



**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
248th MEETING OF THE BOARD OF DIRECTORS
Thursday, December 6, 2018
9:30 a.m.
5000 Overlook Avenue, SW
Room 407**

- I. Call to Order (Chairman Tommy Wells)**
- II. Roll Call (Linda Manley, Board Secretary)**
- III. Approval of November 1, 2018 Meeting Minutes**
- IV. Chairman's Overview**
- V. Committee Reports**
 1. Environmental Quality and Operations Committee (Howard Gibbs)
 2. Finance and Budget Committee (Sarah Motsch)
 3. DC Retail Water and Sewer Rates Committee (Rachna Bhatt)
 4. Special Meeting of the Environmental Quality and Operations Committee (James Patteson)
- VI. Issues of General Interest**
- VII. President/CEO Report (David Gadis)**
- VIII. Summary of Contracts (FYI)**
- IX. Consent Items (Joint Use)**
 1. Approval to Execute Supplemental Agreement No. 2 of Contract No. DCFA #450-WSA, Arcadis District of Columbia, PC – Resolution No. 18-74 (Recommended by the Environmental Quality and Operations Committee 11/15/18)
 2. Approval to Execute Contract No. 130280, Ulliman Schutte Construction, LLC – Resolution No. 18-75 (Recommended by the Environmental Quality and Operations Committee 11/15/18)
 3. Approval to Add Funding for Option Year Three of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria – Resolution No. 18-76 (Recommended by the Environmental Quality and Operations Committee 11/15/18)

4. [Approval to Execute Contract No. 18-PR-DWT-38, Nutri-Blend Inc. – Resolution No. 18-77](#) (Recommended by the Environmental Quality and Operations Committee 11/15/18)
5. [Approval to Execute the Extension and AddFunding to Option Year Two of Contract No. WAS-12-066-AA-RE, Polydyne, Inc. – Resolution No. 18-78](#) (Recommended by the Environmental Quality and Operations Committee 11/15/18)

X. Consent Items Non-Joint Use

1. [Approval to Execute Change Order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc. – Resolution No. 18-79](#) (Recommended by the Environmental Quality and Operations Committee 11/15/18)
2. [Approval to Publish Notice of Final Rulemaking to Expand the Customer Assistance Program \(CAP\) to Establish Rules for DC Water’s CAP2 Program, to Adopt Rules for Implementing the District’s CAP3 Program, and Not Taking Action on the District’s CRIAC Nonprofit Relief Program Pending Review of Department of Energy and Environment Implementing Regulations– Resolution No. 18-80](#) (Recommended by the DC Retail Water and Sewer Rates Committee 11/29/18)
3. [Approval to Modify Contract No. 15-PR-CCO-59, Vertex Business Service – Resolution No. 18-81](#) (Recommended by the Environmental Quality and Operations Committee 12/05/18)

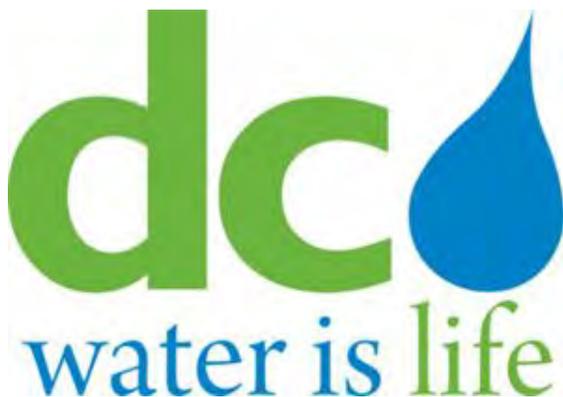
XI. Executive Session

XII. Adjournment (Chairman 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); 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); 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

- Finance and Budget Committee – Tuesday, December 18th @ 11:00 a.m.
- Environmental Quality and Operations Committee – Thursday, December 20th @ 9:30 a.m.



**District of Columbia
Water and Sewer Authority**

Board of Directors

**Environmental Quality and Operations
Meeting**

Thursday, November 15, 2018

9:30 a.m.

MEETING SUMMARY

Committee Members

Howard Gibbs, Vice Chairperson
Ivan Frishberg
Patty Bubar
Anthony Giancola (teleconference)
Jedd Ross (teleconference)

DC Water Staff Present

David Gadis, President and CEO
Leonard Benson, Chief Engineer
Henderson Brown, General Counsel
Linda Manley, Secretary to the Board

I. CALL TO ORDER

Mr. Gibbs called the meeting to order at 9:30 a.m.

II. AWTP STATUS UPDATES

1. BPAWTP Performance

Mr. Aklile Tesfaye, Assistant General Manager for Wastewater Treatment reported the monthly average influent flow was 316 MGD. There was 27 MG of treated captured combined flow directed to Outfall 001 during this period.

Mr. Tesfaye highlighted that during the month of October 2018, the Washington Metro Region received below normal total rainfall (3.06 inches compared to 3.40 inches nominal). The wet weather event that occurred during the second week of October resulted in peak flows through complete treatment exceeding 590 MGD. The Blue Plains Advanced Wastewater Treatment Plant performance was excellent, and the event had minimal impact on the quality of the effluent discharge through the outfall. All effluent quality parameters were below the weekly and monthly average NPDES permit limits.

During the month, a total of 146 MG of CSO captured in the tunnel system, was pumped and treated using the Enhanced Clarification Facility (ECF). A portion of the treated flow or 119 MG was directed to the main plant to maximize complete treatment and the remaining portion of the treated, captured combined flow, or 27 MG, was disinfected, dechlorinated and discharged through Outfall 001.

The Committee inquired as to why the 2019 sales goal for the Bloom product had increased from 2018 since the previous years' goals were not met. Mr. Gadis, replied that DC Water will look at those projections more closely and make a recommendation.

II. CIP QUARTERLY REPORT

Mr. Paul Guttridge, Manager, Program Services, reported on the Fiscal Year (FY) 2018 4th Quarter Capital Improvement Program (CIP). Mr. Guttridge stated that current projected CIP disbursements through the end of September 2018, as \$447,805,000 or 12.4% above the baseline disbursement projection of \$398,285,000.

Mr. Guttridge stated that, although the actual disbursements over the last four years have been on average 5% of the projection, DC Water has made certain enhancements to the way disbursement projections are made and that these changes will be implemented for FY19. These include more detailed breakdown of Task Order work at Blue Plains, a more user-friendly process for CIP updates, a closer inspection of historical performance and improved treatment of how retention updates are handled.

The Committee inquired if the nearly \$50M disbursement variance poses an issue when it comes to cash flow. Matthew Brown, Chief Financial Officer, replied that the Authority has reserves that would mitigate the cash flow situation. The Committee also inquired as to how project schedules were prepared. Mr. Guttridge replied that DC Water uses the Primavera P6 scheduling software, that is used industry-wide. The CIP cost loaded schedule contains nearly 7,500 individual activities that roll up to provide the disbursement projection. Activity data is provided by project managers who are responsible for formulating and updating their project schedules.

Mr. Guttridge also briefed the Committee on the 6-month look ahead for significant contract actions.

Mr. Guttridge next summarized the status of the CIP schedule Key Performance Indicators (KPI) as of the 2018 4th quarter. Of the 27 KPI's, 22 KPI's have been achieved and 5 KPI's were not achieved within the threshold representing an 81% achievement rate which is an improvement on previous years. Mr. Guttridge identified the five that were not achieved to the Committee.

III. ACTION ITEMS

JOINT USE

1. Contract No. 15-PR-DWT-02 – Industrial Cleaning Services, Charmay Inc.,
2. Contract No. 18-PR-DWT-38 – Biosolids Management, Nutri-Blend Inc.,
3. Contract No. WAS-12-066-AA-RE – Pre-Dewatering Polymer, Polydyne Inc.,
4. Contract No. 130280 – Filtration Influent Pumps 1-10 Replacement, Ulliman Schutte Construction LLC.,
5. Contract No. DCFA 450 – Tunnel Dewatering Pump Station and Enhanced Clarification Facility (Engineering Services SA2), Arcadis District of Columbia, PC.

Mr. Joel Grosser, Category Manager – Procurement, DC Water presented joint use Action Items

In regards to the Biosolids Management contract, the Committee inquired if DC Water had communicated to the Contractor that the base price of the contract (and therefore, the expected amount of work by DC Water) is only \$2 million even though the Contractor had submitted in a bid quote of nearly twice that. Mr. Grosser replied in the affirmative.

In addition, the Committee inquired as to the reason of the requested time extension. Mr. Benson replied that the contract scope required that tunnel performance tests be conducted with data derived from three (3) rainfall events. The contract also assumed these events would occur within a 90-day period, which did not take place, thereby causing a delay. In addition, flooding in certain parts of the tunnel during construction, caused a delay.

NON-JOINT USE

1. Change order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc.

The Committee recommended all joint and non-joint use Action Items to the full Board.

IV. SMALL DIAMETER WATER MAIN REPLACEMENT PROGRAM PRIORITIZATION CRITERIA

Mr. Craig Fricke, Director of Engineering and Technical Services (DETS), DC Water, gave a presentation on the prioritization criteria used in the Small Diameter Water Main Replacement (SDWMR) program.

Mr. Fricke concluded his presentation by summarizing past and current approaches to SDWMR prioritization

The Committee inquired as to what, if any, impacts there would be to the budget due to the implementation of InfoMaster in 2019. Mr. Fricke replied that there will be no new impacts to the budget as the InfoMaster tool will conduct prioritizations within the scope of existing budget parameters. The Committee also requested DC Water display the percentage of the different risk categories of pipes in its SDWMR Risk Prioritization maps.

III. BLUE PLAINS RESEARCH AND DEVELOPMENT OVERVIEW

Ms. Christine deBarbadillo, Director, Department of Clean Water Quality and Technology (CWQT), gave a presentation on research and development activities at Blue Plains Advanced Wastewater Treatment Plant (AWWTP). The presentation began by listing some of the challenges faced at Blue Plains including population growth, stringent environmental regulations, space constraints, aging infrastructure, impacts to urban environment, energy and resource sustainability and cost.

Ms. deBarbadillo stated the drivers/goals of the CWQT department were

- Supporting Operations by
 - Processing of related operational issues
 - Optimization and process development

- Supporting CIP Planning by
 - Acquiring future permits
 - Due diligence for application of new processes
 - Process evaluation and development of design criteria

The current CWQT staff consists of four (4) full-time, DC Water staff, research associates/interns and other collaboration partners. The department also has research laboratories at three (3) locations containing analytical equipment and capable of bench scale testing. Some of the processes that are (have) being piloted include carbon and nitrogen removal, thermal hydrolysis and anaerobic digestion. The Research and Development (R&D) focus areas of the CWQT department can be grouped as follows:

- Carbon Management – maximizing carbon capture in chemically enhanced primary treatment and high-rate activated sludge systems. The main drivers for this R&D area are:
 - Projected capacity issues
 - Need for reduction of energy consumption in secondary treatment
 - Need to promote additional energy recovery
- Nitrogen Management – minimizing carbon demand and increasing capacity with Mainstream and Sidestream deammonification system. The main drivers for the Mainstream and Sidestream treatment include:
 - Chesapeake Bay Enhanced Nutrient Removal (ENR) limits
 - Need to reduce high methanol costs
 - Projected capacity issues
- Biosolids Management – maximizing energy recovery in Cambi digesters. The main drivers for this R&D area include:
 - Quality (Class A) and Quantity of Biosolids
 - Need for energy recovery
 - Projected capacity issues

The Committee commended DC Water and Ms. deBarbadillo on the thoroughness of the information shared during the session.

IV. ADJOURNMENT

Meeting adjourned at 11:30 a.m.

Follow-up Items

1. President and CEO: Look into projected Bloom sales goals for 2019 and recommend adjustments as necessary.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Finance and Budget Committee

Tuesday, November 13, 2018

11:00 a.m.

MEETING MINUTES

Committee Members (via conference call)

Timothy Firestine, Committee Chairperson
Sarah Motsch
Jed Ross

DC Water Staff

David Gadis, President and CEO
Matthew T. Brown, Chief Financial Officer (CFO)
Len Benson, Chief Engineer
Henderson Brown, General Counsel
Paul Guttridge, Manager, Program Services
Linda Manley, Board Secretary

Call to Order

Chairperson Timothy Firestine called the meeting to order at 11:00 a.m.

October 2018 Financial Report

Matthew Brown, CFO presented the monthly financial report, noting that DC Water is on track, and in line with budgetary expectations in all categories in the first month of the fiscal year. With approximately 8.3 percent of the fiscal year completed, total operating revenues are at \$67.2 million, or 10.4 percent of budget, operating expenditures at \$44.0 million, or 7.6 percent of budget, and capital disbursements at \$25.4 million, or 5.8 percent of budget.

CFO Brown informed the Committee that the US Environmental Protection Agency invited DC Water to apply for a Water Infrastructure Finance and Innovation Act (WIFIA) loan for \$144.0 million. DC Water bundled 20 projects, called the "Comprehensive Infrastructure Repair, Rehabilitation and Replacement Program" in its submission to EPA. Mr. Brown stated the benefits of the WIFIA Loan Program would cover 49% of the project costs and the loan interest rate will be at the US Treasury rates. Chairperson Firestine asked what are the advantages, and if loan will count against DC Water's debt burden. Mr. Brown explained that the advantages of using the WIFIA loan program, is that it offers a financing term longer than thirty years, and the long-term rates are cheaper than other methods.

Next, Mr. Brown noted that a detailed fiscal analysis on the customer rates, level of borrowing, and other financial metrics for the Capital Improvement Program (CIP) options will be presented at a special meeting of the D.C Retail Water & Sewer Rates Committee on November 29th. Additionally, the budget workshop will follow the January 3rd Board meeting.

Capital Improvement Program Quarterly Update

Mr. Paul Guttridge, Manager, Program Services, Department of Engineering & Technical Services provided an update on the FY 2018 Fourth Quarter Capital Improvement Program. He stated that FY 2018 actual disbursements for capital projects/construction were \$447.8 million, which is 12.4% above the revised budget of \$398.3 million, with overspending primarily in the following service areas: Wastewater Treatment, Sanitary Sewer, and Water. Mr. Guttridge mentioned the primary drivers in Wastewater Treatment was due to how retention rates were established, and for Sanitary Sewer the drivers due to under projected cost, to comply with National Environmental Policy Act (NEPA) and work done for DDOT and the National Park Service. He informed the Committee that the team is currently assessing ways to better project spending, including work that is done on Blue Plains by providing a detailed task order, inputting actual spend into their program management system, having the Project Managers focus on completion dates, and reviewing historical performance levels and trends.

Next, Mr. Guttridge provided an overview of the significant contract actions anticipated and an update on the Key Performance Indicators (KPIs) in the CIP noting that 22 of the 27 KPIs were completed during the fiscal year. He explained the reasons for the remaining 5 KPIs that were delayed: St. Elizabeth Water Tank, abnormal weather conditions; Large Valve Replacement, conflicts with Washington Gas and Pepco and an increase in scope; Potomac Interceptor - Phase II, regulatory mandates and design start delay; Small Diameter Replacement, unexpected night work for crews; and Blue Plains Pump Replacement, scheduling and sequencing issues.

CFO Brown noted that the FY 2018 capital disbursement of \$489.9 million was higher than the revised budget and mid-year projections. He reviewed the Cash Balance Report, highlighting that the FY 2018 Board-approval of \$18 million for Pay-Go financing was carried over into FY 2019 and will be applied accordingly. In response to Chairperson Firestine's inquiry, regarding how the higher disbursements were paid, Mr. Brown explained, that overspending in capital projects/construction was offset by \$10 million underspending in capital equipment, \$18 million in Pay-Go, and the remainder from the premiums on bond proceeds issued during the Spring of 2018.

Management and committee members expressed their appreciation to Chairperson Tim Firestine's dedication and service to DC Water as this was his last meeting Chairing the Finance and Budget Committee.

Adjournment

Hearing no further business, Chairperson Firestine adjourned the meeting at 11:20 a.m.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

DC Retail Water and Sewer Rates Committee

Thursday, November 29, 2018

9:30 a.m.

MEETING MINUTES

Committee Members in Attendance

Rachna Bhatt, Chairperson
Tommy Wells, Chairman
Howard Gibbs
Ellen Boardman
Reverend Kendrick Curry
David Franco
Ivan Frishberg
Jed Ross

Via Telephone:
Anthony Giancola
Krystal Brumfield

DC Water Staff

David Gadis, President/CEO
Matthew Brown, CFO/EVP Finance & Procurement
Henderson Brown, EVP Legal Affairs
Linda Manley, Secretary to the Board

Call to Order

Chairperson Rachna Bhatt convened the meeting at 9:41 a.m.

Customer Assistance Program Expansion Update (Attachment A)

Mr. Brown, CFO/EVP gave an overview of the Customer Assistance Program and stated that DC Water will seek the Committee's recommendation to the full Board for approval of the Customer Assistance Program (CAP) Expansion. He noted that the \$6 million CAP2 program which is funded by DC Water's Rates Stabilization Fund (RSF) includes \$0.5 million for administrative cost and that he anticipates that the District Department of Energy and Environment (DOEE) will contribute \$1.2 million to the CAP2 program. He noted that there are two administrative functions in the Notice of Proposed Rulemaking (NOPR) that DC Water is asked to perform: 1) CAP3 program, 2) Clean Rivers Impervious Area Charge (CRIAC) Non-Profit Relief program. He requested the Board to have an executive session after his presentation, to receive privileged information that might have legal ramifications.

Mr. Brown, CFO/EVP updated the Committee on the history of the CAP program. He noted that District code § 34-2202 mandates that DC Water offer financial assistance programs to mitigate the impact of any increases in retail water and sewer rates and the CRIAC on low-income residents. He noted that in

FY 2014, the Board adopted General Principles of Affordability for Low-Income Customers which required “consideration of rate impacts on low-income customers” and exploration of affordability alternatives for low-income customers. He stated that DC Water has taken several actions to help reduce the cost of the Clean Rivers Program: 1) issued century bonds, 2) extension of the consent decree timeline, and 3) regular reviews of the CRIAC rate. He mentioned that in FY 2016, the Board directed the General Manager to: 1) evaluate the CAP and recommend expansion of CAP to include CRIAC; 2) review the impact of CRIAC on various customer segments including low-income customers who do not qualify for CAP and to report findings by December of 2016; and requested the Finance and Budget Committee to review the policy governing use of the Rate Stabilization Fund (RSF) to reduce or moderate or eliminate the impact of CRIAC increases on ratepayers, particularly ratepayers eligible for CAP. Mr. Brown, CFO/EVP mentioned that in FY 2017 the Retail Rates Committee approved recommendation to expand CAP to include 50 percent off of the CRIAC; and postpone Phase 2 of CRIAC restructuring until after VertexOne implementation in November 2017 to address low-income residential customers not eligible for CAP. He stated in FY 2017, Board approved resolution #17-18 CAP revisions for 50 percent CRIAC reduction. He noted that in FY 2018 the Retail Rates Committee approved for FY 2019 a 13 percent increase for water and sewer rates, 5.9 percent overall increase in the average household bill and a decrease in the CRIAC from \$25.18 to \$23.00 per Equivalent Residential Unit (ERU). Mr. Brown, CFO/EVP informed the Committee that in FY 2018 the Retail Rates Committee reviewed projected rate increases and the proposed Cost of Service Study, reviewed Rate Policy Options and the RSF and directed the General Manager to recommend changes to CAP to address customers not eligible for CAP. He noted that in FY 2018 the Retail Rates Committee reviewed and approved CAP Expansion recommendation.

Mr. Brown, CFO/EVP briefed the Committee on the low-income statutory mandate. He noted that DC Water’s regulations do not define “low-income”. He stated that the CAP eligibility is based on DOEE Low-Income Home Energy Assistance Program (LIHEAP) up to 60 percent of State Median Income (SMI) depending on the number of people in the household. Mr. Brown, CFO/EVP mentioned that there are other definitions of low-income. He stated that the District defines low-income as a household or family whose annual income is greater than fifty percent (50%) but less than eighty percent (80%) of the Area Median Income (AMI) adjusted for family size. He stated that a Federal government defines low-income as income not in excess of 80 percent of AMI. He noted that a Housing of Urban Development (HUD) Memorandum explains “Uncapped” Income limits for 2018 and authorizes the District to use “uncapped” limits for annual median income. He mentioned that the District’s Home Purchase Assistance Program uses the uncapped AMI limits. Ms. Boardman asked if DC Water program is unlawful because it uses a different definition for low-income. Mr. Henderson Brown, EVP Legal Affairs replied that when engaged in the rulemaking capacity, if there is a rational reason and an explanation for the purpose of why we choose a particular method, and someone else has a contrary view, as long as our decision is supported by evidence then the courts will be very reluctant to change the final decision. He noted that DC Water is using the accepted low-income definition used by the District agencies and Federal government for the expanded CAP.

Mr. Brown, CFO/EVP briefed the Committee on resolution #18-57. He noted that the resolution directed the General Manager to: 1) transfer \$6.0 million from the RSF to assist low-income residential customers; 2) adding more low-income customers using metrics; 3) serve customers with household income up to 80 percent AMI; 4) expand new benefits accorded by the CAP up to three Ccf of water and sewer services and percent discount on the CRIAC, include caps in the proposed recommendation on the number of participants to ensure that the cost does not exceed \$6.0 million; and 5) include other suggestions deemed necessary by the General Manager.

Mr. Brown, CFO/EVP briefed the Committee on the program definitions. He noted that DC Water’s existing CAP program uses LIHEAP criteria to provide DC Water funded discounts to low-income residential customers with income up to 60 percent SMI. He mentioned that the proposed DC Water expanded CAP2 program is for low-income residential customers who do not qualify for CAP with households up to 80 percent AMI. He stated that the proposed new District’s CAP3 program is to provide

benefits to DC Water customers with household income greater than 80 percent and up to 100 percent AMI who do not qualify for CAP and CAP2. He stated that the proposed new CRIAC Non-profit Relief Program provides CRIAC credits to non-profit organizations as determined by the DOEE.

Mr. Brown, CFO/EVP updated the Committee on the DC Water and District CAP programs. He noted that the existing CAP program serves low-income residential customers up to \$59,457, CAP2 serves low-income residential customers up to \$93,750 and CAP3 serves low-income customers up to \$117,200. He stated that the benefits depend on the program. He mentioned that existing CAP program provides up to 4 Ccf of water and sewer discounts. The existing CAP program waives up to 4 Ccf of water and sewer, waives the Water System Replacement Fee (WSRF), and provides a 50 percent discount on the CRIAC.

Mr. Brown, CFO/EVP mentioned that the proposed CAP2 program provides up to 3 Ccf of water and sewer discounts and 50 percent discount on the CRIAC. He stated that CAP2 benefits will be provided to eligible households retroactively from October 1, 2018 provided customers submit their complete application to DOEE before March 1, 2019. He mentioned that applications submitted on or after March 1, 2019 will receive benefits as of the month of submittal to not more than the entire fiscal year, subject to availability of funds. He stated that the average monthly discount is \$43.48 (3 Ccf of water and sewer and 50 percent off one ERU), DC Water can serve approximately 10,541 customers. He mentioned that the CAP2 program is funded for one year through September 30, 2019. The CAP2 program will be capped at \$6.0 million, \$5.5 million in benefits to customers and up to \$0.5 million for administrative costs. The District will contribute \$1.2 million in additional funds for this program. He stated that when the level is reached the program will be discontinued. Ms. Boardman asked how many customers are served under the existing CAP and proposed CAP3 programs. Mr. Brown, CFO/EVP replied that between three and four thousand customers are served under the existing CAP program and 4,900 customers are projected to be served under the proposed CAP3 program.

Mr. Brown, CFO/EVP stated that the CAP3 residential program will provide benefits of 75 percent off the monthly CRIAC to households with income at or above 80 percent AMI and below 100 percent AMI. He mentioned that the CRIAC Non-profit Relief Program will provide benefits of up to 90 percent off of the billed CRIAC charges, provided retroactivity for the entire fiscal year and must reapply to continue benefits. He noted that the eligible non-profits must: 1) successfully obtain status as a non-profit, 2) show significant financial hardship, 3) comply with on-site and off-site stormwater mitigations Best Management Practices (BMP) and 4) allow DOEE to visit the site of the organization. Chairperson Bhatt asked who provided the financial hardship criteria for religious and non-profit organizations. Mr. Brown, CFO/EVP replied that the financial hardship criteria came from DOEE. He stated that the Budget Support Act (BSA) indicates an organization must have a significant hardship and the BSA directed the Mayor to establish what constitutes a significant hardship. He noted that the information provided by DOEE specified that some organizations meet one criteria and others meet another. Ms. Boardman inquired if DC Water knows the basis of which hardship is being determined for non-profit applicants. Mr. Brown, CFO/EVP replied that draft regulations provided by the District specify that organizations established under D.C. code §47-1002 section 12 or 47-1002(13)(14) or (15) annual CRIAC must be at least 0.75 percent of the organization's annual revenue less expenses and for organizations that have a tax exemption under other parts of the code the CRIAC must be 5 percent of the organization's annual revenue less expenses. Ms. Boardman asked why is there a difference between differing groups in the non-profit community and have we inquired about why there is a difference. Mr. Brown, CFO/EVP replied that this is the District government program and they established the requirements and will provide the funding. He noted that when this Committee met with members of DOEE that question was posed to them. Mr. Brown, CFO/EVP stated that he has not had a conversation with DOEE about the differing requirements used for the non-profit organizations.

In response to Ms. Boardman's question, Mr. Brown, CFO/EVP updated the Committee on the public hearing testimony comments. He stated that no written comments were received during the public hearing comment period. He provided an overview of the testimony comments: 1) DC Water's shifts from

DOEE's LIHEAP measurement of low-income namely 60 percent of Health and Human Services (HHS) SMI but with no explanation or justification shifts not just to 80 percent of Housing and Urban Development (HUD) AMI level but to the uncapped HUD AMI rather than the capped level used by HUD. DC Water replied that the record before the Board supports its decision to expand the CAP program to 80 percent AMI for the one-year program; 2) Rules on benefits and eligibility criteria that DOEE has not actually published in the DC Register or subjected to the public comment. DC Water replied that the implementation of the DOEE programs will be contingent on DOEE establishment of their regulations; and 3) CRIAC Non-profit Relief program treats religious institutions more favorable than non-profits generally. DC Water replied that DC Water defers response to this comment to the District government for their program. Mr. Brown, CFO/EVP noted that DOEE has submitted draft regulations to DC Water that have not been published. Ms. Boardman requested a copy of the draft regulations. Mr. Gibbs inquired if this program were to continue what would be our ability to change the criteria to provide benefits to our upper lower income customers. Mr. Brown, CFO/EVP replied that the regulations authorize this program for one year which ends on September 30, 2019. He explained that if the Board would like, it can authorize with funding a program going forward with different requirements. Mr. Frishberg asked how can we budget all of the CAP expanded programs into our baseline budget like the existing CAP program as opposed to funding the programs through the RSF. Mr. Brown, CFO/EVP replied that funding the CAP expanded programs through the baseline budget would require the Board to raise rates higher than what would otherwise be required. Ms. Boardman asked what is DC Water's legal obligation as a payor on a pass-through basis. Mr. Brown, EVP Legal Affairs replied that our response to the allegation that religious institutions are treated separately and it is appropriate for DC Water to respond that this is not DC Water's program but the District's program which is in regulatory context. Mr. Brown, EVP Legal Affairs deferred answering DC Water's legal obligation until executive session.

Mr. Brown, CFO/EVP updated the Committee on DOEE redline revisions to the NOPR. He also briefed the Committee on the CAP expansion timeline for the January 2019 implementation and provided an overview to the Committee on the CAP, CAP2, CAP3 and CRIAC Non-profit Relief Programs funding source and design assumptions.

Chairman Wells informed the Committee that there can be confusion around his roles as the Director of DOEE and Chairman of DC Water's Board. He noted that statutorily he has been placed as the Chairman of DC Water's Board. He mentioned that because DOEE has promulgated the regulations he believes he can be a resource when in executive session about answering questions. He stated that because of his role as the Chairman of DC Water's Board he is going to recuse himself from deliberations and voting in the Committee on this topic. He mentioned that as the Director of DOEE he will stay and provide information to the Board. He mentioned that he thinks this does not apply to any other DC government employee who is on the DC Water's Board. He noted that he is in a unique position because DOEE promulgated the regulations. Mr. Frishberg asked if the Board Chairperson is recusing himself from the executive session on this topic and should he then recuse himself from the public on this topic. Mr. Brown, EVP, Legal Affairs replied that this question will be more appropriately answered in executive session. He noted that it is a challenge because the statute says that the Director of DOEE or some other cabinet member should be on the Board. Ms. Boardman stated that when recusal from the confines of this Board is appropriate it should also be appropriate in a public setting. Chairman Wells stated that as much as possible this should be considered a unique situation because he does not want to set a precedent where other District appointees to DC Water's Board will have to recuse themselves. He noted that in just this particular case because DOEE is administering the executive function he will recuse himself.

Chairperson Bhatt moved the Committee into executive session.

Executive Session

The Committee went into executive session to discuss legal and privileged matters.

Action Item (Attachment B)

Chairperson Bhatt gave an overview of the Committee's recommendation on the CAP expansion. She noted that the Committee decided to move forward the rulemaking except for section 4102.5 CRIAC Non-profit Relief Program and the portion of any other section that deals with the District CRIAC Nonprofit Relief Program, which will be reserved pending DOEE's completion of their regulations which will allow DC Water to review them once finalized.

Chairperson Bhatt noted that CEO/President Gadis will be responsible for responding to public inquiries regarding the CAP expansion. Chairperson Bhatt informed the Committee that she will be responding to the Councilmember that we will be coordinating with our communication's team to make sure that our messaging is the same across the board.

Chairperson Bhatt asked the Committee to move action item 1 with the modifications to the full Board. The Committee concurred to refer the items to the full Board.

- Approval to Expand DC Water's Customer Assistance Program (CAP) to Eligible Customers (Action Item 1)

FY2020 Budget Considerations (Attachment C)

Mr. Brown, CFO/EVP informed the Committee on the FY2020 budget considerations. He noted that there were questions asked by the Board that pertain to policy issues that we need to discuss and decide on a plan going forward. He stated that there is no recommendation. He said that the Budget presentation will be moved to December 6, 2018 Retail Rate Committee meeting.

Path to Achieve Asset Management (Attachment D)

Mr. Brown, CFO/EVP informed the Committee on the Capital Improvement Plan (CIP) scenarios. He stated that we have figured out how much each scenario will cost. He mentioned that it is an in-depth discussion about the financial plan and bond rating. Mr. Brown, CFO/EVP mentioned that he wanted to provide the presentation to the Committee today so that staff could use the month of December to propose the General Manager Budget in January. He noted that given the discussion today we can move the presentation to the month of December which would delay the budget release until February. He noted that we can present the budget presentation in February. He stated that the budget can be discussed in the Committee meeting in February and March. He noted that in April the Board can adopt the budget and have rate hearings in May.

DC Retail Water and Sewer Rates Committee Workplan (Attachment E)

There was no discussion on the Committee workplan.

Agenda for December 18, 2018 Committee Meeting (Attachment F)

Chairperson Bhatt cancelled the December 18, 2018 Committee meeting and rescheduled the meeting on Thursday December 6th following the Board meeting.

Other Business

No other business

Adjournment

The meeting was adjourned at 12:05 p.m. However, before the meeting adjourned, Mr. Brown, EVP Legal Affairs noted for the record that Chairperson Wells recused himself from deliberations held in Executive Session. Ms. Boardman added the comment that, in addition Mr. Wells was not present in the room during the Executive Session.

FOLLOW-UP ITEMS – DC Retail Water and Sewer Rates Committee Meeting (November 29, 2018)

There were no follow up items.



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

BOARD OF DIRECTORS

**Special Meeting of the Environmental
Quality and Operations Meeting
(via teleconference)**

Wednesday, December 5, 2018

10:00 a.m.

MEETING SUMMARY

Committee Members

James Patteson, Chair
Howard Gibbs, Vice Chair
Patty Bubar
Anthony Giancola
Jedd Ross
David Franco

DC Water Staff Present

David Gadis, CEO & President
Leonard Benson, Senior VP & Chief Engineer
Henderson Brown, Executive VP, Legal Affairs
Linda Manley, Secretary to the Board
Thomas Kuczynski, VP, Information Technology
Dan Bae, VP, Procurement & Compliance

I. CALL TO ORDER

Chair Patterson called the meeting to order at 10:00 a.m.

II. EXECUTIVE SESSION

Chairperson Patterson asked for a motion to move into Executive Session to discuss legal, confidential, and privileged matters pursuant to Section 2-575(b)(4) of the D.C. Official Code. It was moved and seconded. A roll call vote was conducted, and the motion was approved unanimously.

The Board reconvened into open session at 10:48 a.m.

**II. ACTION ITEMS
NON-JOINT USE**

- 1. Contract No. 15-PR-CCO-59- Vertex Business Services

The Committee recommended the non-joint use Action Item to the full Board for approval.

III. ADJOURNMENT

Meeting adjourned at 11:00 a.m.



CEO and GENERAL MANAGER'S REPORT

David L. Gadis – December 2018

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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

Message from the CEO/GM

December GM Report

One DC Water Roadshow

Just a week ago, I conducted the One DC Water Roadshow to introduce staff to our new organizational alignment and to launch our new strategic plan, the Blueprint. More than 700 employees attended to learn about my vision for the future. I communicated to staff that we will continue to be the best utility in the world, while realigning to unify the organization and deliver an exceptional customer and employee experience. I also debuted six new organizational values that will drive our behaviors, performance and overall culture as we work to achieve our new vision. During the roadshow, staff had the opportunity to ask me any questions in which allowed me to hear from staff representing all aspects of the organization. As my second roadshow concludes, I continue to have great appreciation and support for the hard work and commitment of our staff. I will continue to emphasize the importance of transparency and communication as we continue to move forward as one DC Water.

New Headquarters

As of November 30, HQO has 3rd floor occupancy only. Customer Service has vacated 80M St and relocated to HQO. Command Center is being temporarily staged on the 3rd floor West. When we receive the full occupancy permit, Command Center will be moved to the 4th floor followed by HCM scheduled the week of Dec 10; and Procurement scheduled the week of Dec 17. IT will transition to the 2nd floor during the holiday week, before the new year.

We will resume in January with the following relocation schedule the week(s) of:

- Jan 7: Finance
- Jan 14: General Counsel, Marketing & Communications, the President's Suite
- Jan 21: Payroll
- Jan 28: Bryant St
- Feb 11: Board Secretary

New Appointments in Facilities and Security

Ivelisse Cassas has been promoted as the successor to the recently departed Security Director, Steven Caldwell. Ms. Cassas brings with her a myriad of experiences from serving in the United State Military as well as working with various Federal contractors and Security firms in the region as a Security Specialist. She obtained her Bachelor of Arts degree in Emergency and Disaster Management, and is currently pursuing her Master's degree in Security Management. She has also successfully completed the DC Water leadership development program, Leading Blue, and has overseen several critical projects and tasks as Program Manager in the Security Department. While Ms. Cassas begins her new role within the Department of Security, she will also remain the Acting Director of Occupational Safety and Health until a permanent Director is selected.

Brent Christ has been promoted from Supervisor, Construction in our Wastewater Engineering Department to become the Director of Facilities. Mr. Christ has a wealth of experience with high value capital projects, critical utility services, project management and construction. He has a Bachelor's of Mechanical Engineering from Georgia Tech, and numerous professional credentials and certifications. His knowledge of DC Water processes and policies, as well as existing relationships within DC Water engineering and operational departments will allow him to hit the ground running on day one.

Message from the CEO/GM

Winter Preparedness

In preparation for the winter months that typically bring additional activities (investigations, valve operations, and system repairs), we will take the following steps towards preparedness and readiness:

- Shift staff to night operations (valve operations and system repairs)
- Coordinate winter preventative maintenance schedules and activities with Fleet Services
- Coordinate winter material stock needs with Procurement through Materials Management
- Reaffirm additional repair resource availability and coordination with DETS Construction Branch (the team proved to be critical to our operations over the last few years when our resources became taxed)

Additionally, our awareness, attention to detail, and overall teamwork is typically enhanced during this time of the year as we have grown accustomed to working through the challenges that the "season" brings.

GFOA Awards

- DC Water received the twenty-first consecutive Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended September 30, 2017.
- For the eighteenth consecutive year, DC Water received the Distinguished Budget Presentation Award for the Approved FY 2019 Budget.

Water Infrastructure Finance and Innovation Act (WIFIA)

The Environmental Protection Agency announced that DC Water is invited to apply for a WIFIA loan for \$144 million for 20 projects called "Comprehensive Infrastructure Repair, Rehabilitation and Replacement Program."

Bloom Sales

	10/2018	YTD
Tons diverted	1135	1135
Cost of tons (\$45/ wet ton)	\$51,075.00	\$51,075.00
Revenue to Blue Drop	\$4,869.34	\$4,869.34
Bloom Cost to DC Water	\$21,193.82	\$21,193.82
Marketing cost \$5/ton	\$5,675.00	\$5,675.00
Hauling costs	\$15,518.82	\$15,518.82
Cost Savings to DC Water	\$29,881.18	\$29,881.18

Message from the CEO/GM

Office of Marketing and Communications (OMAC)

Government Relations

- Two distinct pieces of legislation are working their way through the John Wilson building. The first, empowering the Office of the People’s Counsel to represent DC Water customers in disputes, moved toward a markup with discussions about language and timing. The second piece of legislation on lead vouchers that would offer free or reduced cost line replacements to many DC Water customers, also moved towards the finish line. That bill was voted on by the Council in early November with a planned final vote in December. Although both bills have some positive outcomes, each also places new requirements on DC Water that have the potential to impact customer service. We have shared our concerns with the Council staff and continue to work towards compromise.
- In addition, we distributed multiple bottles of honey produced at Blue Plains to Council members and some staff. The gift is extremely popular and this fall marks the second time DC Water has shared honey with local elected leaders. The honey shows that DC Water is supporting sustainable practices by creating an environment for bees – something challenging in an urban setting.

Media Relations

- This month we managed media inquiries on flooding at the Kennedy Center that was due to Tropical Storm Florence, though it was attributed to a water main break. We managed multiple inquiries on the sinkhole at 3500 6th St., SE. We also managed inquiries into Legionella at the Ingleside retirement community.
- We proactively pitched the new pressure zone in Anacostia and the 6-month results of the Anacostia River Tunnel, which resulted in a WTOP story and a WAMU interview.
- OMAC worked with the University of Minnesota on a press release about our inclusion in a new study. This resulted in an article in Engineering News Record and an interview with Minnesota Daily.
- We also worked on planning for the new HQ and did a press release on new rates going into effect at the start of the new fiscal year.

News Coverage:

- [Eight exciting energy alternatives for the future](#)
(Power Technology / October 17, 2018)
- [2018 Project of the Year New Installation Runner Up: Oregon Avenue NW Sewer Rehabilitation Project](#)
(Trenchless Technology / October 29, 2018)
- [DC Water upgrade blamed for water main breaks, sinkholes near new Wizards/Mystics facility](#)
(WJLA-7 / October 29, 2018)
- [Wet Weather Team: DC Water Protects the Anacostia Watershed](#)
(Water & Wastes Digest / November 2, 2018)

Message from the CEO/GM

- [New Sewer Tunnel Kept 3.3 Billion Gallons Of Sewage Out Of Anacostia River. Why Isn't It Any Cleaner?](#)
(WAMU / November 6, 2018)

Press Releases

- Oct 24 DC Water Hosts Public Hearing October 30 on Expanded Customer Assistance Programs
- Oct 25 DC Water moves forward with planning to dramatically improve the health of the Potomac
- Oct 26 Safe Disposal of Unwanted Medication Doesn't Involve the Toilet
- Oct 26 New Customer Service Chief Appointed for DC Water
- Nov 13 Comment Period Extended for Potomac River Tunnel Environmental Assessment

Media Advisory

- Nov 16 District schoolchildren get up close with massive DC Water environmental project

Customer Newsletter

This was the first month without a What's on Tap. The publication is going to a quarterly schedule, in addition to the two mandated publications with updates on the Clean Rivers Project. This is a cost-saving measure that is being piloted.

Drinking Water Marketing and Communication

- The Office of Marketing and Communications (OMAC) continued the "Made with DC Tap" campaign—a marketing initiative highlighting local businesses and the ways their unique products and service rely on the District's world-class tap water. Splash DC, a local car wash, was interviewed and highlighted on multiple social platforms. OMAC staff created engaging content focused on Splash's commitment to water conservation, pollution reduction, and environmentally-friendly business practices.
- DC Water has partnered with American University on a new study, "Equity Considerations for Lead Service Line Replacement in Washington, DC." The study will use DC Water's Voluntary LSR program data to examine the influence of variables on the rate and distribution of lead service line replacement. Proposed variables include household income, race/ethnicity, type of dwelling, and other demographic characteristics. OMAC and Water Quality met with AU researchers to review the project proposals, recommend proposal revisions, and begin a timeline and list of deliverables. OMAC will work closely with American University over the next year during different phases of the project.
- OMAC coordinated with Clean Rivers to prepare and send a participant to a Year of the Anacostia panel hosted by the Urban Land Institute's NEXT program, a group of young real estate developers focusing on various community development initiatives. The Anacostia Tunnel and the new HQO were highlighted as critical community assets contributing to the revitalization of the Anacostia river and watershed.

Message from the CEO/GM

- DC Water continues to have a strong presence in regional workgroups—including the Potomac River Basin Drinking Water Source Protection Partnership (DWSPP)—to develop and contribute to various regional projects that affect our customers, and to share information on the progress of DC Water’s wide-ranging initiatives. OMAC staff chairs the DWSPP Reaching Out Workgroup, and developed materials focused on recruitment to the regional collaborative, and source water protection to educate customers about simple actions that improve river health. The materials were circulated at the Annual Meeting on November 7.
- On November 13, OMAC staff visited the 16th Street Heights Association at the Simpson-Hamline United Methodist Church in Northwest and delivered a presentation to two dozen community advocates and the ANC chair. These opportunities provide vital face to face connection with customers. Topics of the presentation included water quality and safety, Lead and Copper Rule Compliance, mitigating lead risk, lead service line replacement, the July Boil Water Advisory. Staff were also able to answer pressing water quality questions raised by attendees, as well as deliver information about planned capital improvement projects, and ongoing hydrant flushing programs.
- OMAC staff met with the Community of Preservation and Development Corporation (CPDC) to explore potential opportunities to connect with communities throughout the city. DC Water will provide support to the Holiday Joy Makers initiative this season.

Tours

- | | |
|--|----------------------|
| • JBAB | 8 Adults 15 Children |
| • RIVER CORPS | 20 Adults |
| • Forte International Exchange Association | 12 Adults |
| • Atlas Abscura | 20 Adults |
| • Home Schoolers | 4 Adults 20 Students |
| • Soul programs HD Woodson High School | 4 Adults 16 Students |
| • Earth Conservation Corps | 8 Adults |
| • American University | 21 Adults |
| • University of District of Columbia | 25 Adults |
| • John Hopkins University | 25 Adults |
| • Saint Anselm’s Abbey School | 2 Adults 7 Children |
| • Catholic University | 17 Adults |

Meetings/Presentations/Events

- DC Water has successfully established a new partnership with Howard D. Woodson’s Senior High School’s SOUL Program. As part of this partnership, we provided an educational lesson on our Wastewater Treatment operations to 20 Sophomore and Junior students at the school.
 - As a follow up to the classroom lesson, we hosted a group of SOUL program students on a guided tour of Blue Plains to show them in-person the operations they learned about.

Message from the CEO/GM

- As part of our Environmental Education program, DC Water attended Meridian Charter School's Family Night. In support of this event, we provide our Trivia Wheel as an interactive activity, Archimedes Screw as an educational display, and assorted giveaways.
- DC Water attended a special community meeting with local residents and Ward 4 Councilmember Brandon Todd to provide a status update on its Oregon Avenue and Bingham Drive, NW Sewer Rehabilitation Project.
- Since the 5-year storm which occurred on August 12, 2017, a number of customers across the city have continued to endure tumultuous flooding and sewage backups into their homes. Under-sized sewers ill-equipped to meet demands placed upon them by a much larger population in today's District, exacerbated by unseasonably short and heavy rain storms throughout the past year which override the system, possibly recent conversion of many basements into condominium homes, and some obstructions found in the system, have all contributed to the problem. In many cases, entire blocks/areas have been affected, presenting a need for deeper analysis of the problem.

As part of this analysis, DC Water has been conducting a series of site visits to the affected blocks to talk face-to-face with residents about the issues they're facing, discuss our inspection of their local sewers, and even go into many of the homes to see the entry point(s) of water. One of the locations recently visited is the 300 Block of Quackenbos Street NW.

The results of these site visits and investigations have been fairly positive. They provide opportunities for our knowledgeable Engineering staff and master plumber contractor to meet with residents and discuss possible solutions. Inspections of the pipes have identified obstructions within some of the mainline sewers such as roots and root balls, and these issues are being addressed. Finally, some entire blocks have been pre-approved for our Backwater Valve Rebate Program, and residents are subsequently contacted with information on how the program works, and next steps.

Message from the CEO/GM

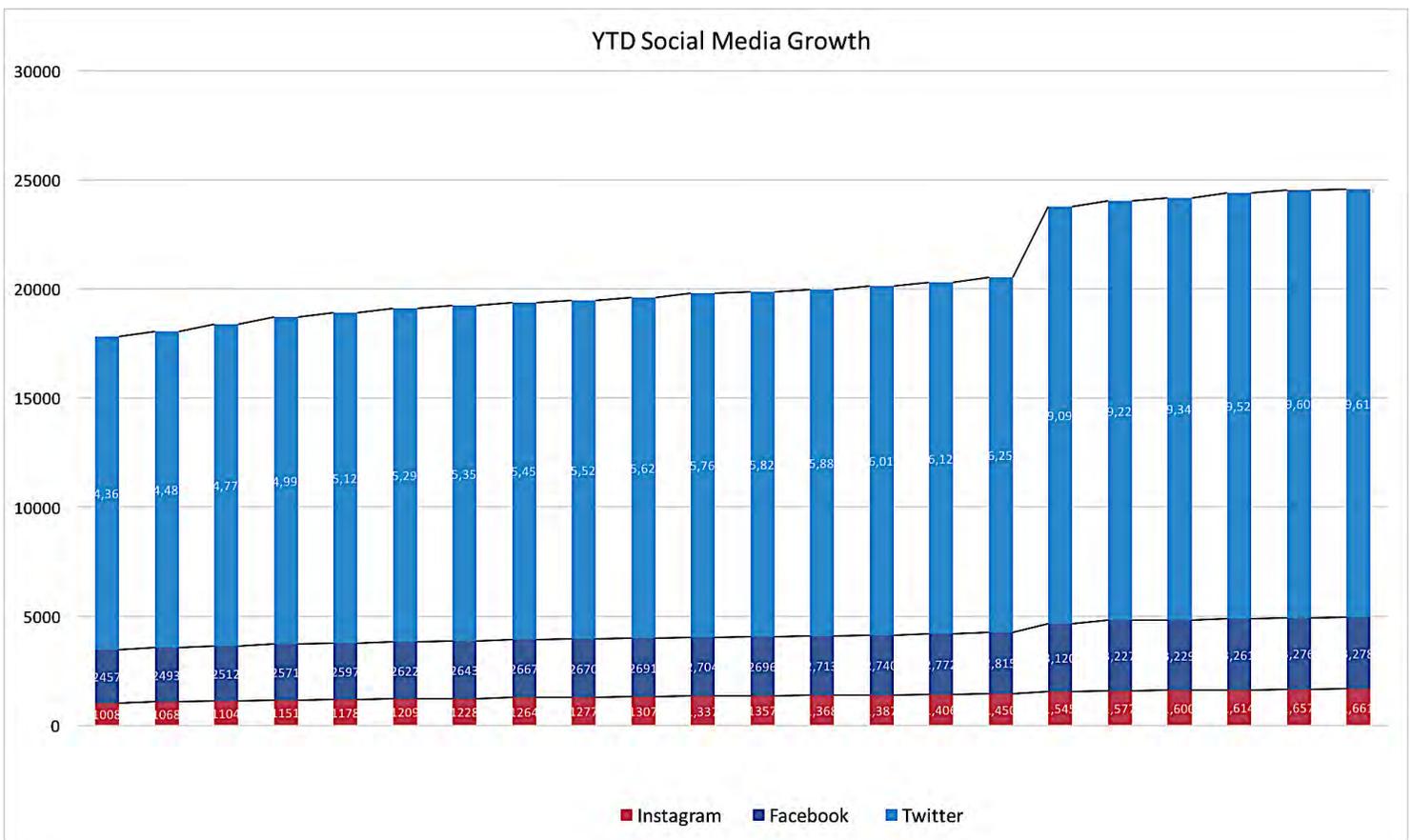
Social Media



Audience Growth Metrics	Totals	% Change
Total Fans	24.4k	▲ 0.5%
New Twitter Followers	70	▲ 0.4%
New Facebook Fans	17	▲ 0.5%
New Instagram Followers	34	▲ 2.1%
Total Fans Gained	121	▲ 0.5%

Total followers increased by
▲0.5%
 since previous date range

YTD Social Media Growth



Message from the CEO/GM

Website

www.dewater.com

Sessions

63,733

Pages / Session

2.51

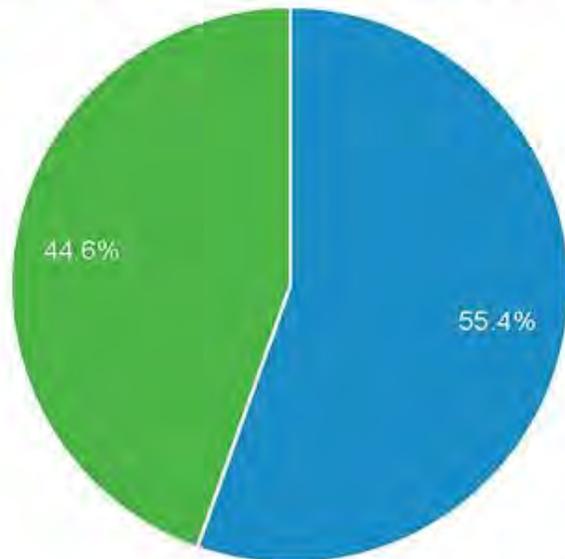
Avg. Session Duration

00:02:18

Bounce Rate

29.23%

■ Returning Visitor ■ New Visitor



Page	Pageviews	% Pageviews
1. /default.cfm	40,834	25.53%
2. /my-dc-water-upgrade	39,775	24.86%
3. /paying-your-bill	12,694	7.94%
4. /careers	7,178	4.49%
5. /contact	5,108	3.19%
6. /payment-and-billing	2,808	1.76%
7. /projects	1,797	1.12%
8. /internal-job-board	1,410	0.88%
9. /rates-and-billing	1,376	0.86%
10. /board-of-directors	1,132	0.71%

ORGANIZATIONAL PERFORMANCE DASHBOARD (October 2018)

Financial Highlights

Net Operating Cash		Operating Revenues		Operating Expenses		Capital Disbursements	
Actual	21,368	Actual	67	Actual	44	Actual	25
Target	6,802	Target	54	Target	49	Target	55
	(\$ thou)		(\$ mil)		(\$ mil)		(\$ mil)
Operating Cash Balance		Delinquent Account Receivables		Core Investments Yield		Short Term Investment Yield	
Actual	164	Actual		Actual	2.13	Actual	1.99
Target	126	Target	3	Target	2.89	Target	2.36
	(\$ mil)		(%)		(%)		(%)

Customer Care and Operations | Highlights

Call Center Performance		Command Center Performance		First Call Resolution		Emergency Response Time	
	Oct 87		Oct 87		Oct 70		Oct 75
85	(% of calls rec)	85	(% of calls rec)	75	(% of calls rec)	90	(% of calls rec)
Fire Hydrants out of Service		Fire Hydrant Insps. and Maint.		Fire Hydrants Replaced		Permit Processing within SLA	
	Oct 48		1083		Oct 14		89
	(count)		(count)	250	(YTD count)		(%)

Low Income Assistance Program

Splash Contributions		Customer Assistance Program	
Actual	9	Previous	46
Target	7	Current	54
	(\$ tho)		(\$ tho)

Operational Highlights

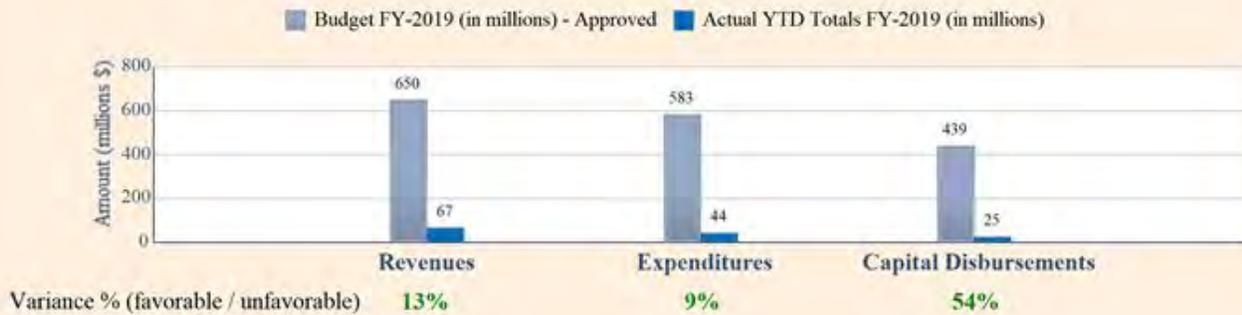
Lead Concentration (ppb)		Total Coliform Rule (%)		Biosolids Production		Total Nitrogen (lbs/yr mil)	
	5		0.4%		452		3.22
	(ppb)		(%)		(wet tons)		(lbs/yr mil)
Plant Effluent Flow (gal mil)		Excess Flow		Water Main Leaks		Water Valve Leaks	
	315		27		42		2
	(gal mil)		(gal mil)		(count)		(count)
Non-Revenue Water		Sewer Main Backups		Sewer Lateral Backups		Dry Weather CSO	
Sold	NA		6		72		0
Purchased	NA		(count)		(count)		(events)
	(CCF mil)						
Recruitment Activity		Electricity Usage		Employee Lost Time Accidents		Vendor Payments	
Filled	1		20		0	Actual	97
Open	30		(MWh)		(count)	Target	97
	(count)						(%)

FINANCIAL HIGHLIGHTS

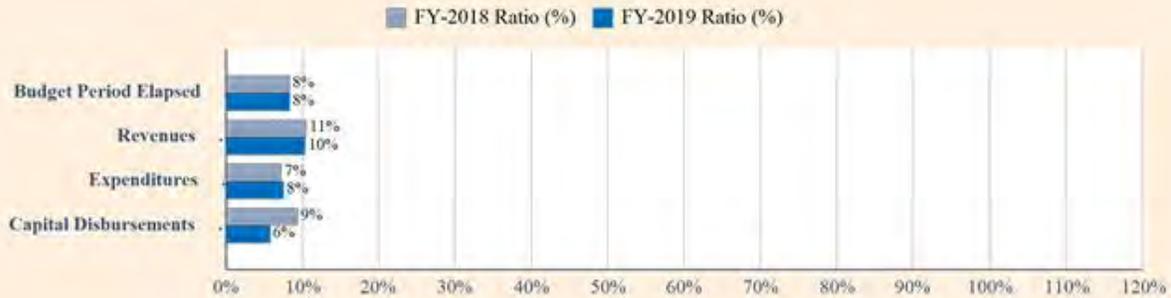
FINANCIAL PERFORMANCE SUMMARY

REVENUE, EXPENDITURE, CAPITAL DISBURSEMENT

Cumulative Revenue, Expenditure & Capital Disbursements compared to Budget



YEAR TO DATE ANALYSIS



NET OPERATING CASH

Monthly and YTD Net Operating Cash Provided / Used compared to Budget



Net cash to date for October was above budget by \$14.6 Million

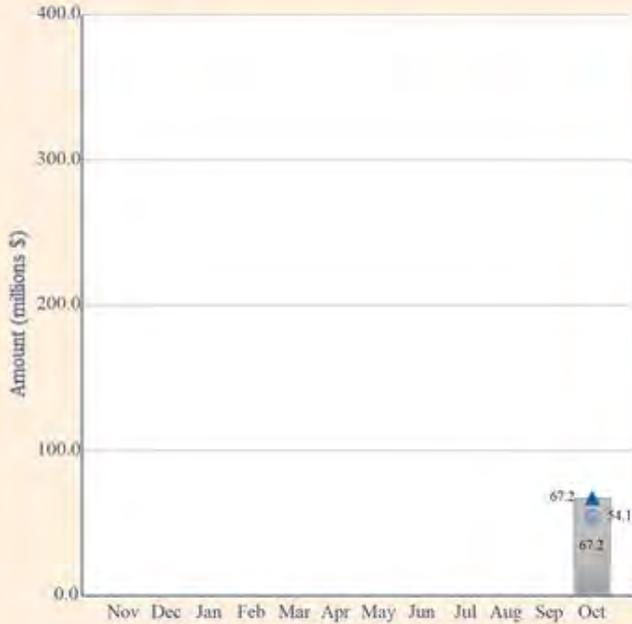
FINANCIAL HIGHLIGHTS

REVENUES AND OPERATING EXPENSES

OPERATING REVENUES

Monthly & Cumulative Revenue compared to YTD Budget

- Actual Monthly Revenue
- YTD Cumulative Revenue FY-2019
- YTD Cumulative Budget FY-2019

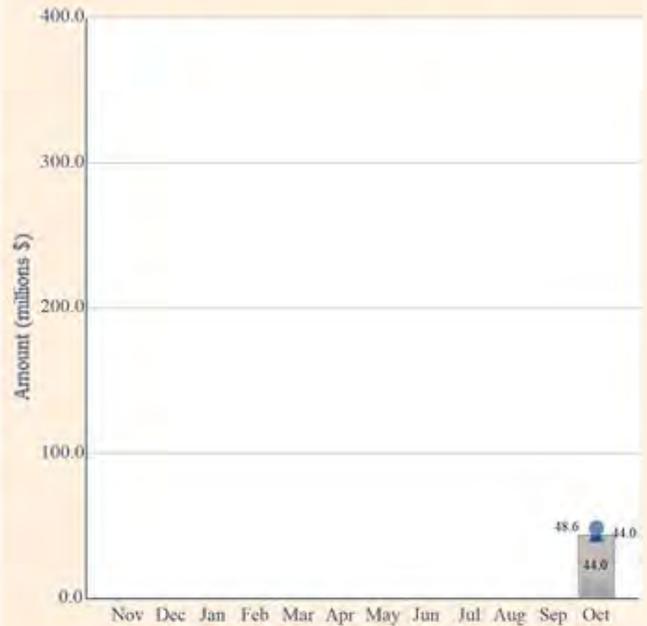


Revenue to date for October was above Budget by \$13.1 Million

OPERATING EXPENSES

Monthly & Cumulative Expenditure compared to YTD Budget

- Actual Monthly Expenses
- YTD Cumulative Expenditure FY-2019
- YTD Cumulative Budget FY-2019



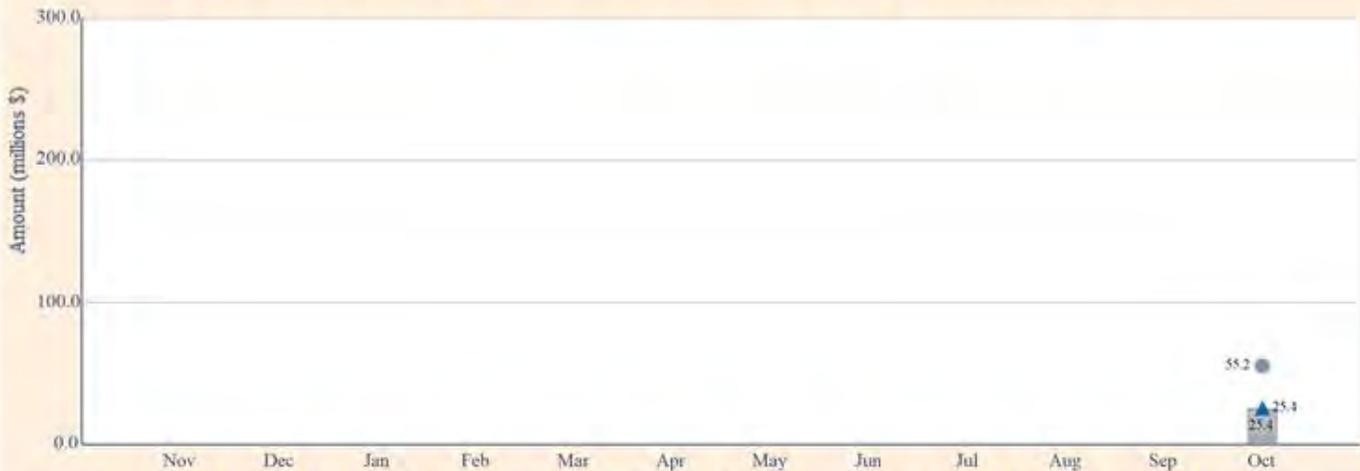
Expenditure to date for October was below budget by \$4.6 Million

CAPITAL SPENDING

CAPITAL DISBURSEMENTS

Monthly & Cumulative Disbursements compared to YTD Budget

- Actual Monthly Disbursements
- YTD Cumulative Disbursements FY-2019
- YTD Cumulative Budget FY-2019



Disbursements to date for October was below budget by \$29.8 Million. YTD Spending reflects comparison to the straight lined approved budget.

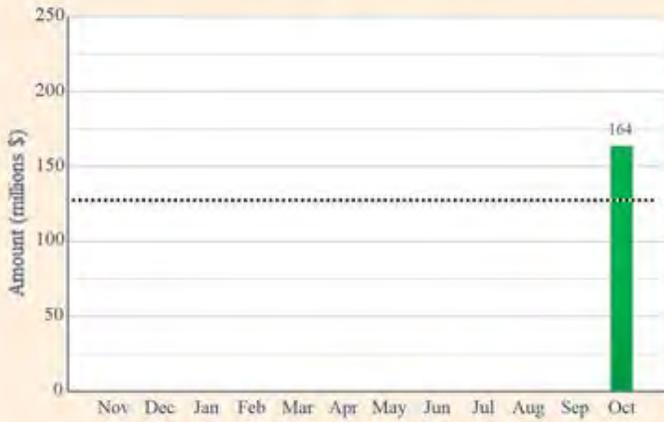
FINANCIAL HIGHLIGHTS

OPERATING CASH AND RECEIVABLES

OPERATING CASH BALANCE

Average Daily Cash Balance compared to Operating Reserve Target

- Actual Cash Balance FY-2019
- Operating Reserve Target - (125.5 Million)



Cash Balance for October was above target by \$38.2 million

DELINQUENT ACCOUNT RECEIVABLES

Delinquency & Receivables to Revenue Ratio compared to Target

- Receivables to Revenue Ratio
- ▲ Delinquencies (in millions)
- Target: Receivables to Revenue Ratio (3%)



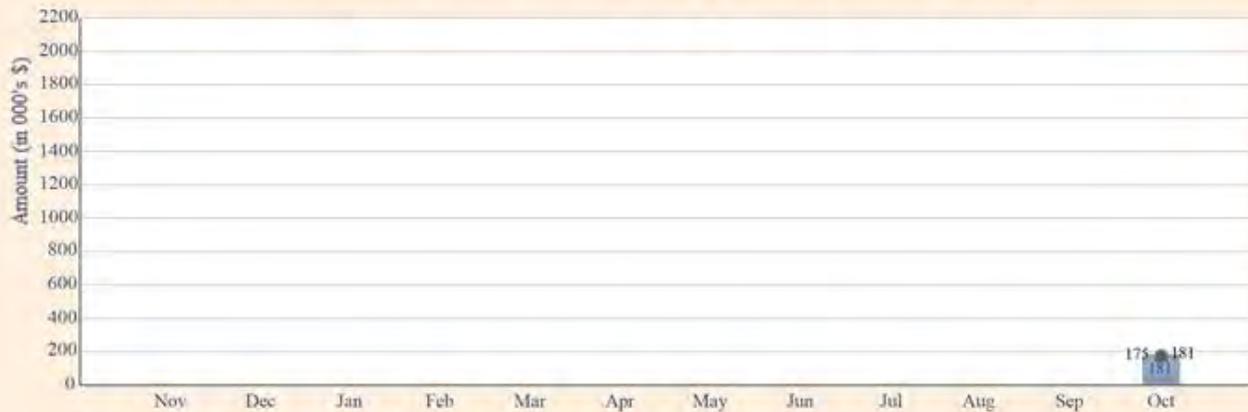
October Receivables to Revenue Ratio info is pending, Delinquency info is pending million.

INVESTMENT EARNINGS

INVESTMENT CASH EARNINGS

Monthly & Cumulative Earnings compared to YTD Budget

- Monthly Earnings
- ▲ YTD Cumulative Earnings FY-2019
- YTD Cumulative Earnings Budget FY-2018



Earnings to date for October were above Projected Budget by \$6,050

FINANCIAL HIGHLIGHTS

INVESTMENT YIELD

CORE INVESTMENTS YIELD

Monthly Yield compared to Merrill Lynch Benchmark



Yield for October was less than the treasury index by 0.76%

SHORT TERM INVESTMENT YIELD

Short Term Yield compared to Merrill Lynch Benchmark



Short Term Yield for October was less than the Merrill Lynch yield by 0.37%

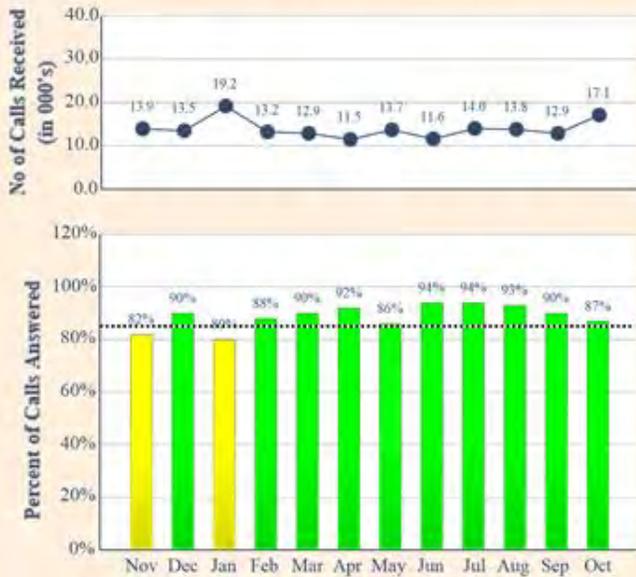
CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

CUSTOMER SERVICE

CALL CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Call Center: Calls answered (%)
- No of Calls - Call Center (in 000's)
- Target - Call Center (85%)

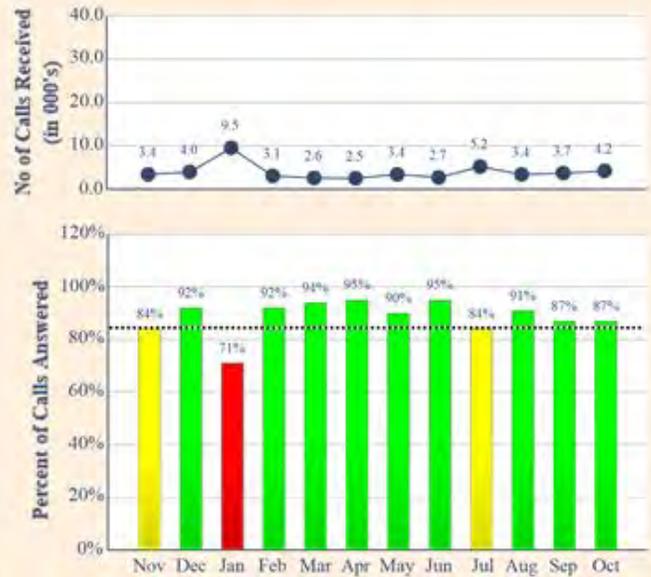


Performance for October was above target by 2%

COMMAND CENTER PERFORMANCE

Calls Answered within 40 Seconds compared to Target

- Command Center: Calls answered (%)
- No of Calls - Command Center (in 000's)
- Target - Command Center (85%)



Performance for October was above target by 2%

FIRST CALL RESOLUTION (FCR)

Calls resolved on first contact compared to Target

- FCR (%)
- FCR Target (75%)

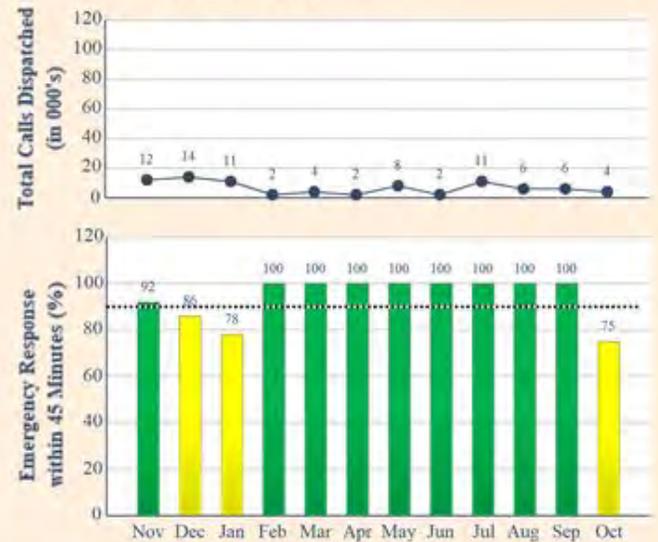


Performance for October was below target by 5%. Increase caused by collection activity. Customers calling multiple times to prevent disconnection, or to reconnect after disconnection.

EMERGENCY RESPONSE TIME

Calls responded to within 45 Minutes compared to Target

- Response (%) within Target
- Total Emergency Calls Dispatched
- Response Target (90%)

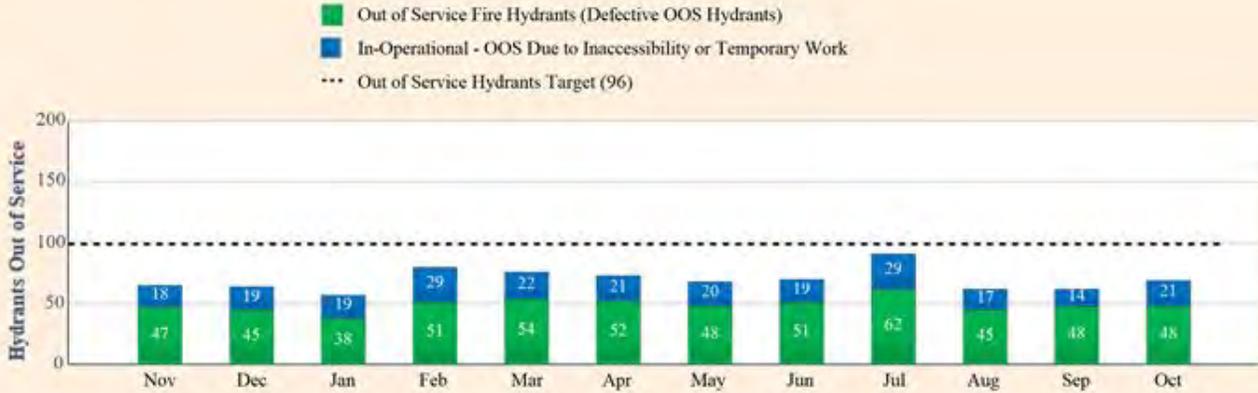


CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

FIRE HYDRANTS

Fire Hydrants Out of Service (OOS)

Total Hydrants Out of Service against Target



Fire Hydrant Inspections and Maintenance

Total Hydrant Inspection and Maintenance Work Orders Completed per Month



Total Hydrant Replacements Per Month

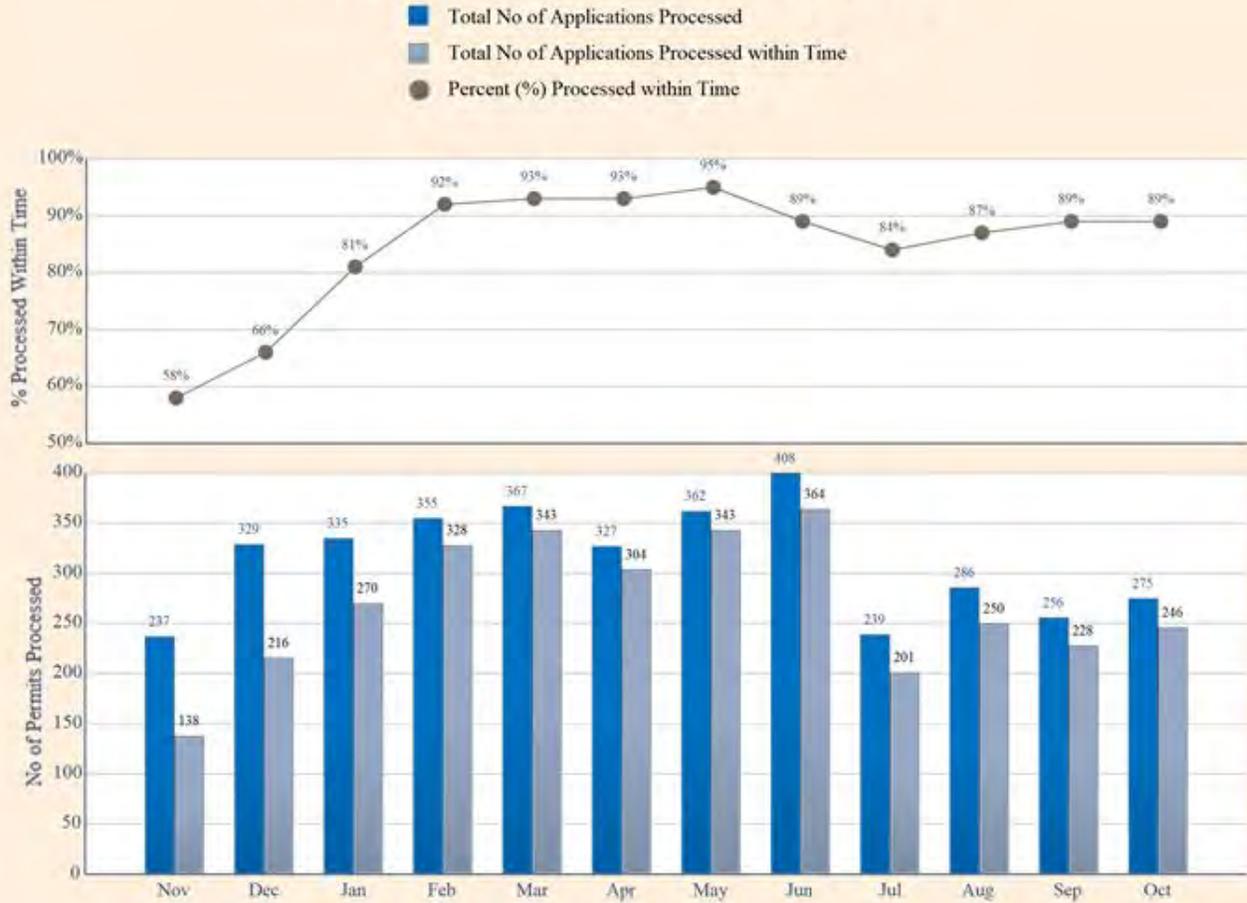
Annual Replacement Target (250)



CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

PERMIT PROCESSING

PERCENT OF APPLICATIONS PROCESSED WITHIN SLA



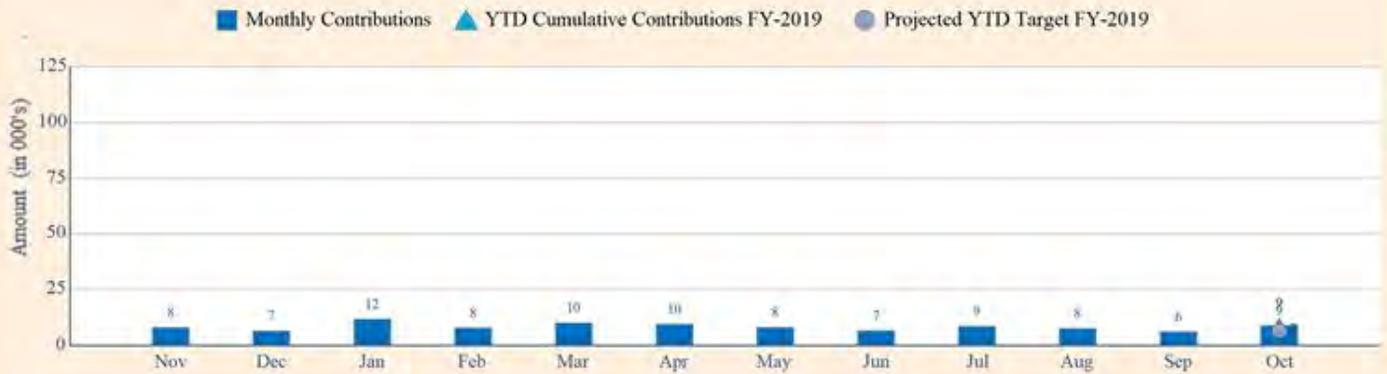
Permits processed in October were 4% above the SLA target of 85%

LOW INCOME ASSISTANCE PROGRAM

SPLASH PROGRAM

SPLASH CONTRIBUTIONS

Monthly and Cumulative Contributions compared to YTD Target

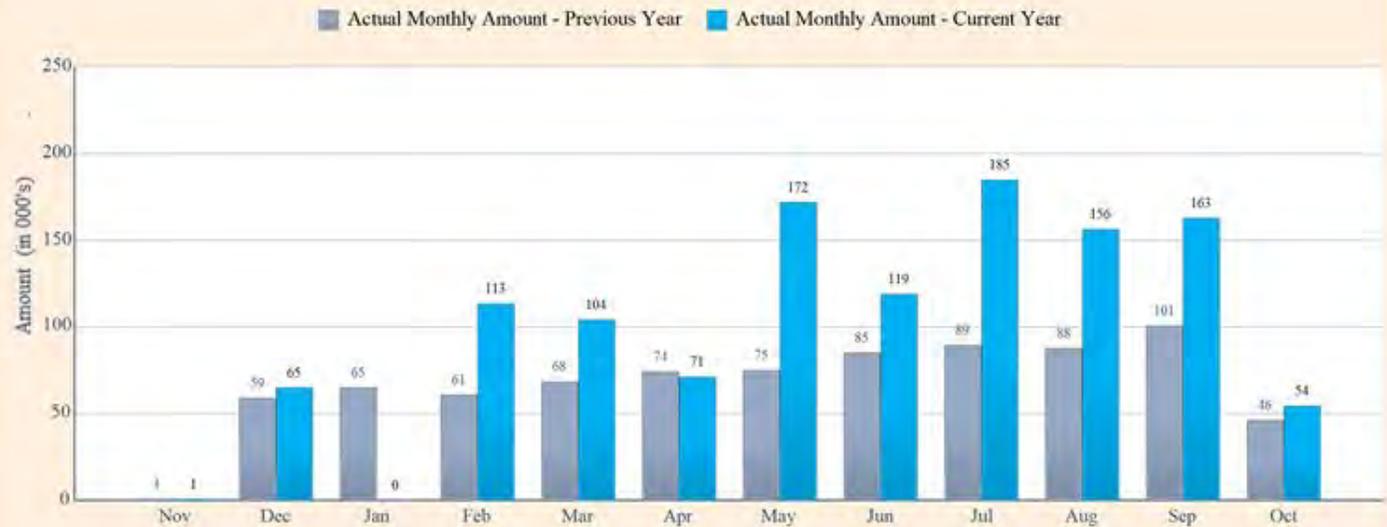


Total SPLASH Contributions to date for October were above target by \$2,290

CUSTOMER ASSISTANCE PROGRAM (CAP)

CUSTOMER ASSISTANCE PROVIDED

Monthly Assistance Provided compared to corresponding Previous Year Periods



OPERATIONAL HIGHLIGHTS

DRINKING WATER QUALITY

LEAD AND COPPER RULE (LCR) COMPLIANCE

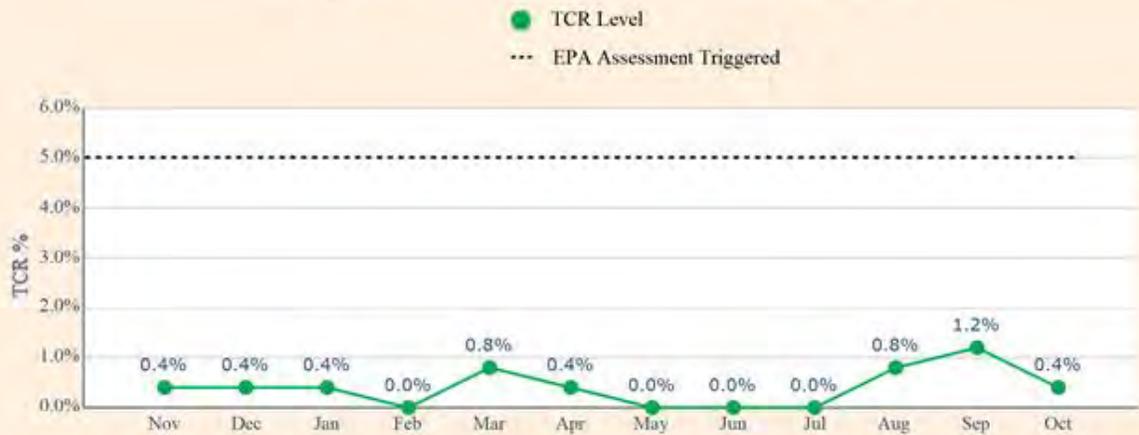
Semi-Annual LCR Monitoring Results



Jul-Dec 2018 results to date

TOTAL COLIFORM RULE (TCR) COMPLIANCE

Total Coliform Positives compared to EPA Maximum Contaminant Level (MCL)



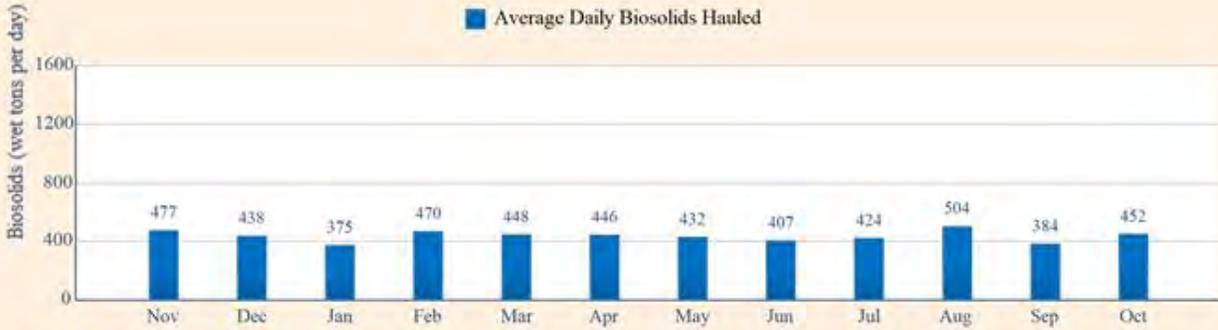
Coliform Positive was recorded at .4% in October

OPERATIONAL HIGHLIGHTS

WASTEWATER TREATMENT

BIOSOLIDS PRODUCTION

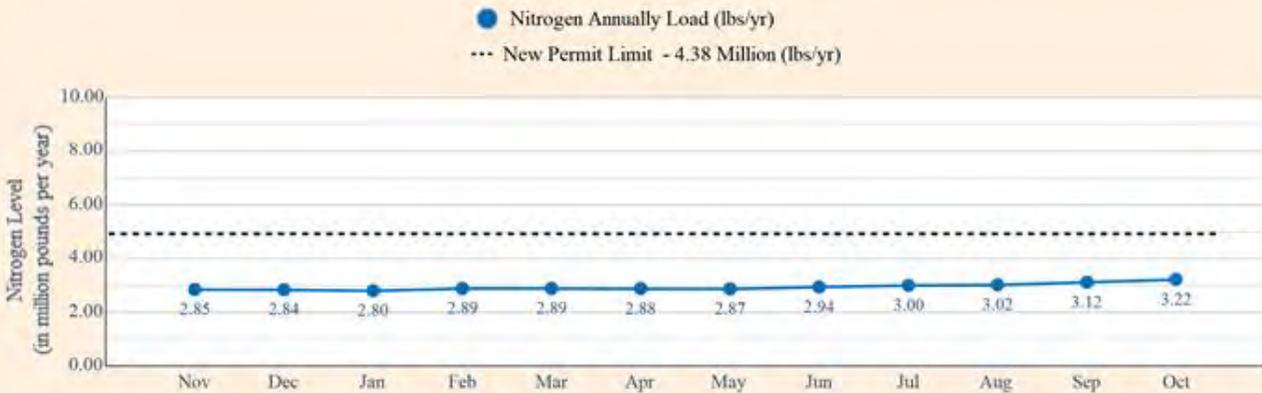
Average Daily Biosolids Production



Biosolids Daily Production for October were 452 wet tons per day

TOTAL NITROGEN

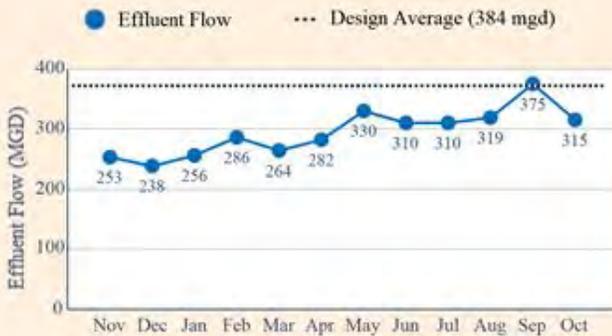
Total Nitrogen Compared to New Permit Levels



Nitrogen level for October were below permit by 1.16 million lbs/yr

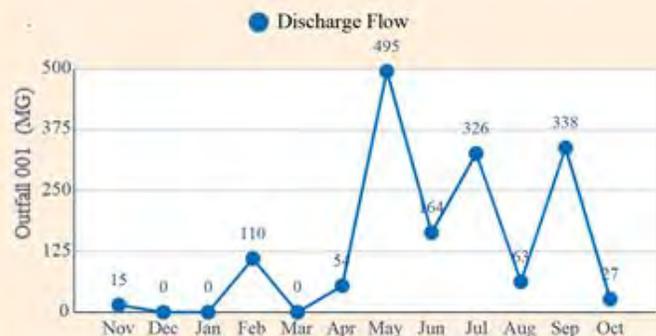
OUTFALL 002 - PLANT EFFLUENT FLOW

Effluent Flow compared to Plant Design Average Limit



In October Influent flow was below design by 69 MGD

OUTFALL 001 - DISCHARGE FLOW

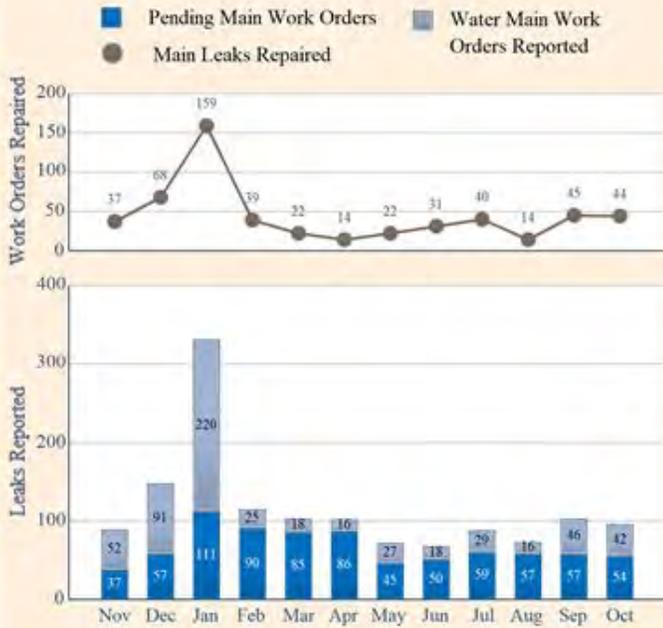


Excess flow events were recorded at 26.77 MG in October

OPERATIONAL HIGHLIGHTS

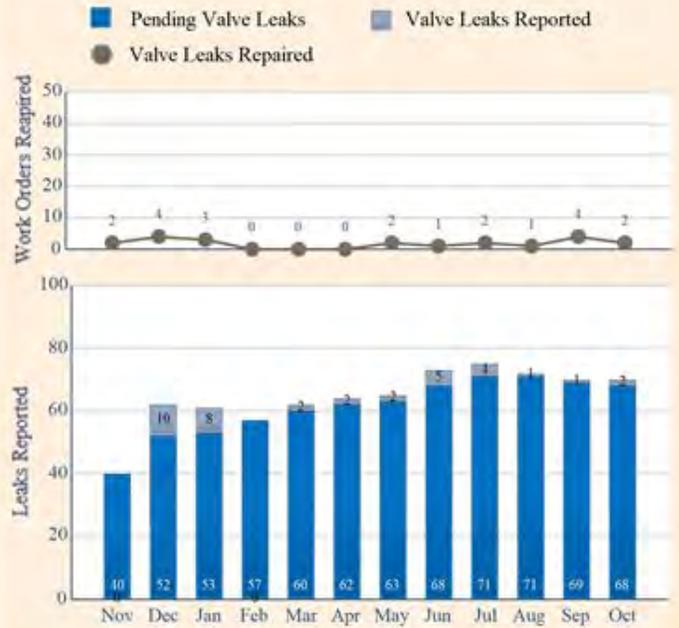
WATER DISTRIBUTION OPERATIONS

WATER MAIN LEAKS



There were 42 Water Main Work Orders reported in October

WATER VALVE LEAKS

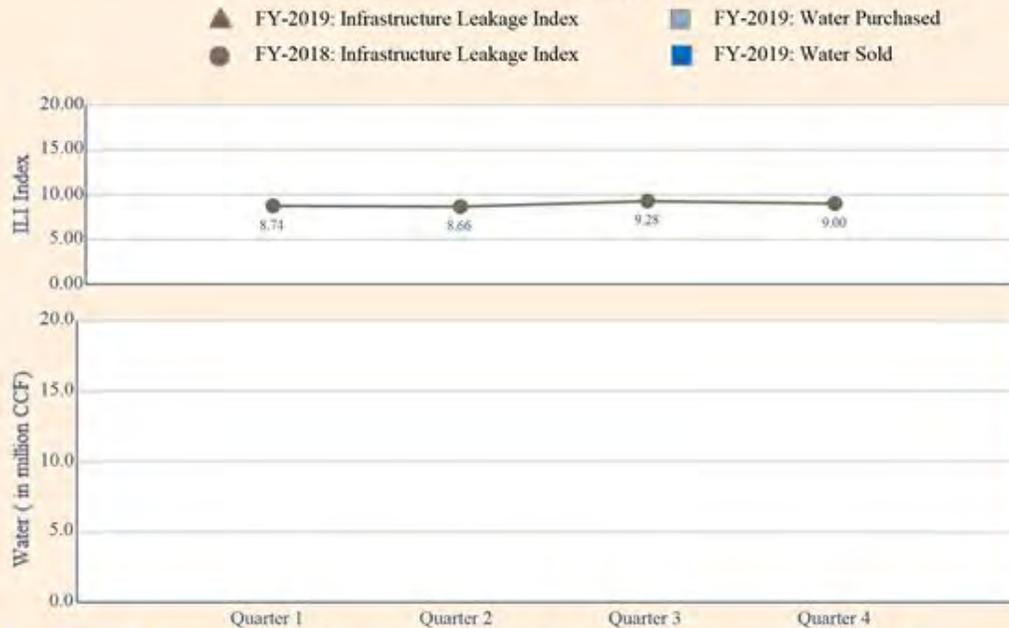


2 leaks were resolved in October

WATER BALANCE

NON-REVENUE WATER

Volume of Water Purchased and Sold per Quarter



In the 4th quarter of FY 2018, 9.60 out of 13.05 million cubic feet of water was sold. FY2019 Water Balance Pending

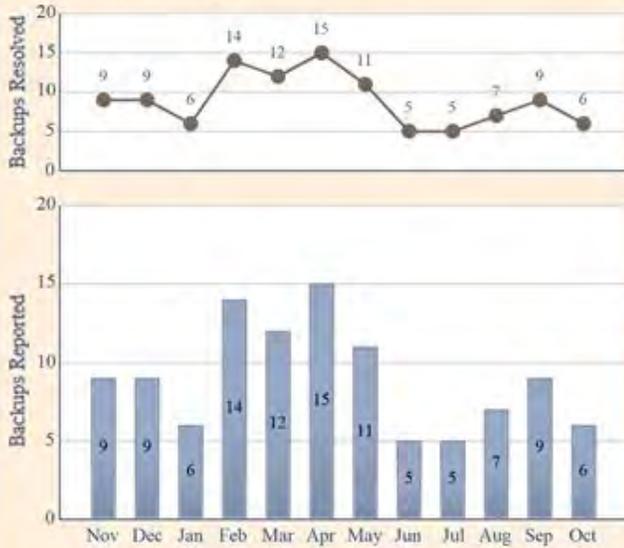
OPERATIONAL HIGHLIGHTS

SEWER SYSTEM OPERATIONS

SEWER MAIN BACKUPS

Sewer Mains Backed Up and Relieved per Month

- Pending Main Backups
- Main Backups Reported
- Main Backups Resolved

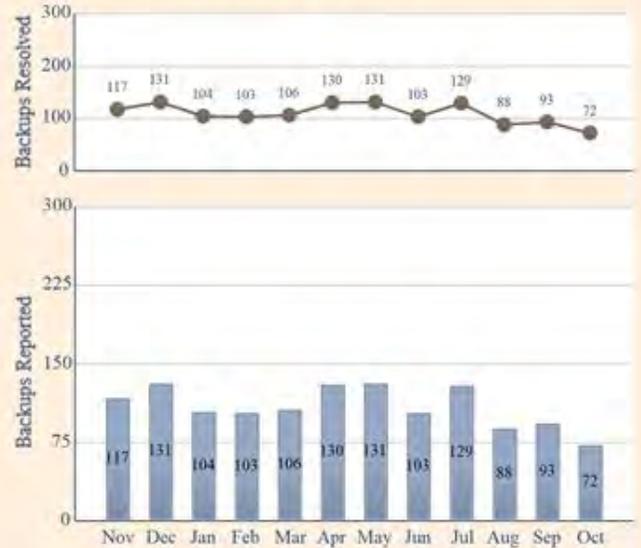


No pending main backups reported

SEWER LATERAL BACKUPS

Sewer Laterals Backed Up and Relieved per Month

- Pending Lateral Backups
- Lateral Backups Reported
- Lateral Backups Resolved



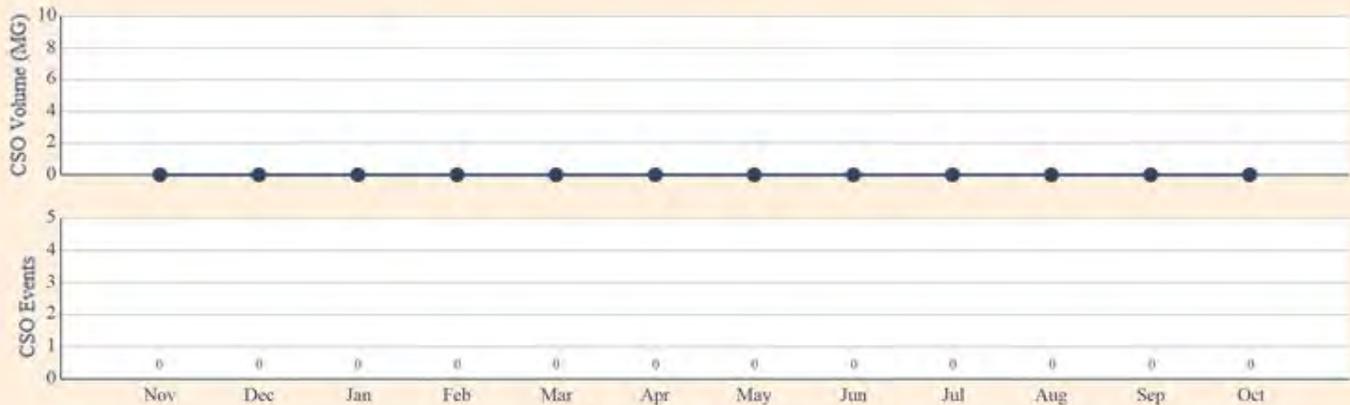
No pending lateral backups reported

COMBINED SEWER SYSTEM

DRY WEATHER CSO EVENTS

Combined Sewer Overflow Volume and No of Events per Month

- Overflow Volume (MG)
- Number of CSO Events



No dry weather Combined Sewer Overflow events were recorded in October 2018

OPERATIONAL HIGHLIGHTS

HUMAN RESOURCES

RECRUITMENT ACTIVITY

PREVIOUS FISCAL YEAR



RECRUITMENT ACTIVITY

CURRENT FISCAL YEAR



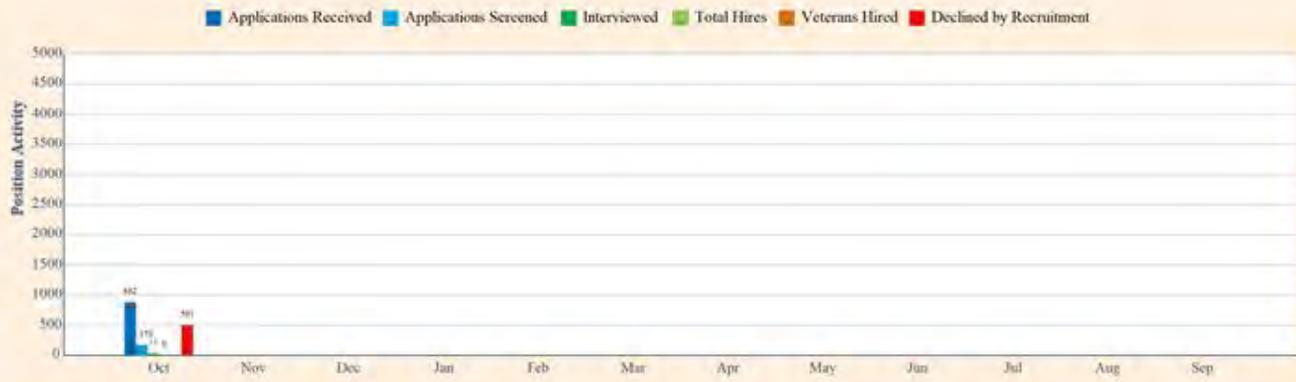
RECRUITMENT PERFORMANCE METRIC

PREVIOUS FISCAL YEAR



RECRUITMENT PERFORMANCE METRIC

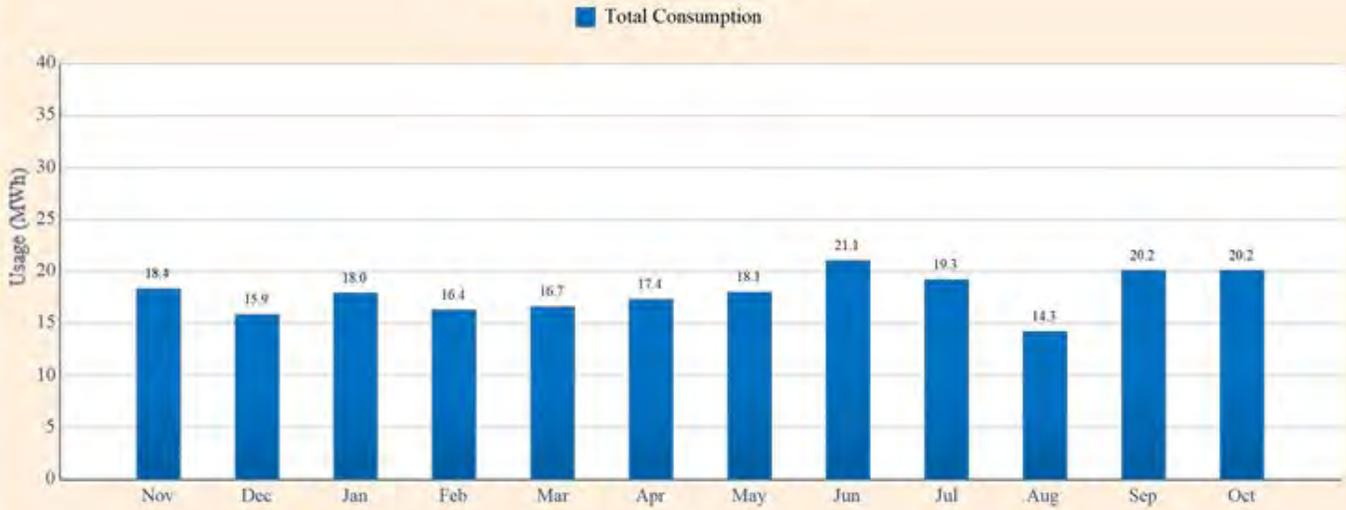
CURRENT FISCAL YEAR



OPERATIONAL HIGHLIGHTS

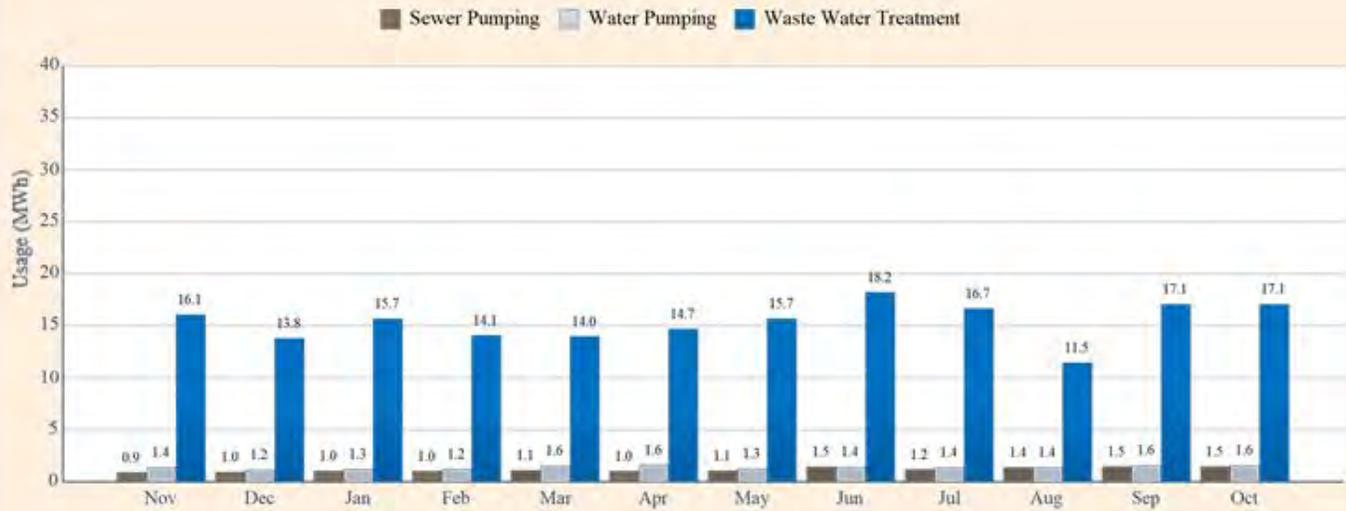
ENERGY CONSUMPTION

ELECTRICITY USAGE SUMMARY



Electricity Consumption in October was 20,171 KWh

ELECTRICITY USAGE BY SERVICE AREA



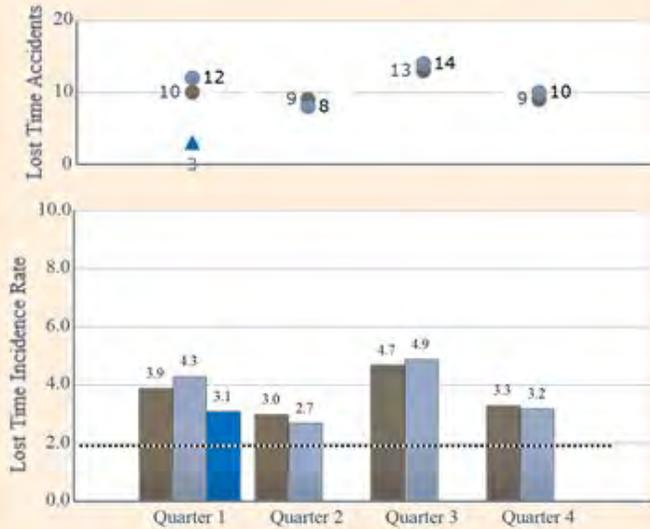
Waste Water Treatment had the highest electricity consumption in October at 17,091 KWh

OPERATIONAL HIGHLIGHTS

SAFETY

EMPLOYEE LOST TIME INCIDENCE RATE

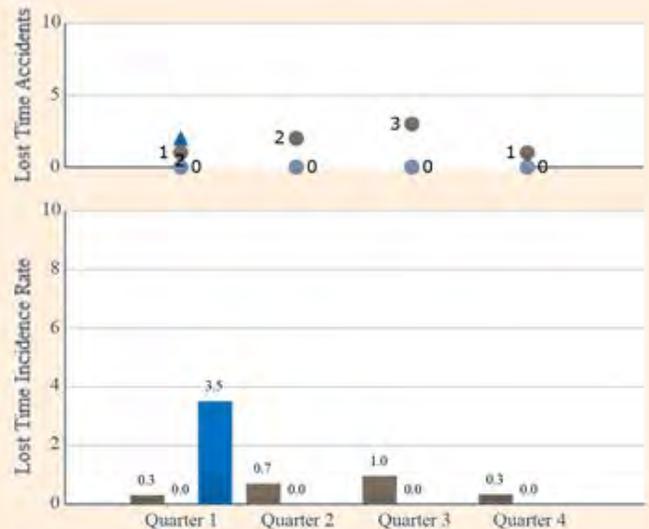
- FY-2017: No of LT Accidents
 - FY-2018: No of LT Accidents
 - ▲ FY 2019 No of LT Accidents
 - FY-2017: LT Incidence Rate
 - FY-2018: LT Incidence Rate
 - FY 2019 LT Incidence Rate
- Target/National: LT Incidence Rate



In the 1st quarter, 3 lost time accidents were reported

CONTRACTOR LOST TIME INCIDENCE RATE

- FY-2017: No of LT Accidents
- FY-2018: No of LT Accidents
- ▲ FY 2019 No of LT Accidents
- FY-2017: LT Incidence Rate
- FY-2018: LT Incidence Rate
- FY 2019 LT Incidence Rate

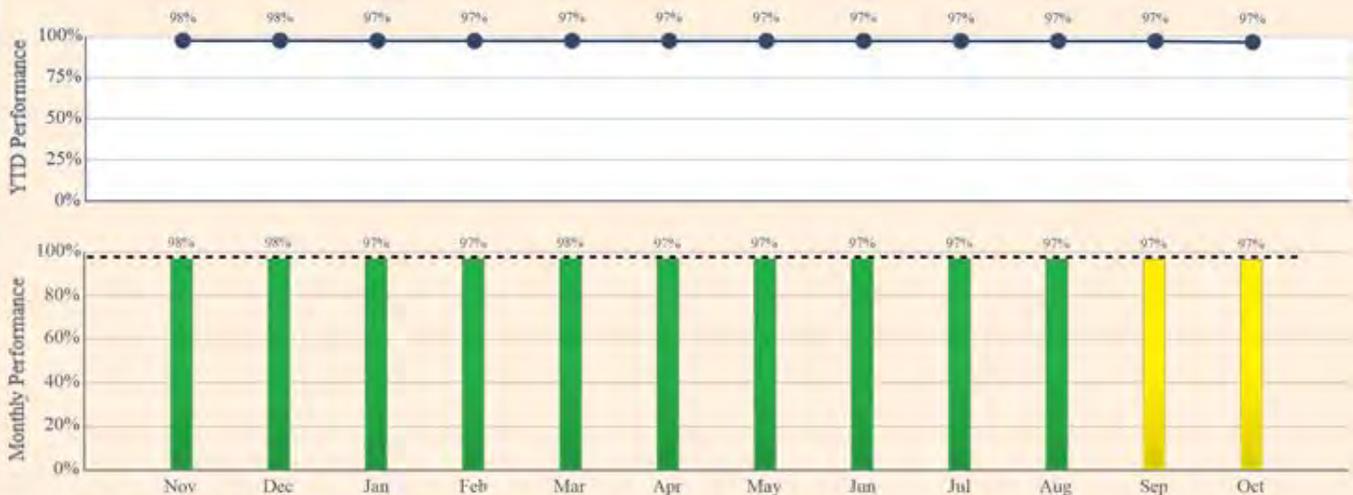


In the 1st quarter, 2 lost time accidents were reported

VENDOR PAYMENTS

VENDOR PAYMENT PERFORMANCE

- Monthly Performance (%)
- YTD Performance (%)
- Monthly Target - (97%)



Performance for October was below the monthly target by 0.4%

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

*	**
<p>Red - when the actual is lower than 3% of budget or target</p> <p>Yellow - when the actual is within 3% 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 3% of budget or target</p> <p>Yellow - when the actual is within 3% 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, □)

A

CUSTOMER CARE AND OPERATIONS HIGHLIGHTS

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

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

- 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****

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

***	****
<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, □)

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***

OPERATIONAL HIGHLIGHTS

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****

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

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
- 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

Dynamic Color Coding Legend

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

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

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

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

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.

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

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, □)

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 %.

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, □)



Consent Agenda

Summary of Contracts

248th Meeting of the DC Water Board of Directors

Thursday, December 6, 2018

Joint Use Contracts

1. **Resolution No. 18-74, Execute Supplemental Agreement No. 02 of Contract No. DCFA #450-WSA, Arcadis District of Columbia, PC.** The purpose of the supplemental agreement is to continue providing construction management and related engineering services for the construction of a Tunnel Dewatering Pump Station and Enhanced Clarification Facility. The supplemental agreement amount is \$2,600,000. **(Recommended by the Environmental Quality and Operations Committee 11/15/18)**
2. **Resolution No. 18-75, Execute Contract No. 130280, Ulliman Schutte Construction, LLC.** The purpose of the contract is to upgrade major mechanical equipment serving the Filtration and Disinfection Facility. The contract amount is \$18,267,000. **Recommended by the Environmental Quality and Operations Committee 11/15/18)**
3. **Resolution No. 18-76, Add Funding to Option Year Three of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria** The purpose of the additional funding is to continue the services of a professional industrial cleaning crew to provide routine cleaning of the wastewater field areas, which house the processing equipment and systems. The additional funding amount is \$500,000. **(Recommended by the Environmental Quality and Operations Committee 11/15/18)**
4. **Resolution No. 18-77, Execute Contract No. 18-PR-DWT-38, Nutri-Blend Inc.** The purpose of the contract is to purchase biosolids management services to remove biosolids from the Dewatered Biosolids Loading Facility, and manage its disposition. The contract amount is \$2,000,000. **(Recommended by the Environmental Quality and Operations Committee 11/15/18)**

5. **Resolution No. 18-78, Execute the Extension and add Funding to Option Year Two of Contract No. WAS-12-066-AA-RE, Polydyne, Inc.** The purpose of the extension is to provide continuity of supply while the Authority conduct full-scale plant testing, data evaluation, and contract negotiations. The additional funding amount is \$1,000,000. **(Recommended by the Environmental Quality and Operations Committee 11/15/18)**

Non-Joint Use

1. **Resolution No. 18-79, Execute Change Order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc.** . The purpose of the change order is to provide electric upgrades and related infrastructure work at five storm water pumping stations. The change order amount is \$3,150,000. **(Recommended by the Environmental Quality and Operations Committee 11/15/18)**

Presented and Approved: December 6, 2018
SUBJECT: Approval to Execute Supplemental Agreement No. 02 of Contract No. DCFA #450-WSA, Arcadis District of Columbia, PC

#18-74
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to approve Supplemental Agreement No. 02 of Contract No. DCFA #450-WSA, Arcadis District of Columbia, PC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Supplemental Agreement No. 02 of Contract No. DCFA #450-WSA, Arcadis District of Columbia, PC. The purpose of the supplemental agreement is to continue providing construction management and related engineering services for the construction of a Tunnel Dewatering Pump Station and Enhanced Clarification Facility. The supplemental agreement amount is \$2,600,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES SUPPLEMENTAL AGREEMENT:

**Tunnel Dewatering Pump Station and Enhanced Clarification Facility - CM
(Joint Use)**

Approval to execute Supplemental Agreement No. 02 for \$2,600,000.00. The modification exceeds the General Manager's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Arcadis District of Columbia, PC 7550 Teague Road Suite 210 Hanover, MD 21076 <u>Headquarters</u> Highlands Ranch, CO 80129	Delon Hampton & Associates Washington, DC MBE	17.2%
	Cube Root Corporation Washington, DC MBE	3.1%
	Environ-Civil Engineering Columbia, MD MBE	2.7%
	URS (AECOM) Washington, DC	7.7%
	Atane Engineers, Inc. New York, NY	6.8%
	CWD Consulting, LLC Westminster, MD	1.5%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$20,698,656.00
Value of this Supplemental Agreement:	\$ 2,600,000.00
Cumulative SA Value, including this SA:	\$ 8,124,383.00
Current Contract Value, Including this SA:	\$28,823,039.00
Original Contract Time:	1,890 Days (5 Years, 2 Months)
Time extension, this SA:	180 Days
Total SA contract time extension:	180 Days (0 Years, 6 Months)
Contract Start Date:	08-28-2013
Contract Completion Date:	04-28-2019

Purpose of the Contract:

To provide onsite Construction Management Services for the Tunnel Dewatering Pump Station and Enhanced Clarification Facility (TDPS-ECF)
This work is required by Consent Decree.

Original Contract Scope:

To provide construction management and related engineering services for the construction of a Tunnel Dewatering Pump Station and Enhanced Clarification Facility at the District of Columbia's Advanced Water Treatment Plant at Blue Plains.

Previous Supplemental Agreement Scope:

The scope remains the same as the original agreement; to provide construction management and related engineering services for the construction of a Tunnel Dewatering Pump Station and Enhanced Clarification Facility. At the time of the Agreement, the available budget could only support the required level of services through Fiscal Year 2017 and not the fully anticipated services required through the completion of the project.

Current Supplemental Agreement Scope:

The scope remains the same as the original agreement; to provide construction management and related engineering services for the construction of a Tunnel Dewatering Pump Station and Enhanced Clarification Facility. Due to Contractor time extensions, the construction management scope is extended through April 28, 2019.

Future Supplemental Agreement Scope:

No future supplemental agreement is anticipated.

PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Engineering Services	Contract Number:	DCFA #450-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater, Combined Sewer	Department Head:	Diala Dandach
Project:	E8, FR, CY		

ESTIMATED USER SHARE INFORMATION

CY – Anacostia LTCP Allocation

User	Share %	Dollar Amount
District of Columbia	92.90%	\$ 801,671.26
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	5.54%	\$ 47,806.88
Fairfax County	1.01%	\$ 8,715.69
Loudoun County & Potomac Interceptor	0.55%	\$ 4,746.17
Total Estimated Dollar Amount	100.00%	\$ 862,940.00

E8, FR – Wastewater Treatment Allocation

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 716,016.13
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	45.84%	\$ 796,268.30
Fairfax County	8.38%	\$ 145,565.63
Loudoun County & Potomac Interceptor	4.56%	\$ 79,209.94
Total Estimated Dollar Amount	100.00%	\$1,737,060.00

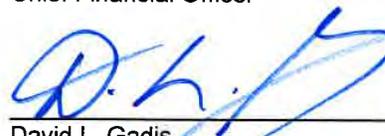
Combined Allocation

User	Share %	Dollar Amount
District of Columbia	58.37%	\$1,517,687.39
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	32.47%	\$ 844,075.18
Fairfax County	5.93%	\$ 154,281.32
Loudoun County & Potomac Interceptor	3.23%	\$ 83,956.11
Total Estimated Dollar Amount	100.00%	\$2,600,000.00


 Leonard R. Benson
 Chief Engineer
 Date 11-07-18


 Matthew T. Brown
 Chief Financial Officer
 Date 11/8/18


 Dan Bae
 Director of Procurement
 Date 11/9/18


 David L. Gadis
 CEO and General Manager
 Date 11/28/18

Presented and Approved: December 6, 2018
SUBJECT: Approval to Execute Contract No. 130280, Ulliman Schutte Construction, LLC

#18-75
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a joint use matter, decided by a vote of ___() in favor and ___() opposed to approve Contract No. 130280, Ulliman Schutte Construction, LLC.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 130280, Ulliman Schutte Construction, LLC. The purpose of the contract is to upgrade major mechanical equipment serving the Filtration and Disinfection Facility. The contract amount is \$18,267,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

**Filtration Influent Pumps 1-10 Replacement
(Joint Use)**

Approval to execute a construction contract for \$18,267,000.00

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Ulliman Schutte Construction, LLC 14420 Albermarle Point Place, Suite 110, Chantilly, VA 20151 <u>Headquarters</u> Miamisburg, OH 45342	Hi-Mark Construction Group, Inc. Middletown, OH MBE GE Frisco Co. Inc. Upper Marlboro, MD MBE Ideal Electric Supply Washington, DC WBE	29.4% 4.7% 6.4%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	\$18,267,000.00
Contract Time:	1043 Days (2 Years, 10 Months)
Anticipated Contract Start Date (NTP):	02-13-2019
Anticipated Contract Completion Date:	12-22-2021
Bid Opening Date:	09-19-2018
Bids Received:	5
Other Bids Received	
American Contracting & Environmental Svs.	\$19,633,000
W. M. Schlosser Co., Inc.	\$20,466,000
Corman Kokosing Construction Co.	\$20,993,643
Norair Engineering Corp.	\$21,209,643

Purpose of the Contract:

Upgrades to major mechanical equipment serving the Filtration and Disinfection Facility.

Contract Scope:

- Demolition of ten existing Filtration Influent Pumps, motors, eddy current drives, and discharge valves.
- Installation of ten new Filtration Influent Pumps, motors, and discharge valves; four new medium voltage variable frequency drives; fiberglass reinforced plastic (FRP) baffle/curtain walls and vortex suppression baskets in the pump wetwells.
- Replacement of existing low voltage motor control centers in the Control Tower; lighting and power panelboards throughout the Filtration Facility; ten bearing water control panels; and two sewage ejectors.
- Miscellaneous Filtration Facility improvements.

Federal Grant Status:

- Construction Contract is eligible for Federal grant funding assistance: inclusion in grant is pending availability of grant funds.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	130280
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Wastewater	Department Head:	Diala Dandach
Project:	UC		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.22%	\$ 7,529,657.40
Federal Funds*	0.00%	\$
Washington Suburban Sanitary Commission	45.84%	\$ 8,373,592.80
Fairfax County	8.38%	\$ 1,530,774.60
Loudoun County & Potomac Interceptor	4.56%	\$ 832,975.20
Total Estimated Dollar Amount	100.00%	\$18,267,000.00

* Eligible for Federal Grant Funding at 55% of the District of Columbia share. Grant funding is insufficient to fund all eligible contracts. Federal Grant Funding may be used if additional funding becomes available or if other eligible projects are postponed.

Benson / *11-7-18*

Leonard R. Benson / Date
Chief Engineer

[Signature] / *11/9/18*
Dan Bae / Date
Director of Procurement

[Signature] / *11/8/18*
Matthew T. Brown / Date
Chief Financial Officer

[Signature] / *11/28/18*
David L. Gadis / Date
CEO and General Manager

Presented and Approved: December 6, 2018
SUBJECT: Approval to Add Funding to Option Year Three of Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria

#18-76
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to approve additional funding for Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute additional funding for Contract No. 15-PR-DWT-02, Charmay, Inc. dba ServiceMaster of Alexandria. The purpose of the additional funding is to continue the services of a professional industrial cleaning crew to provide routine cleaning of the wastewater field areas, which house the processing equipment and systems. The additional funding amount is \$500,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**Industrial Cleaning Service
(Joint Use)**

Approval to add funding for option year 3 for the Industrial Cleaning Service contract in the amount of \$500,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Charmay, Inc. dba ServiceMaster of Alexandria 7551 Fordson Road Alexandria, VA 22306 LSBE	SUBS: N/A	PARTICIPATION: 100%
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$520,690.34
Original Contract Dates:	10-19-2015 – 10-18-2016
No. of Option Years in Contract:	4
Modification Value:	\$74,349.04
Modification Dates:	02-15-2016 – 10-18-2016
Option Year 1 Value:	\$612,915.87
Option Year 1 Dates:	10-19-2016 – 10-18-2017
Option Year 2 Value:	\$600,000.00
Option Year 2 Dates:	10-19-2017 – 10-18-2018
Option Year 3 Value:	\$100,000.00
Option Year 3 Dates:	10-19-2018 – 10-18-2019
Option Year 3 Additional Funding:	\$500,000.00
Option Year 3 Modification Dates:	12-06-2018 – 10-18-2019

Purpose of the Contract:

To provide a team of professional industrial cleaning crew to do thorough routine cleaning of our wastewater treatment field areas, which house our processing equipment and systems.

Contract Scope:

The areas of Industrial Cleaning Service are above and below ground. It covers many different areas of process stations, galleries, labeled piping systems, pumps and associated equipment, conveyance systems and stairwells throughout Blue Plains Wastewater Treatment. If these areas are not serviced, the performance of the process units at Blue Plains will be impacted significantly and could result in equipment damage and disruption of the wastewater treatment process.

Spending Previous Year:

Cumulative Contract Value:	10-19-2015 to 10-18-2018: \$1,907,955.15
Cumulative Contract Spending:	10-19-2015 to 08-07-2018: \$1,746,624.34

Contractor's Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Highest-Ranking Score
Commodity:	Services	Contract Number:	15-PR-DWT-02
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

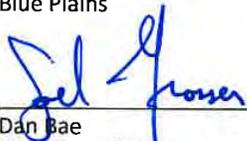
BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains AWTP	Department Head:	Salil Kharkar

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$209,500.00
Washington Suburban Sanitary Commission	43.10%	\$215,500.00
Fairfax County	9.59%	\$47,950.00
Loudoun Water	4.64%	\$23,200.00
Potomac Interceptor	0.77%	\$3,850.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$500,000.00


 Akile Tesfaye
 Assistant General Manager,
 Blue Plains
 Date: 11/5/18


 Dan Bae
 Director of Procurement
 Date: 11/6/2018 for Dan Bae


 Matthew T. Brown
 Chief Financial Officer
 Date: 11/6/2018


 David Gadis
 General Manager
 Date: 11/28/18

Presented and Approved: December 6, 2018
SUBJECT: Approval to Execute Contract No. 18-PR-DWT-38
Nutri-Blend Inc.

#18-77
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a joint use matter, decided by a vote of __() in favor and __() opposed to approve Contract No. 18-PR-DWT-38, Nutri-Blend Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Contract No. 18-PR-DWT-38, Nutri-Blend Inc. The purpose of the contract is to purchase biosolids management services to remove biosolids from the Dewatered Biosolids Loading Facility, and manage its disposition. The contract amount is \$2,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT AWARD
BIOSOLIDS MANAGEMENT
(Joint Use)**

Approval to execute a contract award for the Biosolids Management in the amount of \$2,000,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Nutri-Blend Inc. P.O. Box 38060 Richmond, VA 23231	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$2,000,000.00
Option Years:	2
Anticipated Contract Start Date:	01-01-2019
Anticipated Base Year End Date:	12-31-2019
Proposals Received:	5
Quote Range:	\$3,974,203.00 - \$5,497,651.00
Preference Price Reduction Awarded	\$0.00

Purpose of the Contract:

The purpose of this contract is to purchase biosolids management services. The proposed awardee, Nutri-Blend, would remove biosolids from the Dewatered Biosolids Loading Facility, and manage its disposition.

Contract Scope:

DC Water will purchase biosolids management services under this contract. These services include: removing biosolids from the Dewatered Biosolids Loading Facility; transporting biosolids to designated agricultural applications such as farms, compost facilities, and reclamation sites in the mid-Atlantic region; managing nutrient loading as well as land permits; and submitting required reports to DC Water as well as other regulatory agencies.

Firms quoted on the basis of managing the full biosolids production volume for which DC Water is responsible. Our goal is to sell 40% of that volume. This request will cover slightly less than the remaining volume, and equals the FY19 budget. We will assess monthly, and, if necessary, request to modify contract funding after the spring growing season.

Supplier Selection:

DC Water contacted 47 potential contractors during the solicitation process. Five firms submitted proposals, four of which met DC Water's technical requirements. Those firms entered in to price negotiations. The table below ranks scoring of the four firms. In the results listed, Nutri-Blend has offered DC Water the best score among the firms that were technically capable of performing the required services.

	Nutri-Blend	Kiser Lawn	Material Matters	Synagro
Final Scoring Rank	1	2	3	4

Savings:

For the base year of the contract, Procurement negotiated a unit price reduction amounting to about \$430,000 based on expected volume.

No LBE/LSBE participation.

PROCUREMENT INFORMATION

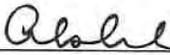
Contract Type:	Firm Fixed	Award Based On:	Best Value
Commodity:	Biosolids	Contract Number:	18-PR-DWT-38
Contractor Market:	Open Market with Preference Points for Local and Small Businesses		

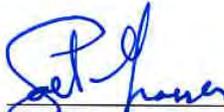
BUDGET INFORMATION

Funding:	Operating	Department:	Department of Wastewater Treatment
Service Area:	Blue Plains AWTP	Department Head:	Chris Peot

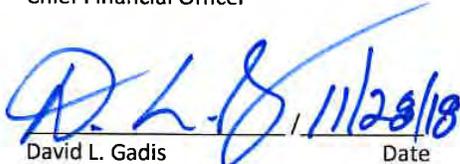
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	41.90%	\$838,000.00
Washington Suburban Sanitary Commission	43.10%	\$862,000.00
Fairfax County	9.59%	\$191,800.00
Loudoun County	4.64%	\$92,800.00
Other (PI)	0.77%	\$15,400.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,000,000.00

 / 11/5/18
 Akile Tesfaye Date
 Assistant General Manager,
 Blue Plains

 / 11/6/2018 for Dan Bae
 Dan Bae Date
 Director of Procurement

 / 11/6/2018
 Matthew T. Brown Date
 Chief Financial Officer

 / 11/29/18
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: December 6, 2018
SUBJECT: Approval to Execute the Extension and Additional Funding to Option Year Two of Contract No. WAS-12-066-AA-RE, Polydyne, Inc.

#18-78
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a joint use matter, decided by a vote of _() in favor and __() opposed to approve the Extension and additional funding of Option Year Two of Contract No. WAS-12-066-AA-RE, Polydyne, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute the extension and additional funding to Option Year Two of Contract No. WAS-12-066-AA-RE, Polydyne, Inc. The purpose of the extension is to provide continuity of supply while the Authority conduct full-scale plant testing, data evaluation, and contract negotiations. The additional funding amount is \$1,000,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT OPTION YEAR

**PRE-DEWATERING POLYMER
(Joint Use)**

This contract action is to extend option year 2 of the contract and add additional funding of \$1,000,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Polydyne, Inc. One Chemical Plant Road Riceboro, GA 31323	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$1,803,739.00
Original Contract Dates:	01-01-2013—12-31-2013
No. of Option Years in Contract:	2
Option Year 1 Value:	\$1,420,000.00
Option Year 1 Dates:	01-01-2014—12-31-2014
Option Year 2 Value:	\$1,420,000.00
Option Year 2 Dates:	03-02-2015—03-01-2016
Prior Modifications Value:	\$4,282,255.00
Prior Modifications Dates:	01-01-2015—12-31-2018
Requested Modification Value:	\$1,000,000.00
Requested Modification Dates:	01-01-2019—06-30-2019

Purpose of the Contract:

The purpose of this contract is to supply and deliver pre-dewatering dry polymer to DC Water’s Blue Plains Advanced Wastewater Treatment Facility. This polymer conditions biosolids to help remove water in the centrifuge process.

Reason for this Request

DC Water periodically re-evaluates its polymers to ensure usage of the best products at the optimal dosing rate. The polymer in this application has been performing exceptionally well and until recently pricing has been low, so retesting had been postponed. With market cost drivers now forcing prices higher, testing has been rescheduled to attempt to reduce costs while maintaining performance. This contract extension provides continuity of supply while we conduct full-scale plant testing, data evaluation, and contract negotiations.

The funding request covers six months at the current spending rate plus a 10% contingency.

Spending Previous Year:

Cumulative Contract Value:	01-01-2013 to 12-31-2018: \$8,925,994.00
Cumulative Contract Spending:	01-01-2013 to 10-15-2018: \$8,535,994.00

Contractor’s Past Performance:

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

No LBE/LSBE participation

PROCUREMENT INFORMATION

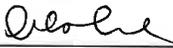
Contract Type:	Good and Services	Award Based On:	Best Value
Commodity:	Pre-Dewatering Polymer	Contract Number:	WAS-12-066-AA-RE
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

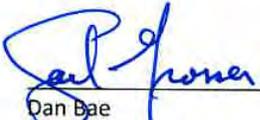
BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment
Project Area:	Blue Plains	Department Head:	Salil M. Kharkar

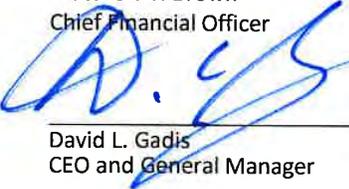
ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.90%	\$419,000.00
Washington Suburban Sanitary Commission	43.10%	\$431,000.00
Fairfax County	9.59%	\$95,900.00
Loudoun Water	4.64%	\$46,400.00
Other (PI)	0.77%	\$7,700.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,000,000.00

 / 11/5/18
 Akilte Tesfaye Date
 Assistant General Manager,
 Blue Plains

 / 11/6/2018 for Dan Bae
 Dan Bae Date
 Director of Procurement

 / 11/6/2018
 Matthew T. Brown Date
 Chief Financial Officer

 / 11/29/18
 David L. Gadis Date
 CEO and General Manager

Presented and Approved: December 6, 2018
SUBJECT: Approval to Execute Change Order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc.

#18-79
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a non- joint use matter, decided by a vote of _() in favor and __() opposed to approve Change Order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute Change Order No. 02 of Contract No. 150110, American Contracting & Environmental Services, Inc. The purpose of the change order is to provide electric upgrades and related infrastructure work at five storm water pumping stations. The change order amount is \$3,150,000.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**Miscellaneous Facilities Upgrade – Phase 5
(Non-Joint Use)**

Approval to execute Change Order No.02 for \$3,150,000.00. The modification will exceed the General Manager's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
American Contracting & Environmental Services, Inc. 10330 Old Columbia Rd. Columbia, MD 21046	*MBE/WBE Planned Goals: MBE \$ 1,008,000.00 WBE \$ 189,000.00	32.0% 6.0%

*Specific names of firms and final sub contracts will be finalized when work packages are negotiated.

DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 28,580,367.00
Value of this Change Order:	\$ 3,150,000.00
Cumulative CO Value, including this CO:	\$ 3,629,500.00
Current Contract Value, including this CO:	\$ 32,209,867.00
Original Contract Time:	1600 Days (4 Years, 5 Months)
Time extension, this CO:	0 Days
Total CO contract time extension:	0 Days
Contract Start Date (NTP):	09-07-2016
Contract Completion Date:	01-25-2021
Cumulative CO % of Original Contract:	12%
Contract completion %:	49%

Purpose of the Contract:

This contract was established to have a contractor available to perform emergency and non-emergency repairs on existing process equipment which is beyond routine, preventive and corrective maintenance.

Original Contract Scope:

- Install Grit Facilities Basin Coating and Covers.
- Plantwide UPS Upgrade for Process Control System.
- COF Cafeteria Renovation.
- Biosolids Blending Facility upgrades.
- Install Emergency Equipment and Materials.
- Process Facilities – Various Tasks.
- Perform Specialized Services as per Task Scope.
- Time and Material Work on Emergency Task Work Order.
- Maintenance Support Work related to Sewage Treatment plant processes.

Previous Change Order Scope:

A new pump seal water system is needed at the Potomac Pumping Station because the existing seal water system has exceeded its useful life. The five sewage pumps at this station require seal water for lubrication and cooling. Without this seal water system, the entire pumping station will shut down, resulting in an uncontrolled release of combined sewage to the Potomac River, and a violation of the NPDES permit and the terms of the Consent Decree.

Current Change Order Scope:

Electric upgrades and Related Infrastructure Work at Five Stormwater Pumping Stations

- These improvements are necessary to increase the reliability and remaining useful life of these facilities, and includes provisions for portable emergency generators, electrical equipment, pumps, piping, valves, instrumentation and controls, and related equipment.
- The work is partially funded by a grant from the Federal Emergency Management Agency (FEMA). This grant has a completion deadline that requires an aggressive approach to execute the work.
- To fast-track the work, two change orders will be processed to this contract to purchase the long lead time equipment, and then to install/construct the work, such that commissioning may be complete by the FEMA grant deadline of September 2019.
- This initial change order is for purchase of long lead-time equipment including electrical gear, pumps and valves, and Supervisory Control and Data Acquisition (SCADA) equipment, with remaining funds after purchases to be applied to installation.
- The second change order will be implemented after the FY19 CIP funds are available, anticipated in March 2019, to complete the installation and commissioning.

PROCUREMENT INFORMATION

Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	150110
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Stormwater	Department Head:	Diala Dandach
Project:	PM		

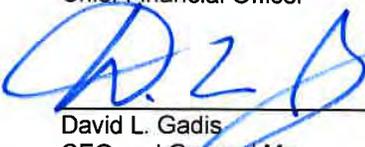
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	68.34%	\$ 2,152,793.00
Federal Funds	31.66%	\$ 997,207.00
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 3,150,000.00


 Leonard R. Benson
 Chief Engineer
 11-7-18
 Date


 Matthew T. Brown
 Chief Financial Officer
 11/8/18
 Date


 Dan Bae
 Director of Procurement
 11/8/18
 Date


 David L. Gadis
 CEO and General Manager
 11/20/18
 Date

Presented and Adopted: December 6, 2018

SUBJECT: Approval to Publish Notice of Final Rulemaking to Expand the Customer Assistance Program (CAP) to Establish Rules for DC Water's CAP2 Program, to Adopt Rules for Implementing the District's CAP3 Program, and Not Taking Action on the District's CRIAC Nonprofit Relief Program Pending Review of Department of Energy and Environment Implementing Regulations

**#18-80
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("the Authority"), at the Board meeting held on December 6, 2018 upon consideration of a non-joint use matter decided by a vote of ___ (__) in favor and ___ (__) opposed to Publish Notice of Final Rulemaking to Expand the Customer Assistance Program (CAP) to Establish Rules for DC Water's CAP2 Program, to Adopt Rules for Implementing the District's CAP3 Program and Not Taking Action on the District's CRIAC Nonprofit Relief Program, Pending Review of Department of Energy and Environment Implementing Regulations.

WHEREAS, D.C. Official Code § 34-2202.16(b-1)(1) requires the Authority to "offer financial assistance programs to mitigate the impact of any increases in retail water and sewer rates and the impervious area charge on low-income residents of the District..;" and

WHEREAS, in Resolution 14-56, dated September 4, 2014, the Board adopted General Principals of Affordability for Low-Income Customers, that require: 1) consideration of rate impacts on low income customers; 2) exploration of affordability alternatives for low-income customers, and 3) development of a more innovative rate structure, the goal of which is to reduce the economic burden on low-income customers at the earliest practicable date consistent with the Board's need to gather sufficient data to support any rate structure chosen; and

WHEREAS, in Resolution 16-60, dated July 7, 2016, the Board directed the General Manager to: 1) evaluate the CAP program and recommend expansion of CAP to include the Clean Rivers Impervious Area Charge (CRIAC); 2) review the impact of CRIAC on various customer segments including low-income customers who do not qualify for CAP and report findings by December 2016; and 3) request the Finance and Budget

Committee to review the policy governing use of the Rate Stabilization Fund to reduce or moderate or eliminate the impact of CRIAC increases on ratepayers, particularly ratepayers eligible for CAP; and

WHEREAS, in Resolution 17-18, dated March 2, 2017, the Board approved revisions to the CAP program to reduce CAP charges by 50% for CAP eligible customers; and

WHEREAS, on January 23, 2018, the DC Retail Water and Sewer Rates Committee reviewed the Authority's FY 2019 and 2020 Rate Proposal, which projected overall water and sewer rate increases of 13% in FY 2019 and 5% in FY 2020, and combined average household customer water, sewer and CRIAC increase of 5.6%; and

WHEREAS, on February 20, 2018, the DC Retail Water and Sewer Rates Committee reviewed the Authority's FY 2019 and 2020 Rate Proposal, that projected overall water and sewer rate increases of 13% in FY 2019 and 5% in FY 2020, and revised combined average household customer water, sewer and CRIAC increase of 5.9%, and reviewed the 2018 Cost of Services Study, including its objectives, revenue sufficiency analysis, rate equity and retail rate structures, and customer impacts; and

WHEREAS, on April 24, 2018, the DC Retail Water and Sewer Rates Committee reviewed the Rate Policy Options and the Rate Stabilization Fund, including the history of the Rate Stabilization Fund contributions and withdrawals and considered impacts of broad-based versus targeted relief to low income customers by modifying or expanding CAP; and

WHEREAS, D.C. Official Code § 34-2202.16(b-1)(1) does not define the term "low-income", however District and federal regulations define the term as "a household or family whose annual income is greater than fifty percent (50%) but less than eighty percent (80%) of the area median income" and "income not in excess of 80 percent of the area median income..." 10-B DCMR § 4199 and 24 C.F.R. §81.17(b)(1), respectively; and

WHEREAS, on July 26, 2018, the DC Retail Water and Sewer Rates Committee met to consider the proposed revised rates and fees for FY 2019 and 2020 and comments received during the public comment period; and

WHEREAS, DC Retail Water and Sewer Rates Committee recommended approval of the revised rates and fees to the Board, and noted that public comments and suggestions to consider the impact of higher rates on seniors, that CAP programs be extended to include households that include seniors, and that there be exemption from CRIAC fees for churches and cemeteries; and

WHEREAS, on July 26, 2018, the DC Retail Water and Sewer Rates Committee and the Finance and Budget Committee met in a joint session to consider allocation of funds from the Rate Stabilization Fund and recommended that the Board transfer \$6 million from the Fund to provide rate relief; and

WHEREAS, in Resolution 18-57, dated July 5, 2018, the Board accepted the recommendations of the DC Retail Water and Sewer Rates Committee and the Finance and Budget Committee, and directed the General Manager to amend the Fiscal Year 2018-2027 Ten Year Financial Plan to reflect the one time transfer of \$6.0 million from the Rate Stabilization Fund to the Fiscal Year 2019 Budget to fund programs designed to augment, and expand the Customer Assistance Program (CAP) to mitigate the impact of increases in retail water and sewer rates on low-income residents; and

WHEREAS, in Resolution 18-57, the Board determined that it was “important to the financial management of the Authority and performance of its statutory mission” that the funds transferred from the Rate Stabilization Fund be used to “assist low income residential customers;” and

WHEREAS, Resolution 18-57 also directed the General Manager to present recommendations to the Board regarding changes to CAP, including: a) adding more low income customers by considering metrics such as, but not limited to household size, median income or other factors, subject to the limitation of funds; b) providing benefits to customers with household incomes of up to 80% of the area median income, considering household size; c) expanding benefits available under the Customer Assistance Program up to three Hundred Cubic Feet (3 Ccfs) of water and sewer services and percent discounts from CRIAC to customers not eligible under the then current CAP program; and d) including limitations on the number of participants to ensure that the costs of the expanded program not exceed \$6 million or extend beyond Fiscal Year 2019; and e) including other suggestions deemed advisable by the General Manager; and

WHEREAS, on September 5, 2018, the Mayor for the District of Columbia signed the *Fiscal Year Budget Support Act of 2018* (D.C. Law 22-0168, effective October 30, 2018), which set aside \$7 Million in the Fiscal Year 2019 Budget and directed the Mayor to establish a financial assistance program to assist District residential customers and nonprofit organizations located in the District with payment of CRIAC; and

WHEREAS, the Budget Support Act required that “at least \$4 Million” of the funds set aside be made available to nonprofit organization applicants that: a) demonstrate significant hardship in paying the CRIAC; b) permit the District Department of Energy and the Environment (DOEE) to inspect their property; and c) commit to evaluate on site stormwater management projects or alternative stormwater mitigation measures or activities; and

WHEREAS, the Budget Support Act also authorized the Mayor to establish a financial assistance program to assist residential customers with incomes “not exceeding 100% of the area median income” with payment of CRIAC and to supplement the financial assistance programs implemented by DC Water pursuant to D.C. Official Code § 34-2202.16(b-1)(1); and

WHEREAS, the District's low income residential customer assistance program, authorized by the Budget Support Act, as currently described by DOEE will be known as CAP3, will be funded exclusively with District funds, and will provide benefits to residential customers whose household incomes are greater than 80% of the Area Median Income, but less than 100% of the Area Medium Income; and

WHEREAS, CAP3 eligible applicants will receive credits toward CRIAC payment obligations in amounts prescribed by DOEE, pursuant to regulations, not yet published; and

WHEREAS, the District's nonprofit assistance program, currently known as Clean Rivers Impervious Surface Area Charge (CRIAC) Nonprofit Relief Program, will be administered by DOEE pursuant to regulations not yet published; be funded exclusively with District funds; and will provide benefits to nonprofit organizations located in the District; and

WHEREAS, the Budget Support Act authorizes eligible nonprofit organizations to receive credits of 90% on CRIAC; and

WHEREAS, on September 25, 2018, the DC Retail Water and Sewer Rates Committee met to consider the General Managers recommendations offered pursuant to Resolution 18-57; and

WHEREAS, the General Manager proposed to the committee changes to CAP which add a new program to be known as CAP2, which will offer benefits of three Hundred Cubic Feet (3 CCF) credit on the water and sewer service charges and fifty percent (50%) credit on the Clean Rivers Impervious Area Charges (CRIAC) to low income customers who do not qualify for CAP, but whose household incomes are equal to or greater than 60% of State Median Income ("SMI"), but below eighty percent (80%) of the Area Median Income ("AMI"), considering size of household and not capped by the United States median low-income limit; and

WHEREAS, on September 25, 2018, the Chief Financial Officer reported to the DC Retail Water and Sewer Rates Committee that the District is considering providing additional funds to DC Water to supplement funds authorized by the Board for the DC Water CAP2 program if less than \$7 Million is spent on the CAP3 and CRIAC Nonprofit Relief Programs; and

WHEREAS, on September 25, 2018, the DC Retail Water and Sewer Rates Committee reviewed the CAP2 program proposed by the General Manager, including proposed qualifying income definitions, and recommended that proposed regulations be published which, if adopted, would implement the CAP2 program by enacting procedures that would apply credits to customer accounts based on DOEE's review of applications; and

WHEREAS, on September 25, 2018, the DC Retail Water and Sewer Rates Committee also recommended that proposed regulations be published, which if adopted, would allow

the Authority to apply credits funded by the District to be applied to customer accounts for the CAP 3 and CRIAC Nonprofit Relief Programs; and

WHEREAS, in Resolution 18-68, dated October 4, 2018, the Board determined that the CAP2 program described in the proposed regulations describe benefits which, subject to review of the administrative record to be developed, could mitigate the impact of increases in retail water and sewer rates, CRIAC and other charges on low income residential customers that do not qualify for the existing CAP; and

WHEREAS, the proposed regulations published pursuant to Resolution 18-68, define income and other eligibility requirements for benefits provided under the CAP2 program that are consistent with D.C. Official Code § 34-2202.16(b-1)(1), and designate DOEE as the agency that will determine the financial eligibility of applicants for CAP2 benefits; and

WHEREAS, CAP2 program benefits described in the proposed regulations include an exemption from water service and sewer service charges for the first three Hundred Cubic Feet (3 Ccf) per month of water used and a credit of fifty percent (50%) on monthly billed CRIAC; and

WHEREAS, the CAP2 program expenditures will be capped at \$6 million, of which \$5.5 million will be allocated for CAP2 benefits to customers and \$0.5 million for administrative costs; and

WHEREAS, proposed regulations published by the Authority allow the Authority to suspend processing of CAP2 benefits if funds are not sufficient to provide benefits; and

WHEREAS, District representatives proposed to Authority staff that the DOEE implementing regulations for CAP3 program benefits funded by the District may include an exemption from water service and sewer service charges for the first One Hundred Cubic Feet (1 Ccf) per month of water used and a credit of fifty percent (50%) on monthly billed CRIAC, or alternatively, may provide a 75% credit to CRIAC to eligible customers if discounts to the first 1 Ccf of water are not offered; and

WHEREAS, in Resolution 18-68, the Board stated that eligibility for benefits provided under the CAP2 program will be provided for not more than the entire Fiscal Year 2019, beginning October 1, 2018 and shall terminate on September 30, 2019, subject to the availability of funds; and

WHEREAS, the proposed regulations published by the Authority allow the Authority to apply CAP3 credits to customers' accounts determined eligible by DOEE and to stop applying such credits after receipt of notices from DOEE that the customer is no longer eligible for benefits and/or that funds for CAP3 are no longer available; and

WHEREAS, the proposed regulations published by the Authority allow the Authority to apply CRIAC payments to Nonprofit organization accounts determined eligible by DOEE

and to stop applying credits upon receipt of notices from DOEE that the customer is no longer eligible for benefits and/or funds for the program are no longer available; and

WHEREAS, in Resolution, 18-68, the Board approved for publication, the proposed CAP2 Program and proposed rules to implement the District funded CAP3 and CRIAC Non-Profit Relief Programs in the District of Columbia Register ("*D.C. Register*"); and

WHEREAS, on October 19, 2018, DC Water published Notice of Proposed Rulemaking (NOPR) in the *D.C. Register* (DCR) at 65 DCR 11766 to receive comments on the proposed rulemaking; and

WHEREAS, on October 19, 2018, DC Water published a Notice of Public Hearing on the proposed expansion of the DC Water Customer Assistance Program (CAP) (*D.C. Register* at 65 DCR 11656 and on DC Water's website) to receive testimony and comments on the proposed rulemaking; and

WHEREAS, on October 30, 2018, a public hearing was held to receive comments on the proposed rulemaking to expand DC Water's Customer Assistance Program; and

WHEREAS, the public comment period for the Notice of Proposed Rulemaking ended on November 19, 2018; and

WHEREAS, the comments received raised concerns regarding: 1) proposed changes in criteria used to define low-income; 2) CAP3 implementation being dependent on benefits and eligibility criteria that DOEE have not yet published; 3) apprehension that the DOEE might propose a CRIAC Nonprofit Relief program that treats religious institutions more favorably than non-religious nonprofits institutions generally; and

WHEREAS, DOEE submitted redlined edits on the rulemaking to: 1) revise § 4102.4(a)(3) to delete the phrase "each billing period"; 2) revise §4102.4(b) to delete language granting DC Water authority to stop applying CAP3 benefits upon notice from DOEE that the customer is not eligible for CAP3 benefits; 3) revise §4102.5(a)(2) to change the reference from "\$561" to "\$565"; and 4) revise §4102.5(c)(2) to revise the phrase "Suspend providing CRIAC Nonprofit Relief Program benefits" "Suspend or adjust providing CRIAC Nonprofit Relief Program benefits"; and

WHEREAS, on November 29, 2018, the Washington Post published an article captioned, "In D.C., water fees tap into tension over race, gentrification and the First Amendment" that reported the District's proposal for the CRIAC Nonprofit Relief Program might violate the First Amendment Establishment clause because cemetery and religious organizations would be eligible to receive benefits if their CRIAC charges were "0.75 percent of net revenue," whereas charitable nonprofit, but non-religious affiliated groups would be eligible to receive only if their CRIAC charges were "5 percent of net revenue."

WHEREAS, on November 29, 2018, the DC Retail Water and Sewer Rates Committee met to consider the merits of the proposal to expand DC Water's Customer Assistance

Program (CAP), comments received during the public comment period, testimony received at the public hearing, and the issues raised regarding disparities among nonprofit eligibility criteria; and

WHEREAS, on November 29, 2018, the DC Retail Water and Sewer Rates Committee also considered the merits of providing CAP2 customers benefits only for Fiscal Year 2019 beginning October 1, 2018 and terminating on September 30, 2019, the merits of providing customers that submit their applications to DOEE before March 1, 2019 CAP2 benefits retroactive beginning October 1, 2018 and terminating on September 30, 2019, and the merits of providing customers that submit applications to DOEE on or after March 1, 2019 CAP2 benefits as of the month they submit their application and terminating on September 30, 2019, subject to the availability of funds; and

WHEREAS, on November 29, 2018, after having evaluated the proposal to expand the DC Water CAP, rules proposed to manage the District's CAP3 and CRIAC Nonprofit Relief Programs, public comments, testimony, suggested eligibility criteria and the recommendation of the General Manager, the DC Retail Water and Sewer Rates Committee recommended that proposed regulations to expand the DC Water CAP to add CAP2 and implement the District CAP3 Program be adopted as modified herein; and

WHEREAS, on November 29, 2018, the DC Retail Water and Sewer Rates Committee considered the potential legal risks to DC Water if the Authority acted to implement the District's CRIAC Nonprofit Relief Program, and decided to recommend postponement (reservation) of final consideration of the CRIAC Nonprofit Relief Program until the District has promulgated regulations and until after such regulations have been evaluated to determine whether the eligibility criteria have been evaluated for conformance with applicable laws and regulations.

WHEREAS, after consideration of the recommendations of the DC Retail Water and Sewer Rates Committee, the report of the General Manager on this subject and public comments made at the October 30, 2018 public hearing and during the comment period and the open record period for the proposed rulemaking, the District members of the Board of Directors, upon further consideration and discussion, recommended the adoption of the proposal to expand the CAP programs for DC Water's CAP2 Program and the District's CAP3 Program as provided herein.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board has determined, based on a review of the administrative record, including all material submitted to and considered by the Retail Rates Committee and public comments made at during and after the public hearing, that the District and federal regulations 10-B DCMR § 4199 and 24 C.F.R. § 81.17(b)(1) which define the term "low-income" as "a household or family whose annual income is greater than fifty percent (50%) but less than eighty percent (80%) of the area median income" and "income not in excess of 80 percent of the area median income...", respectively, are

rational, reasonable and appropriate to implement provisions in D.C. Official Code § 34-2202.16(b-1)(1) for the CAP2 Program.

2. The proposed regulations which were published for comment in the *D.C. Register* at 65 DCR 11766 that describe an expansion of CAP benefits to offer the credits identified as CAP2, be finalized as summarized below and a Notice of Final Rulemaking to that effect shall be published in the *D.C. Register* as stated in Attachment A.
3. CAP2 (eligible households and tenants) shall be provided credits of 3 Ccf off on their periodic (hereinafter, “monthly” for ease of reference) water and sewer service charges and 50% of their monthly CRIAC charges.
4. No action is taken at this time to adopt regulations that were proposed to implement the CRIAC Nonprofit Relief Program. Action on proposed 21 DCMR § 4102.5 is deferred and shall be labeled “Reserved” until after DOEE publishes for comment and adopts regulations describing how that program will be administered and until after the final DOEE regulations have been evaluated for legal sufficiency and compliance with applicable laws and regulations.
5. The published notice of final rulemaking shall adopt regulations to implement the District CAP3 Program, effective January 1, 2019 as summarized below and as stated in Attachment A:

Customer Assistance Program Expansion Summary

- (1) Adopt regulations to expand DC Water’s Customer Assistance Program (CAP), effective January 1, 2019, as summarized below and provided in Attachment A:

CAP2 (Residential Customers)

- Eligible single-family or individually metered Residential customers shall receive a discount of 3 Ccf on their billed water and sewer service charges and 50% on their billed Clean Rivers Impervious Area Charge (CRIAC).
- CAP2 program expenditures will not exceed \$6 million authorized by Board; \$5.5 million in benefits to customers and \$0.5 million for administrative costs.
- Should the District provide additional funds for the Fiscal Year 2019 CAP2 program, DC Water shall apply such funds to the program.
- If DC Water determines that budgeted funds are not sufficient, DC Water will suspend accepting new CAP2 applicants, or suspend providing CAP2 benefits.

- DOEE will determine the CAP2 applicant's financial eligibility based on household-income limits equal to or above 60% of the state medium income and below 80% of the area medium income, not capped by the U.S. median low-income limit.
 - CAP2 applicants that submit a complete CAP2 application to DOEE before March 1, 2019 shall receive CAP2 benefits retroactive for Fiscal Year 2019 beginning on October 1, 2018 and terminating on September 30, 2019. CAP2 applicants that submit a complete CAP2 application to DOEE on or after March 1, 2019 shall receive CAP2 benefits from the date of submittal and terminating on September 30, 2018.
- (2) Adopt regulations to implement the District Department of Energy and Environment (DOEE) CAP3 Program:
- a. Proposal to establish procedures to provide credits to certain single-family or individually-metered Residential Customers authorized by DOEE to receive the DOEE's Customer Assistance Program Expansion (CAP3) credits:

CAP3 (Residential Customers)

 - Eligible single-family or individually-metered Residential customers shall receive CAP3 benefits as defined by DOEE, subject to the availability of District funds, and conformance with applicable law and regulations.
 - CAP3 credits will be applied to eligible Residential customers' accounts provided DOEE notifies DC Water of the customers' eligibility, and DC Water receives funds from DOEE to apply the credits.
 - CAP3 credits will be provided from the date DOEE approves the CAP3 applicant's financial eligibility for the CAP3 benefit period, subject to the availability of District funds.
- (3) Reserve final decision on the adoption of the regulations to implement the DOEE CRIAC Nonprofit Relief Program until after DOEE promulgates regulations for that program and those regulations have been evaluated for legal sufficiency and conformance with applicable laws and regulations.
6. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required, to publish the Notice of Final Rulemaking as provided in Attachment A in accordance with the District of Columbia's Administrative Procedure Act.

This Resolution is effective immediately.

Secretary to the Board of Directors

Attachment A

DC Water's CAP Expansion - Final Rulemaking
Effective January 1, 2019

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

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

4102 CUSTOMER ASSISTANCE PROGRAMS

4102.1 CUSTOMER ASSISTANCE PROGRAM

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

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

4102.2 CUSTOMER ASSISTANCE PROGRAM II (CAP2)

- (a) Participation in the CAP2 Program shall be limited to a single-family or individually-metered Residential Customer that meets the following eligibility requirements:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC; and
 - (2) DOEE has determined that the CAP2 applicant's annual household income is equal to or above the household income-eligibility limits for the District's LIHEAP, 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.
- (b) An approved CAP2 customer shall receive the following benefits, subject to the availability of funds:
 - (1) Exemption from water service charges and sewer service charges for the first three Hundred Cubic Feet (3 Ccf) per month of water used. If the customer uses less than three Hundred Cubic Feet (3 Ccf) of water in any month, the exemption will apply based on the amount of that month's billed water usage; and
 - (2) Credit of fifty percent (50%) off of the monthly billed CRIAC.
- (c) Upon DC Water's receipt of notice from DOEE that the CAP2 customer meets the financial eligibility requirements, DC Water shall provide the CAP2 benefits for not more than the entire Fiscal Year 2019, beginning October 1, 2018 and terminating on September 30, 2019, subject to the availability of budgeted funds.
 - (1) CAP2 customers that submit a complete application to DOEE before March 1, 2019, shall receive CAP2 benefits retroactive to October 1, 2018 and terminating on September 30, 2018.
 - (2) CAP2 customer that submit a complete application on or after March 1, 2019, shall receive CAP2 benefits as of the date of submittal and terminating on September 30, 2018.
- (d) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP2 benefits, DC Water may:
 - (1) Suspend the process for accepting CAP2 applicants; or
 - (2) Suspend or adjust providing CAP2 benefits to CAP2 recipients.

- (e) The CAP2 Program shall terminate on September 30, 2019.
- 4102.3 Eligibility for the CAP and CAP2 Programs shall be determined by DOEE based on the income eligibility criteria provided in § 4102.1(a)(2) and § 4102.2(a)(2).
- 4102.4 DOEE CUSTOMER ASSISTANCE PROGRAM III FOR SINGLE-FAMILY AND INDIVIDUALLY METERED HOUSEHOLDS
- (a) DC Water shall apply DOEE Customer Assistance Program III (CAP3) benefits to an eligible single-family or individually-metered Residential Customer's account in accordance with the following:
 - (1) The applicant maintains an active DC Water account and is responsible for paying for water and sewer services and/or the CRIAC;
 - (2) DOEE has notified DC Water that the customer has met the requirements of applicable laws and regulations and is eligible to receive the CAP3 benefits;
 - (3) DOEE has notified DC Water of the amount of the CAP3 benefits to be applied to the CAP3 customer's account; and
 - (4) DOEE has transferred funds to DC Water for the benefits applied to the customer's account.
 - (b) DC Water shall stop applying CAP3 benefits to a CAP3 customer's account upon receipt of notice from DOEE that the customer is no longer eligible for the CAP3 benefits, or receipt of notice from DOEE regarding the unavailability of funds.
 - (c) If DC Water determines that the remaining budgeted funds are insufficient to provide CAP3 benefits, DC Water may:
 - (1) Suspend the process for accepting CAP3 applicants; or
 - (2) Suspend providing CAP3 benefits to CAP3 recipients.
- 4102.5 [RESERVED]
- 4102.6 Nothing in this section shall be interpreted to mean that the benefits provided through DC Water's CAP or CAP2 Programs or DOEE's CAP3 Program are an entitlement, continuing or otherwise.
- 4102.7 For the purposes of this section, the term "SMI" means the state median income as determined on an annual basis by the U.S. Department of Health and Human Services (HHS).
- 4102.8 For the purposes of this section, the term "AMI" means the Area Median Income (AMI), alternately referred to as the HUD Area Median Family Income (HAMFI), determined on an annual basis by the U.S. Department of Housing and Urban Development (HUD).

Presented and Approved: December 6, 2018

SUBJECT: Approval to Execute a Modification to Contract No. 15-PR-CCO-59, Vertex Business Services

**#18-81
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("the Authority") at its meeting on December 6, 2018 upon consideration of a non-joint use matter, decided by a vote of ___() in favor and ___() opposed to approve a modification to Contract No. 15-PR-CCO-59, Vertex Business Services.

Be it resolved that:

The Board of Directors hereby authorizes the General Manager to execute a modification to Contract No. PR-CCO-59, Vertex Business Services. The purpose of the modification is to purchase a new license for the SAP Utilities Suite to upgrade the system to S4/Hana, add annual maintenance and hosting of new licenses and additional enhancement and changes. The contract modification amount is \$668,049.

This Resolution is effective immediately.

Secretary to the Board of Directors

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT
Customer Information System and Implementation
(Non-Joint Use)**

Approval to modify the contract to add \$668,049.00 to upgrade the CIS software.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Vertex Business Services 501 W. President George Bush Hwy Suite 350 Richardson, TX 75080	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$19,338,768.00
Original Contract Dates:	12-01-2016—11-30-2023
No. of Option Years in Contract:	2 (3-year option period)
This Modifications Value:	\$668,049.00
This Modifications Dates:	12-07-2018—11-30-2023

Purpose of the Contract:

This contract is to provide for the purchase and implementation a Customer Information System (CIS).

Contract Scope:

The scope of contract includes the purchase of a new eCIS software and implementation licenses. It also includes the annual maintenance and hosting of the software and managed services. The software, supplier and Managed Services provider were selected through a competitive solicitation in 2015.

This Contract Modification:

The scope of this contract modification includes:

Purchase of new licenses for the SAP Utilities Suite (VertexOne) to upgrade the system to S4/Hana.*	\$248,792.00	Capital
Additional annual maintenance and hosting of new licenses.**	\$154,077.00	Operating
Additional enhancement and changes.***	\$265,180.00	Capital
TOTAL	\$668,049.00	

* The cost of the new licenses is after the discount and conversion credit of 90%.

** The additional annual maintenance is paid by the increased monthly subscription fee by \$0.0154 per billable account per month. The total estimated increase in the subscription fee through the end of current contract term (11/30/2023) is \$154,077.00.

*** Several enhancements and changes have been made since Go-Live, including \$114,000 post-go-live support to address backoffice backlog and additional enhancements are planned for the expansion of Customer Assistance Programs (CAP)

Some key benefits of new S4/Hana licenses:

- Integrated preconfigured performance dashboards to monitor the health of the system
- Increase user ability to navigate the system and run reports on their own
- Ability to store, access, and analyze structured and unstructured data in real time to drive improved decision making
- Embedded Artificial Intelligence and Machine Learning to potentially automate and optimize business processes
- Real-time analysis of billing performance
- Real-time embedded billing, metering, and financial apps

Spending Previous Year:

Cumulative Contract Value: 12/01/2016 to 11/30/2023: \$19,338,768.00
 Cumulative Contract Spending: 12/01/2016 to 11/30/2018: \$7,890,072.51

Contractor's Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Fixed price	Award Based On:	Highest Rated Offer
Commodity:	Good and Services	Contract Number:	15-PR-CCO-59
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Capital – EQP23100409	Department:	Information Technology
Service Area:	Customer Experience	Department Head:	Thomas Kuczynski

ESTIMATED USER SHARE INFORMATION

User - Capital	Share %	Dollar Amount
District of Columbia	100.00%	\$513,972.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$513,972.00

BUDGET INFORMATION

Funding:	Operating	Department:	Customer Care
Service Area:	Customer Experience	Department Head:	Carolyn MacKool

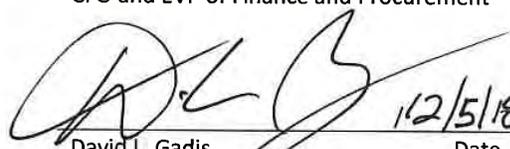
ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	100.00%	\$154,077.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$154,077.00

 , 12/4/18
 Armon Curd Date
 EVP of Customer Experience

 12/3/2018
 Matthew T. Brown Date
 CFO and EVP of Finance and Procurement

 , 12/3/19
 Dan Bae Date
 VP of Procurement and Compliance

 12/5/18
 David L. Gadis Date
 President and CEO