



**303RD BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
DECEMBER 7, 2023
(Via Microsoft Teams)**

DIRECTORS PRESENT

District of Columbia Members

1. Rachna Bhatt, Chairperson
2. Howard Gibbs, Principal
3. Jed Ross, Alternate

Prince George's County Members

1. Tara Jackson, Principal
2. Floyd Holt, Principal
3. Jared McCarthy, Alternate

Montgomery County Members

1. Fariba Kassiri, Principal
2. Jon Monger, Principal
3. Steven Shofar, Alternate

Fairfax County Members

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

DC WATER STAFF

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

The 303rd meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chairperson Rachna Bhatt at 9:33 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

I. APPROVE MINUTES

Chairperson Bhatt asked for a motion to approve the minutes of the November 2, 2023, meeting.

Upon a motion duly made and seconded, the Board of Directors approved the minutes of the November 2, 2023, meeting as presented.

II. CHAIRPERSON'S OVERVIEW

Chairperson Bhatt thanked everyone who was involved in the Board Retreat. Past Chairperson Tommy Wells was thanked for his service. It was noted that board member Wendell Felder resigned his board seat effective December 1.

III. COMMITTEE REPORTS

*Governance Committee
Reported by Christopher Herrington*

Governance Committee Chair Christopher Herrington reported that Korey Gary, Vice President, Contract Compliance and Business Development, presented the FY2023 DC Water Works Annual Report. Impressive work was being done to train and provide job opportunities to meet DC Water's goal to have 75% of jobs created on DC Water contracts be filled by local residents.

Along with the District Department of Employment Services (DOES) and other strategic partners, the Program provides on-going wrap-around support for participants that includes case management, childcare, counseling, transportation, and mentorship. In FY23, contractors filled 125 positions and 106, or 85%, were filled by local residents. Thirty-six women were hired in FY23 to meet these efforts, and suburban jurisdictions also benefit from the DC Water employment program.

Mr. Herrington went on to report that the Committee also received a report on the skills training activities initiated in FY 23. The Lead-Free DC Community Activators Initiative provides paid on-the-job training. The DC Water Apprenticeship Program was now in its second year and provided training for different trade opportunities to help build employee career development. The High School Internship Program, in partnership with DC Public Schools and the DOES, will train high school students over 24 weeks.

DC Water received awards and recognition for its efforts to advance hiring and workforce development in FY23. Mr. Herrington encouraged board members to read the report which was shared in their meeting materials.

*Human Resources and Labor Relations Report
Reported by Steven Shofar*

Human Resources and Labor Relations Chairperson Steven Shofar reported that the Committee was presented with a fact sheet which made a request to exercise Option Year 4 for HMO medical plan services. This Option Year would be effective from January 1, 2024, to December 31, 2024. Though there was an increase in the rates, Authority staff were able to negotiate a cap of 5%.

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

Environmental Quality and Operations Committee Chairperson Sarah Motsch reported that the Committee received an update on the Blue Plains Advanced Wastewater Treatment Plant's Performance. All parameters were within the National Pollution Discharge Elimination Standard permit limits. The monthly average flow for complete treatment was 246 million gallons per day in October. The tunnel systems and wet weather treatment captured 4 million gallons at 100% capture. The low flow was a result of low monthly rainfall of about 0.65 inches. On-site energy generation from the Combined Heat and Power Facility and solar panels was 26% of the average consumption at the treatment plant. Five thousand nine hundred thirty-four wet tons of biosolids were sold as bloom in October, which meant DC Water had almost attained the FY23 goal of 65,000 wet tons.

Ms. Motsch reported on the fire hydrant update. Thirty-eight hydrants were out of service as of November 2, 2023; 24 of which were out of service due to temporary construction work and 14 of which were found in need of repair or replacement, representing 0.1% of all hydrants within the Authority.

Ms. Motsch reported that Water Quality Monitoring showed that DC Water was in compliance with the Total Coliform Rule over the past month. The Lead and Copper Rule Testing was completed and demonstrated compliance for the second semester.

The CIP Quarterly report included non-processing facilities plans for roofing, HVAC assessments, seawall replacements, and concept designs for historical buildings. Design was underway for projects, including sidewalks and fencing around the HQO Campus. Three Clean Rivers Projects were under construction: the Northeast Boundary Tunnel, Potomac Tunnel Advanced Utilities, and Green Infrastructure. All three projects are more than 98% complete and scheduled to meet their consent decree deadlines.

There were 60 Blue Plains Waste Water Treatment tasks in planning. Construction projects included the Gravity Thickener Upgrades, which reached substantial completion this year, and various other plan upgrades.

In the Sanitary Sewer program areas, emergency repairs to the East-West Outfall Relief Sewers were ongoing. The Potomac Interceptor Manhole 31 progressive design-build contract was also progressing. FY23 ducktail iron pipe supply chain delays were less than anticipated, and significantly more small-diameter water mains were installed than the baseline projection. In total, about 12 miles of water mains were replaced, exceeding the 1% replacement goal of 11 miles every year.

For the Lead-Free DC Program, the total number of lead service lines replaced from 2019 to the end of 2023 was approximately 11% of the total estimated number. \$57.4 million in grants were received from Bipartisan Infrastructure Law funding to support the By-Block Replacement Programs. DC Department Of Transportation permit approvals had been issued so work could begin. Staff reviewed a dashboard which showed various key metrics for the program.

For the CIP Quarterly financial update, the total CIP disbursements through the fourth quarter were \$333 million, or 86% of the baseline plan. A total of 35 key performance indicators (KPIs) were monitored for FY23; 22 of these KPIs were completed within the 90-day threshold, and 13 were completed outside of the threshold. Additionally, it was noted that in preparation for the 10-year CIP, DC Water was shifting from a Design-Bid-Build model to a more collaborative project delivery model using Progressive Design-Build and Construction Management at Risk as the default delivery approaches.

An update was also given on the Potomac River Crossing. The Potomac River Tunnel crosses the Potomac River twice, one of which is downstream of the Washington Aqueduct Dam. The corroded crossing traverses Virginia and Maryland and is subject to the National Environmental Policy Act. Although the crossing is not deteriorating at a fast rate, the project is beginning now in order to allow time to get through the multiple permitting processes required. Geotechnical Investigations will be scheduled for 2024, and design and construction are scheduled from 2025 to 2028. The two preferred solutions require a new parallel pipe about 50 ft downstream to be used as a bypass flow during the rehab of the existing pipe, which will provide future redundancy. Geotechnical borings are scheduled to start in January and are required to determine sub-service conditions; however, the terrain is challenging, so DC Water contracted with a company that will provide a helicopter to transport the drilling rig to each location.

IV. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David Gadis thanked former Board Chair Tommy Wells. He then presented three updates pertaining to the Sustainability, Reliable, and Equitable Imperatives.

In relation to resilience, on November 30 and December 1, a Joint Board Retreat was held to discuss strategic priorities for the coming years. Insights and expertise were leveraged when considering the Strategic agenda with an emphasis on resilience. Discussions included the Environmental Protection Agency's (EPA's) proposed 10% Annual Lead and Copper Replacement Rule and the future Authority transformation related to staffing. Nation-wide, water utilities are facing a wide range of operational and fiscal challenges in an uncertain regulatory environment. Mr. Gadis reported that he received input from Board members about the Authority with repeated references to Lead-Free DC, resilience, and the Enterprise Human Capital Strategy.

In relation to sustainability, one way that the initiatives discussed in the Board Retreat are driven forward is through quarterly meetings to review DC Water's imperative groups. Last week, leaders in the Authority convened for the 7th status meeting since the creation of Blue Print 2.0. While there have been changes to the Senior Executive Team, DC Water's initiatives and goals remain the same. Strategic management is a discipline that DC Water takes seriously. Mr. Gadis thanked Wayne Griffith, Chief Administration Officer and EVP and Dr. Matt Reiss, Vice President Strategy and Performance for continuing to lead the effort at the Authority.

In relation to equity, Mr. Gadis welcomed Conrad Sanders, the new Vice President of Transformation and Operations who would be working with People and Talent. Mr. Gadis reviewed Mr. Sanders' experience with talent acquisition and retention strategies, noting that he had high hopes that Mr. Sanders would continue to uphold their initiatives.

Lastly, Mr. Gadis announced that JD Power and Associates released their 2023 Water Utility Customer Satisfaction Survey. DC Water was ranked 15 of 92 in customer satisfaction. The Authority rose 17 positions as compared to 2022 thanks to improvements in communication and conservation efforts across the Authority. Within that ranking, DC Water rose 30 points in conservation over 40 points in communications and was now ranked 8th nationally for communication. All DC Water teams were thanked for their efforts. This comes as DC Water also received high marks on their own 2023 consumer survey and the independent engineering analysis. Mr. Gadis stated he would review the JD Power survey and explore how they can further improve.

V. CONSENT ITEMS (JOINT USE)

1. Approval to Exercise Option Year 4 of Contract No. 19-PR-DPT-31, Staff Model Health Maintenance Organization (HMO), Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc – Resolution No. 23-70 (Recommended by the Human Resources and Labor Relations Committee 11-08-23)
2. Approval to Exercise Change Order No. 08 of Contract No. 200020, Emergency Sewer Main Infrastructure Repair and Replacement Contract for FY21-FY23, Spiniello

Companies – Resolution No. 23-71 (Recommended by the Environmental Quality and Operations Committee 11-16-23)

3. Approval to Exercise Option Year 3 and Add Funding to Contract No. 10030, Annual Maintenance, Repair, and Calibration of Instrumentation Control and Electrical Equipment, C&E Services, Inc. of Washington – Resolution No. 23-72 (Recommended by the Environmental Quality and Operations Committee 11-16-23)
4. Approval to Exercise Option Year 4 of Contract No. 19-PR-DWT-21B, Supply and Delivery of Methanol, Mitsubishi International Corp. – Resolution No. 23-73 (Recommended by the Environmental Quality and Operations Committee 11-16-23)
5. Approval of Appointment of the Officers of the Board – Resolution No. 23-75 (Recommended by the Executive Committee 11-09-23)

Upon a motion duly made and seconded, the Board of Directors voted and unanimously approved the resolutions with the amendment to Consent Item 5 to say Christopher Herrington on page 2.

VI. CONSENT ITEMS (NON-JOINT USE)

1. Approval to Execute Contract No. 230060, Sewer Life Restoration Program (SLRP) – 2, Spiniello Companies – Resolution No. 23-74 (Recommended by the Environmental Quality and Operations Committee 11-16-23)

Upon a motion duly made and seconded, the Board of Directors voted and unanimously approved the resolutions as presented.

VII. ADJOURN

There being no further business to come before the Board, Ms. Bhatt adjourned the meeting at 10:04 a.m.

Michelle Rhodd

Michelle Rhodd
Secretary to the Board of Directors