



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors

Meeting of the Governance Committee

Wednesday, September 9, 2020

9:00 a.m.

[Join Microsoft Teams Meeting](#)

+1 202-753-6714

Conference ID: 964 148 033#

AGENDA

- 1. Call to Order Ellen Boardman, Chairperson**
- 2. Roll Call Linda Manley, Secretary to the Board**
- 3. DC Water Works! FY20 Program UpdateKorey Gray, Compliance Officer**
- 4. Blue Drop FY20 Q3 Update Thomas Kuczynski, President Blue Drop
Vice President, Information Technology**
- 5. Executive Session * Ellen Boardman, Chairperson**
- 6. Adjournment Ellen Boardman, Chairperson**

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



District of Columbia Water and Sewer Authority
David L. Gadis, CEO and General Manager



FY 20 Program Update

Presented to the

Governance Committee

Ellen Boardman, Chairperson

September 9, 2020



District of Columbia Water and Sewer Authority
David L. Gadis, CEO and General Manager

DC Water Works Program

Program Goals

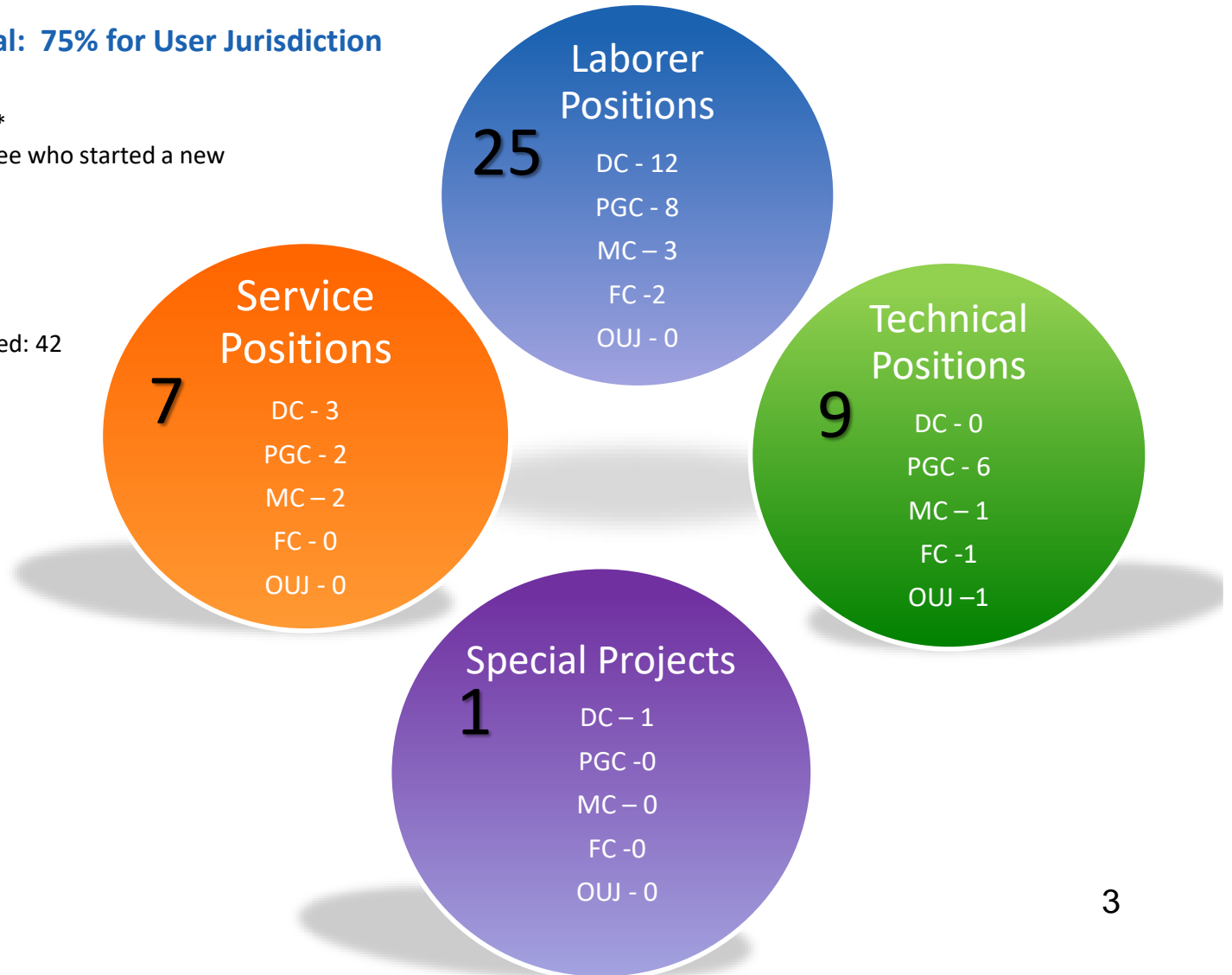
- Seventy-Five percent (75%) of new jobs created by contracts or procurements entered into by DC Water with contractors will be filled by local residents.
 - New Jobs mean both union and non-union job openings, including vacancies created as a result of internal promotions, terminations or other separations, and expansions of the contractor's workforce.



New Opportunities filled through Water Works (October 1, 2019 – September 30, 2020)

DC Water Works New Hire Goal: 75% for User Jurisdiction

- Total Number of Positions Filled: 43*
 - * Includes one DC Water Skills Trainee who started a new business (Family Roof Landscaping)
- DC Water Works Hires: 14
 - Contractor Filled: 28
- Total User Jurisdiction Residents Hired: 42
 - Total DC Residents Hired: 16
- Total Outside User Jurisdiction: 1



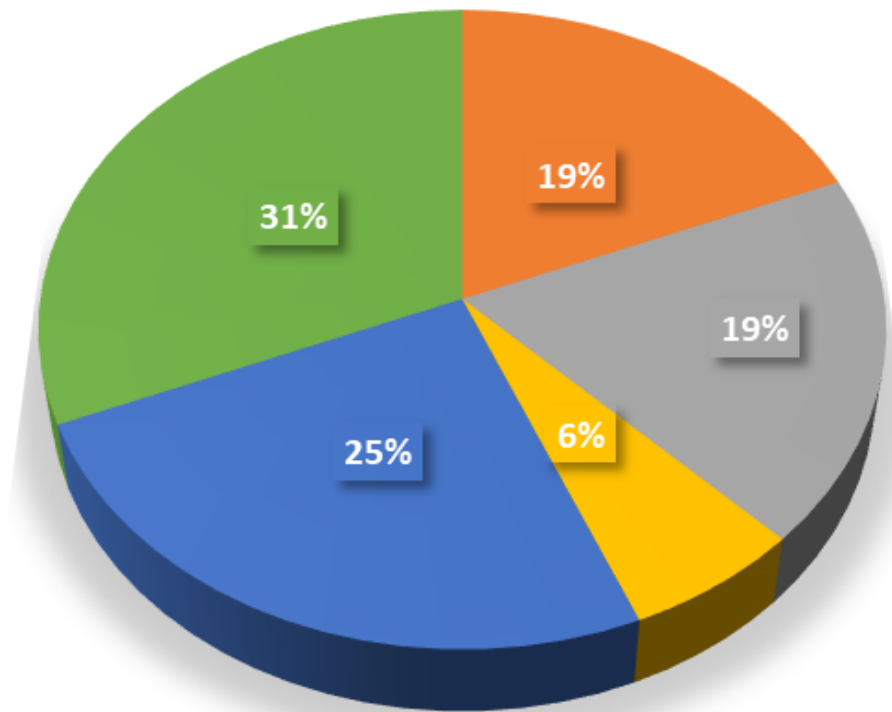


New Opportunities filled through Water Works (October 1, 2019 – September 30, 2020)

DC Resident Hires by Ward

Total DC Resident Hires: 16

DC Resident Hires By Ward

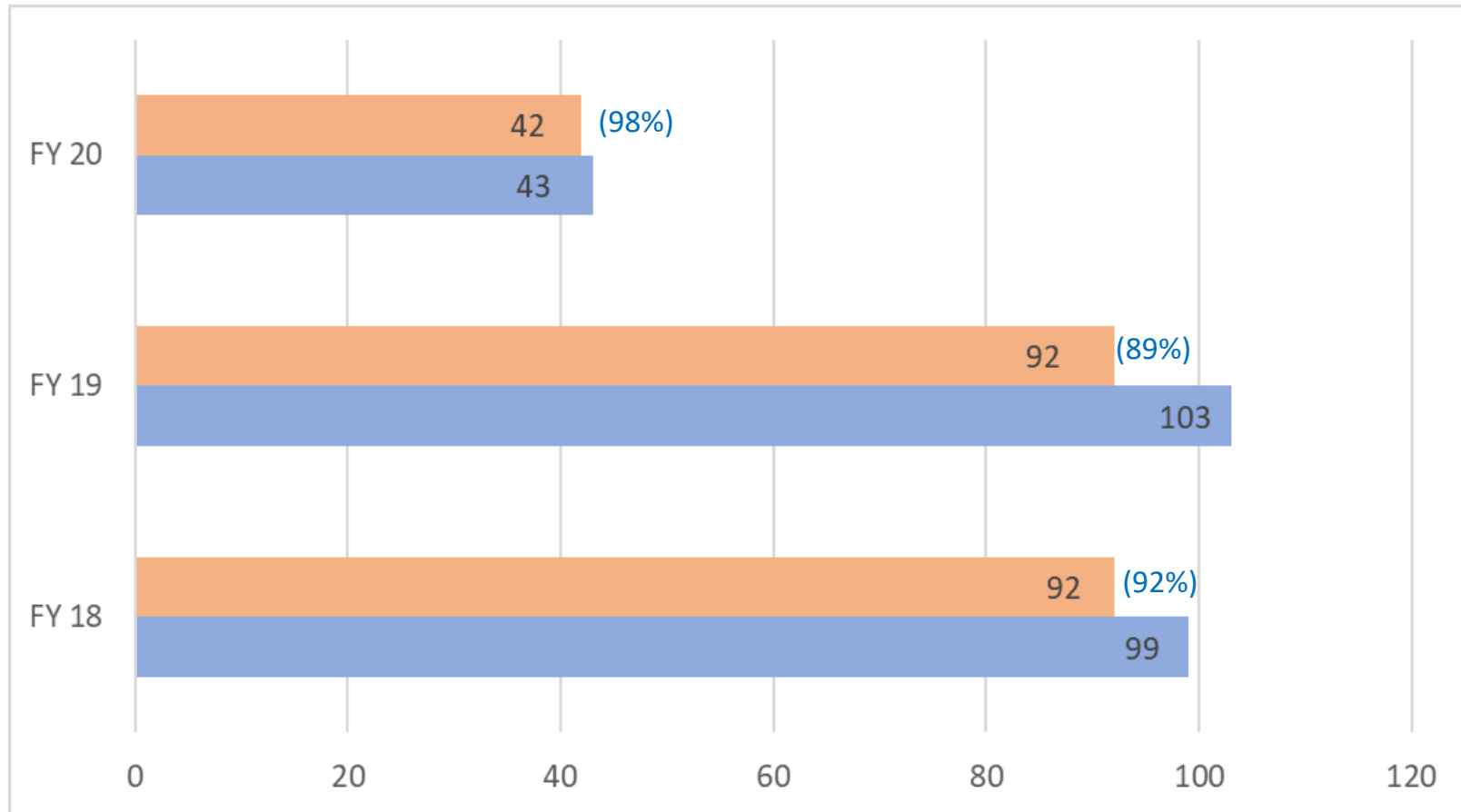


- Wards 1,2,3 – 0 New Hires
- Ward 4 – 3 New Hires
- Ward 5 – 3 New Hires
- Ward 6 – 1 New Hire
- Ward 7 – 4 New Hires
- Ward 8 – 5 New Hires



New Opportunities filled through Water Works – Three Year Review

Local Resident New Hire Goal: 75%





Strategic Partner Referrals

DC Water Works maintains a set of Strategic Partners consisting of: Government agencies, community-based organizations, private contractors and union-affiliated groups that act as referral partners for contractor employment and training opportunities.

In FY 20 the Strategic Partners contributed to the placements of 12 individuals on DC Water projects or training programs.

Partner	Number of Placements	Placement Type(s)
Constituent Services Worldwide (CSW)	3	Laborer – 3
District Department of Employment Services (DOES)	3	Technician – 1, Laborer – 2
District Department of Public Works (DPW)	1	Laborer -1



Green Infrastructure

Pursuant to the MOU between DC Water and the District, there is a goal that **51%** of new hires on GI projects in the Rock Creek and Potomac River sewersheds with Green Infrastructure (GI) should be District residents.

DC Water partnered with the University of the District of Columbia and Washington Parks and People to train and prepare District residents to successfully complete the National Green Infrastructure Certification Program (NGICP) exam.

Curricula was developed in partnership with DC Water, the Water Environment Foundation, and other partners across the nation.

In FY 2020, there was one cohort.

Results:

FY 2020 12 enrolled/ 4 graduated (33%)

- GI New Hire Goal: 51% District Resident
 - Achievement: 75% of the graduates were employed.



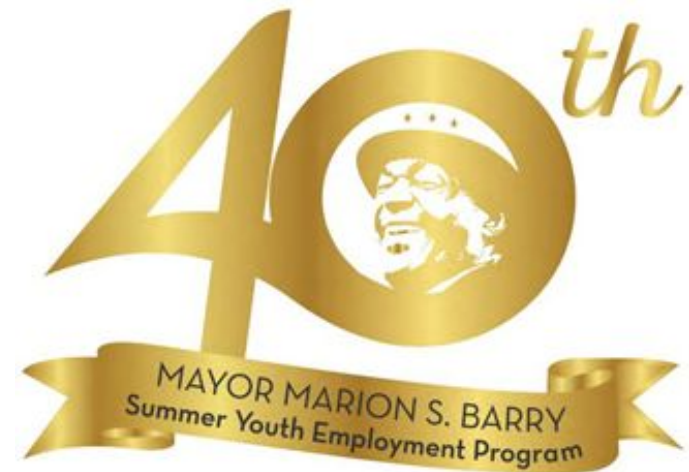
Cohort	Enrolled	Start Date	Test Date	Graduated	Employed
9	12	6/22/2020	7/31/2020	4	3

Employed with DC Water GI Contractors	Employed with DC Water non-GI Contractors	Employed with non DC Water Contractors
1	1	1



Summer Youth Employment Program

- DC Water's Department of Facilities in partnership with the District Department of Employment Services selected twelve District residents for a 6 week On the Job Training program. Participants were assigned to one of the following departments: Paint Shop, Buildings and Grounds, and Sewer Services.
 - Program Duration – June through July 2020
 - Program was extended by DOES thru August 2020
 - Participants were fully subsidized by the District Department of Employment Services
 - Participants had a dedicated mentor from the District Department of Employment Services
 - In addition to the On-the-Job experience, individuals will also participate in classroom-style training inclusive of:
 - Conflict Resolution
 - Workplace Safety
 - Job Readiness
- Status:
 - Program Completed
 - All participants enrolled in DC Water Works
 - 2 Participants employed full time





District of Columbia Water and Sewer Authority
David L. Gadis, CEO and General Manager

Senior Community Service Employment Program



- The Senior Community Service Employment Program is a federal program administered by DOES to help older Americans get back into/remain active in the workforce. It is a part-time work-based training program where participants gain career skills through an on the job training experience.
- DC Water participated in this program for the first time this year and accepted one participant to support Materials Management with Maximo administration/support.
 - Program Duration – One Year
 - Work Hours –9:00 am to 12:00 pm (up to 20 hours per week)
 - Participants are fully subsidized by the District Department of Employment Services

Program Status:

- 1 Participant Enrolled
 - 1 Participant left the Program (Budget issues related to Covid-19)



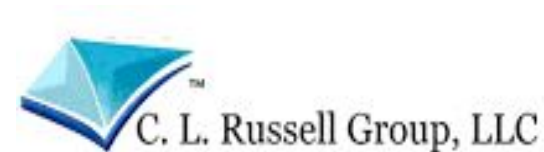


District of Columbia Water and Sewer Authority
David L. Gadis, CEO and General Manager

DC Water Apprenticeship Program



- Apprentices started September 2019.
- 2,000 of On-the-Job Learning per year
- Minimum 144 hours of classroom training
- In its first year, DC Water enrolled 14 apprentices.
 - All 14 are on pace to successfully complete the first year!



Trade	# of Apprentices	Length of Apprenticeship	Upon Completion
HVAC	2	4 Years	Journeymen AC Mechanics
Plumbing	2	4 Years	Journeymen Plumbers licensed in DC
Quality Assurance (Fleet)	2	5 Years	Automotive Service Excellence (ASE) Technicians
Utility Services	2	2 Years	Journeymen Utility Service Workers
Waste Water	6	3 Years	Licensed Wastewater Treatment Plant Operators



District of Columbia Water and Sewer Authority
David L. Gadis, CEO and General Manager

Section V

Activities and Accomplishments



FY 2020 Outreach Activities

- **October 2019:** Invitation only Targeted Employer Day and Interviews (2 hired).
- **October 2019:** Committee on Labor and Workforce Development Public Oversight Roundtable on The Review of The Department of Employment Services' Workforce Development Programs: Local Adult Training and the DC Infrastructure Academy
 - Testimony provided by Korey Gray
- **November 2019:** National Apprenticeship Week - Panelist.
- **November 2019:** Committee on Labor & Workforce Development Public Oversight Roundtable on a Review Of The Department of Employment Services' Workforce Development Programs: Project Empowerment and DC Career Connections.
 - Testimony provided by Korey Gray, and apprentices Damon Sams and Richard Salmon
- **February 2020:** Invitation only Targeted Employer Day and Interviews (2 hired).
- **March 2020:** Committee on Labor & Workforce Development Performance Oversight Hearing for the Department of Employment services and Regarding the Office of Apprenticeship Information and Training.
 - Testimony provided by Linda Fennel



FY 2020 Compliance and Development Program Achievements

- Recovered \$92,770 in payroll restitution for contractor employees.
- Three (3) new certified firms became primes with DC Water.
- Eighteen (18) certified firms became new subcontractors on DC Water Projects.
 - Three (3) certified firms increased their contracts on DC Water Projects.
- Participated in ten (10) business opportunity roundtables for Construction, Industrial Suppliers, and IT Service providers.
- Continued implementation of the Revised Business Development Plan.
- Received two recognitions:
 - Most innovative Leader for Minority Business Award – Maryland Washington Minority Contractors Association
 - Champion for Women Business Enterprises - Women’s President’s Education Organization
- Completed a re-design of the Compliance Program web page: <https://www.dewater.com/strength-partnership>

Blue Drop Update

September 2020



The Blue Drop Team



Francesca Valente
Vice President



April Thompson
Director of Bloom Marketing



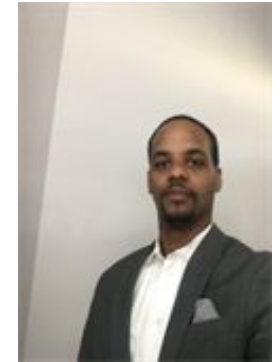
Victoria Alleyne
Bloom Sales Manager



Holly Kiser
Agricultural Sales Representative



Lovesha Graham
Events Coordinator



Adam Lawrence
Office Administrator

“Alone we can do so little, together we can do so much.” *Helen Keller*



General Update

- Completed update to Bloomsoil.com
- Began discussions with Cambi to provide pre-sales support and consulting for new Cambi projects

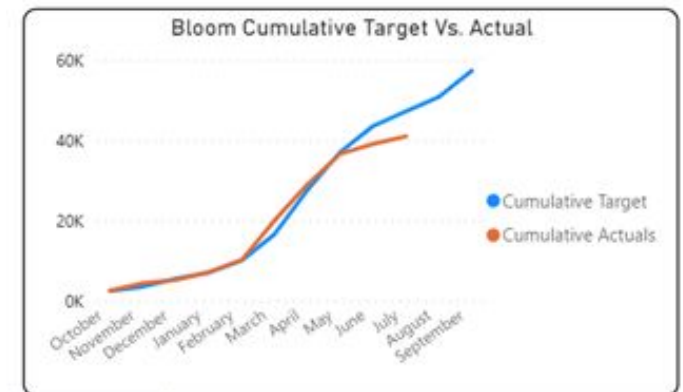
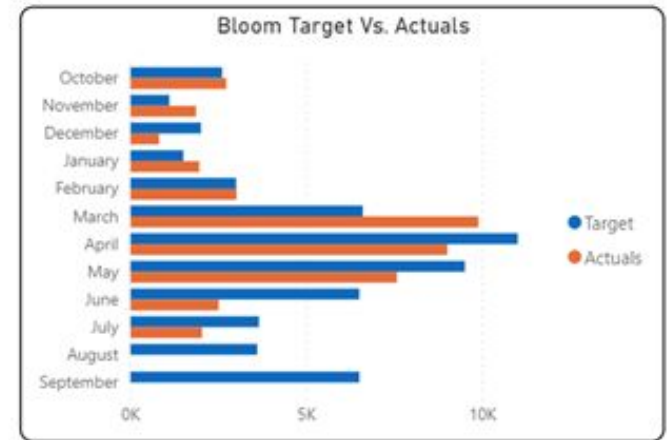


Bloom Update

FY20 Bloom target is 60,000 tons

Cumulative sales have exceeded FY19 total sales but have fallen behind FY20 targets, current annual forecast is estimated at 47,500 tons or 80% of the annual goal.

- Sales of Bloom through the end of July are 41,227 tons against a target of 47,446.
- Unusually wet summer resulted in 8,500 tons of lost sales. A slow down in blending and landscaping due to Covid-19 further impacted sales targets.
- The Frederick Douglas Bridge Project received its first order of Bloom on 08/24
- Estimated savings to Blue Plains through the end of July are \$1.7 million including the reduced cost of land application
- Continued discussions with WSSC about marketing a portion of their biosolids (Bloom) from Blue Plains
- Working with DC Water on a possible Public Private Partnership (PPP) for drying, blending and bagging of Bloom
- Conducted four webinars focused on landscapers, farms, turf and nutrient management; average attendance was 25+



HQO - Events Update

- All events for calendar 2020 have been cancelled due to Covid-19
- Wedding for July 2020 has been rescheduled for July 2021
- Wedding interest remains strong, but no new events have been scheduled due to Covid-19 uncertainty
- Completed new Lookbook marketing brochure for HQO Events



IP Update

- Suez payments
 - Still waiting for IRS approval for both Blue Drop & DC Water
- Smart Fountains
 - Flint deployments have been put on hold due to Covid-19
- Pipe Sleuth
 - Continued Pilot with Northumbrian in the UK
 - Working with Redzone Robotics to integrate with their assessment solution
 - In discussions with City of Portland to conduct a pilot
 - In discussions with SAK Construction for possible pilot
 - Waiting for City of Houston RFP to be published
 - Working with Isle Utilities on competitor and market assessment
- In discussions with an existing water/wastewater software vendor to market other DC Water software assets



Other Business Lines

- Cell Towers
 - Construction of AT&T cell tower at Blue Plains has begun
 - Sprint proposal for Blue Plains tower is on-hold
- REC Sales
 - Processed \$1,007,000 in sales through the end of August on behalf of Blue Plains
- Completed illustrations for Wendy's, Where does our Wastewater Go?



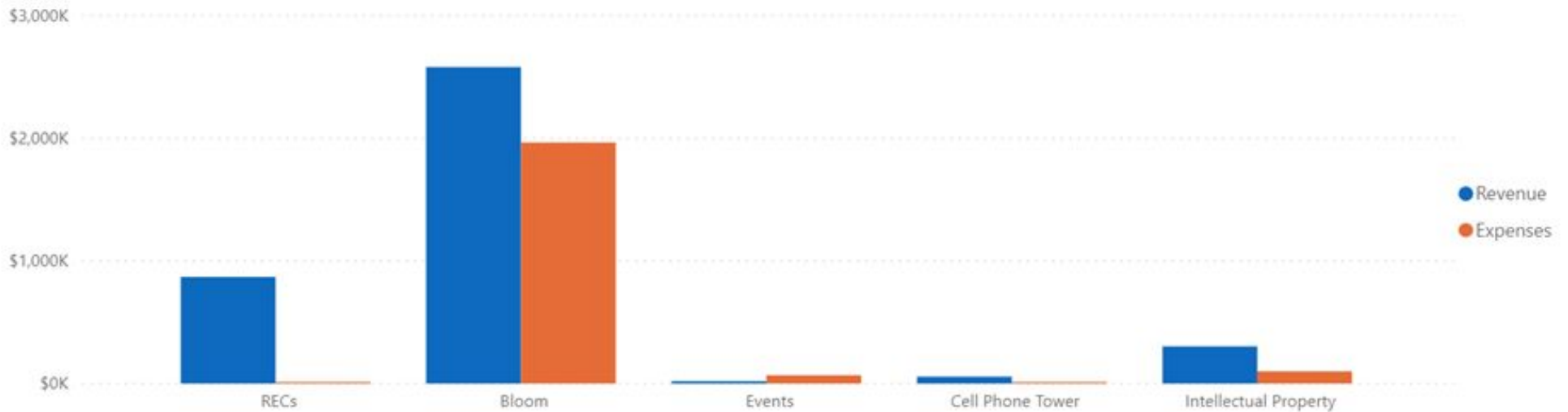
Year-to-Date Position

Blue Drop, LLC Profit and Loss October 2019 - July 2020

	TOTAL
Total Income	<u>\$ 3,827,304.82</u>
Total Cost of Goods Sold	<u>\$ 1,162,406.17</u>
Gross Profit	<u>\$ 2,664,898.65</u>
Expenses	
Total 5000 Compensation	\$ 547,617.36
Total 6000 Professional Fees	\$ 480,695.80
Total 6100 Travel	\$ 9,880.23
Total 6200 Administration	\$ 58,439.43
Total 6400 Tax License & Insurance	\$ 4,889.49
Total 7000 Marketing	\$ 63,137.73
Total Expenses	<u>\$ 1,169,183.83</u>
Net Operating Income	<u>\$ 1,495,714.82</u>
Total Other Income	<u>\$ 2,683.57</u>
Total Other Expenses	<u>\$ 4,459.91</u>
Net Other Income	<u>-\$ 1,776.34</u>
Net Income	<u>\$ 1,493,938.48</u>



Profit and Loss by Program YTD



Program	Revenue	Expenses
RECs	\$868,794.00	\$11,793.00
Bloom	\$2,579,477.00	\$1,964,877.00
Events	\$18,740.00	\$67,275.00
Cell Phone Tower	\$55,743.00	\$5,011.00
Intellectual Property	\$303,007.00	\$99,931.00

*Estimated savings to Blue Plains through the end of July are \$1.7 million.



Profit and Loss by Program

Blue Drop, LLC
Profit and Loss by Class
 October 2019 - July 2020

	G&A	Total Bloom	Business Development	Cell Towers	Total DC Water Innovations	Events	RECs	TOTAL
Income								
Total 4010 Bloom Sales	\$ 0.00	\$ 189,456.91	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	189,456.91
4012 Bloom Deliveries		32,261.50			0.00			32,261.50
4030 Bloom Hauling - DC Water		314,153.59			0.00			314,153.59
4031 Land App/Storage		569,028.08			0.00			569,028.08
4040 Bloom - DC Water Marketing Fee		1,474,343.98			0.00			1,474,343.98
4042 Products and IP Revenue		0.00		55,742.96	303,007.31		868,793.55	1,227,543.82
4043 Event Rental Revenue		0.00			0.00	18,740.00		18,740.00
4050 Interest	1,626.91	0.00			0.00			1,626.91
Sales	150.00	0.00			0.00			150.00
Uncategorized Revenue	0.03	0.00			0.00			0.03
Total Income	\$ 1,776.94	\$ 2,579,244.06	\$ 0.00	\$ 55,742.96	\$ 303,007.31	\$ 18,740.00	\$ 868,793.55	\$ 3,827,304.82
Total Cost of Goods Sold	\$ 0.00	\$ 1,107,285.37	\$ 0.00	\$ 0.00	\$ 43,328.00	\$ 0.00	\$ 11,792.80	\$ 1,162,406.17
Gross Profit	\$ 1,776.94	\$ 1,471,958.69	\$ 0.00	\$ 55,742.96	\$ 259,679.31	\$ 18,740.00	\$ 857,000.75	\$ 2,664,898.65
Expenses								
Total 5000 Compensation	\$ 135,729.33	\$ 339,533.11	\$ 0.00	\$ 0.00	\$ 34,055.50	\$ 38,299.42	\$ 0.00	\$ 547,617.36
Total 6000 Professional Fees	\$ 20,716.96	\$ 432,890.64	\$ 0.00	\$ 5,000.00	\$ 17,228.85	\$ 4,859.35	\$ 0.00	\$ 480,695.80
Total 6100 Travel	\$ 244.28	\$ 4,874.43	\$ 0.00	\$ 0.00	\$ 4,655.56	\$ 105.96	\$ 0.00	\$ 9,880.23
Total 6200 Administration	\$ 21,236.06	\$ 34,662.37	\$ 774.31	\$ 10.50	\$ 368.42	\$ 1,387.77	\$ 0.00	\$ 58,439.43
Total 6400 Tax License & Insurance	\$ 3,694.50	\$ 1,009.99	\$ 0.00	\$ 0.00	\$ 185.00	\$ 0.00	\$ 0.00	\$ 4,889.49
Total 7000 Marketing	\$ 38.14	\$ 40,245.44	\$ 121.94	\$ 0.00	\$ 109.41	\$ 22,622.80	\$ 0.00	\$ 63,137.73
Total Expenses	\$ 181,807.05	\$ 857,591.99	\$ 896.25	\$ 5,010.50	\$ 56,602.74	\$ 67,275.30	\$ 0.00	\$ 1,169,183.83
Net Operating Income	-\$ 180,030.11	\$ 614,366.70	-\$ 896.25	\$ 50,732.46	\$ 203,076.57	-\$ 48,535.30	\$ 857,000.75	\$ 1,495,714.82
Total Other Income	\$ 575.06	\$ 2,063.56	\$ 0.00	\$ 0.00	\$ 0.00	\$ 44.95	\$ 0.00	\$ 2,683.57
Total Other Expenses	\$ 4,459.91	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 4,459.91
Net Other Income	-\$ 3,884.85	\$ 2,063.56	\$ 0.00	\$ 0.00	\$ 44.95	\$ 0.00	\$ 0.00	-\$ 1,776.34
Net Income	-\$ 183,914.96	\$ 616,430.26	-\$ 896.25	\$ 50,732.46	\$ 203,121.52	-\$ 48,535.30	\$ 857,000.75	\$ 1,493,938.48

