Customer's DC Water account and charge the customer's account the full amount of the MAP Credits, if one or more of the following violations is not corrected within ten (10) days of the date of the notice of violation from DC Water:
- (A) Failure to comply with the MAP Terms and Conditions;
 - (B) Failure to enter into a payment plan agreement within sixty (60) days of the receipt of the first MAP Credits to establish a payment schedule for any remaining outstanding charges;
 - (C) Failure to apply the MAP Credits to the Occupant's account within thirty (30) days of receipt of the MAP Credits; or
 - (D) Multi-Family Customer or Occupant commits fraud or makes false statements in connection with the MAP.
- (i) Multi-Family Customer that receives MAP Credits on their DC Water account shall:
- (1) Apply ninety percent (90%) of the total MAP Credits for the approved Occupant on their account within thirty (30) days of the date of the notice of the amount of the Credits from DC Water, and the remaining ten percent (10%) shall be maintain as a credit on the DC Water account;
 - (2) Notify the approved Occupant, in a statement or separate writing, that the credit has been applied to their account within thirty (30) days of receipt of the MAP Credits from DC Water;
 - (3) Notify DC Water within thirty (30) days of any change in ownership if DC Water has not applied the MAP Credits to the Multi-Family Customer's DC Water account;

- (4) Notify DC Water within thirty (30) days of any change in the Occupant's occupancy if the MAP Credits have not been applied to the Occupant's account;
 - (5) Provide the Occupant any MAP Credits remaining in their account if the Occupant terminates their occupancy;
 - (6) Provide, upon DC Water's request, documentation confirming that the MAP Credits have been applied to the Occupant's account;
 - (7) Provide DC Water access to the premises and records to conduct an audit to determine compliance with these regulations and the MAP Terms and Conditions; and
 - (8) Maintain all documents related to the MAP Terms and Conditions Application, receipt and handling of MAP Credits, and notices to approved Occupant(s).
- (j) The DC Water Cares MAP shall terminate September 30, 2021.
- (k) Multi-Family Customer that received MAP Credits in FY 2021 must submit a renewal DC Water Cares: Multifamily Assistance Program Terms and Conditions Application to DC Water to receive MAP Credits in Fiscal Year 2022.
- (l) Occupant residing in multifamily properties that received MAP Credits on their account in FY 2021 must submit a renewal Resident Application for DC Water Cares: Multifamily Assistance Program to DOEE to receiving MAP Credits in Fiscal Year 2022.
- (m) If DC Water determines that budgeted funds are insufficient to provide DC Water Cares MAP Credits, DC Water may:
- (1) Suspend the process for accepting DC Water Cares MAP applications; or
 - (2) Suspend or adjust providing DC Water Cares MAP Credits to eligible Multi-Family Customer's DC Water account.
- (n) DC Water shall notify a Multi-Family Customer or Occupant if they are denied eligibility for the MAP by issuing a Notice of Denial, which shall contain a written statement of the basis for the denial and advising the Multi-Family Customer or Occupant of the following:

- (1) Multi-Family Customer or Occupant may challenge the denial of eligibility to participate in the MAP by:
 - (A) Submitting a written Request for Reconsideration within fifteen (15) days of the date of the Notice of Denial; and
 - (B) Providing a statement of the basis why they should be eligible and supporting documentation.
- (2) The General Manager shall review the Request for Reconsideration and make a final determination of eligibility.
- (3) The Multi-Family Customer or Occupant may request an Administrative hearing in writing, within fifteen (15) days of the date of the General Manager's written final determination, if he or she is not satisfied with the General Manager's determination; and
- (4) The Customer shall be notified in writing of the date and time of the Administrative Hearing, if requested.

This rulemaking will be effective upon Board adoption of the Notice of Emergency and Proposed Rulemaking (NOEPR) for 120 days or upon publication of the Notice of Final Rulemaking (NOFR) in the *D.C. Register*.

Attachment C

Subsection 4102.2, Customer Assistance Program II (CAP2), of Section 4102, CUSTOMER ASSISTANCE PROGRAMS, is amended to read as follows:

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (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. For FY 2022, customers that DOEE determined were eligible for CAP2 benefits in FY 2021 are not required to reapply to receive CAP2 benefits in FY 2022, but shall be deemed categorically eligible for CAP2 benefits in FY 2022.

This rulemaking will be effective upon Board adoption of the Notice of Emergency and Proposed Rulemaking (NOEPR) for 120 days or upon publication of the Notice of Final Rulemaking (NOFR) in the *D.C. Register*.