

**Performance Oversight Questions**  
**DC Water**

**A. ORGANIZATION AND OPERATIONS**

1. Please provide a complete, up-to-date **organizational chart** for the agency and each division within the agency. Please include an explanation of the roles and responsibilities for each division and subdivision within the agency.

See appendix – “Departmental summaries” (page VII - 14)

- Please include a list of the employees (name and title) for each subdivision and the number of vacant positions.

See appendix – “Position listing”

- Has the agency made any organizational changes in the last year? If so, please explain.

N/A

2. Please list each **new program** implemented by the agency during FY 2013. For each initiative please provide:
  - A description of the initiative.
  - The funding required to implement the initiative.
  - Any documented results of the initiative.

All programs are included the CIP and FY14/15 budget books.

3. Please provide a complete, up-to-date **position listing** for your agency, which includes the following information for each position:
  - Title of position.
  - Name of employee or statement that the position is vacant, unfunded, or proposed.
  - Date employee began in position.
  - Salary and fringe benefits, including the specific grade, series, and step of position.
  - Job status (continuing/term/temporary/contract).

*Please list this information by program and activity*

Fringe costs are 29.2% of employee salary. See appendix – “Position listing”

4. Does the agency conduct annual **performance evaluations** of all of its employees? Who conducts such evaluations? What steps are taken to ensure that all agency employees are meeting individual job requirements?

The Authority conducts both Interim and Annual Performance Evaluations for union and non-union employees. The Performance Evaluations are conducted by the employee's immediate supervisor/manager and reviewed by the next level of management, and ultimately the Department Head. It is the responsibility of each employee's first-level supervisor/manager to ensure that they are meeting their individual job requirements as detailed in the job description for the employee's job title.

5. Please provide the Committee with:

- A list of all employees who receive cellphones, personal digital assistants, or similar communications devices at agency expense

See appendix – “Cell phones”

- A list of all vehicles owned, leased, or otherwise used by the agency and to whom the vehicle is assigned

DC Water does not lease vehicles. Vehicles are assigned to departments, not individuals. See appendix – “Fleet”

- A list of employee bonuses or special award pay granted in FY 2013 and FY 2014, to date.

**DC Water Bonus/Awards in FY 2013**

<b>Bonus/Award</b>	<b>Amount Paid</b>	<b># of Employees</b>
Administrative Professional Awards	\$5,398.55	10
Taxable Gift Card	\$17,814.88	222
Edu. Asst. Reimbursement over IRS limit	\$5,530.00	3
Housing Assistance	\$14,461.65	6
Healthcare Reimbursement (Cigna)	\$16,531.67	1006
Union Bonuses	\$1,263,697.40	652
Non-Union Bonuses	\$649,941.64	335
<b>Total Bonuses</b>	<b>\$1,913,639.04</b>	

\*No payments made in FY 2014 as of 2/10/14

- A list of travel expenses, arranged by employee

See appendix – “Travel

- A list of the total overtime and worker’s compensation payments paid in FY 2013 and FY 2014, to date

**Overtime Payments**

<b>FY 2013</b> (10/1/12 - 9/30/13)	<b>\$ 6,106,000</b>	119% of the FY 2013 overtime budget
<b>FY 2014</b> (10/1/13 - 12/31/13)	<b>\$ 1,602,931</b>	30% of the FY 2014 overtime budget

**Workers’ Compensation**

<b>FY 2013</b> (10/1/12 - 9/30/13)	<b>\$ 1,810,825</b>	medical, indemnity, vocational rehabilitation and expenses
<b>FY 2014</b> (10/1/13 - 2/3/14)	<b>\$ 590,725</b>	medical, indemnity, vocational rehabilitation and expenses

6. Please identify all **electronic databases** maintained by your agency, including the following:
- A detailed description of the information tracked within each system.
  - The age of the system and any discussion of substantial upgrades that have been made or are planned to the system.
  - Whether the public can be granted access to all or part of each system.

See appendix – “Databases”

What has the agency done in the past year to make the activities of the agency more **transparent** to the public? In addition, please identify ways in which the activities of the agency and information retained by the agency could be made more transparent.

We continue to live stream our Board of Directors meeting and publish all meeting materials and agendas on our website. We are in the process of updating our website to allow for easier updates of topical information relevant to ratepayers and the public.

7. How does the agency solicit **feedback** from customers? Please describe.
- 24-hour Command Center at (202) 612-3400
  - Email address in every customer bill: [gmsuggestions@dcwater.com](mailto:gmsuggestions@dcwater.com)
  - Walk-in customer service center at 810 First Street, NE
  - Online comment and report-a-problem form
  - Mobile report-a-problem form (includes photo upload and GPS location capabilities)

- Town hall meetings in every ward each spring (participants solicited by outgoing robo-call)
- Door-to-door survey of affected addresses before planned construction work
- Follow-up surveys after major construction work concludes
- Participation in more than 150 community meetings, events and festivals
- Twitter: @dcwater
- Facebook
- Pinterest
- Instagram
- Routine monitoring and response to DC Water mentions in blogs, on Twitter and in conventional media
  - What is the nature of comments received? Please describe.

We receive feedback from our customers about the quality of our work; service and billing concerns; questions about jobs and contracting, and many other topics.

- How has the agency changed its practices as a result of such feedback?

DC Water's Command Center received an influx of service calls related to frozen and bursting pipes this winter. In response to these calls, DC Water produced a dedicated [web page](#) and publicity materials related to preventing frozen pipes and how to thaw frozen pipes both inside and outside of homes.

In addition, based on feedback we received from Bloomingdale and LeDroit Park residents, DC Water expanded its backwater valve reimbursement program. Many residents reported that the previous reimbursement level of up to \$3,000 was not sufficient. In response, the new program offers the following:

1. For those property owners who have not yet taken part in the program, and had a documented sewer back-up in 2012, the reimbursement rate is now 100 percent, up to \$6,000.
2. For those who have not experienced a sewer back-up, but have been identified as living in an affected neighborhood, DC Water offers a rebate of 90 percent of the cost associated with installing a backwater valve, up to \$6,000 per property.
3. Property owners who were already reimbursed under the old program could be eligible for an additional rebate which will be mailed to them.

8. How was the agency tried to reduce agency **energy use** in FY 2013?

The Authority replaced light fixtures at the filtration gallery at Blue Plains. We expect this investment will save approximately \$125,000 in energy and maintenance costs over the next 20 years. In addition, by changing the operating strategy of the Filter Influent Pumps, DC Water will be able to recognize an energy savings of approximately \$125,000 per year.

**B. BUDGET AND FINANCE**

Please provide a chart showing your agency's **approved budget and actual spending**, by division, for FY 2013 and FY 2014, to date. In addition, please describe any variance between fiscal year appropriations and actual expenditures.

**FY 2013 Operating Budget**

The approved FY 2013 budget of \$456.8 million was revised by the Board of Directors to \$440.3 million, representing a decrease of \$16.5 million. The actual spending for the Authority for FY 2013 was \$398.3 million.

**FY 2013 Operating Expenditures by Department**  
**(\$000's)**

	<b>FY 2013 APPROVED</b>	<b>FY 2013 REVISED</b>	<b>FY 2013 ACTUAL</b>	<b>Variance - FY 2013 REVISED &amp; ACTUAL</b>
Wastewater Treatment - Operations	87,735	83,305	71,841	11,464
Wastewater Treatment - Process Engineering	-	3,317	2,297	1,020
Maintenance Services	21,217	18,744	17,799	945
Water Services	61,207	59,331	50,633	8,698
Sewer Services	21,213	21,062	20,739	323
Customer Service	16,602	16,574	16,161	413
Water Sewer Pumping Maintenance	4,691	4,843	4,983	(140)
Engineering and Technical Services	19,829	19,501	19,692	(191)
Clean Rivers	1,394	1,431	1,751	(320)
Permit Operations	1,522	1,909	1,866	43
<b>Subtotal Operations</b>	<b>235,410</b>	<b>230,017</b>	<b>207,763</b>	<b>22,254</b>
General Manager	3,985	3,691	2,600	1,091
Office of the Board Secretary	598	611	384	227
Internal Audit	840	840	789	51
General Counsel	7,033	6,941	6,714	227
External Affairs	2,213	2,233	1,921	312
Information Technology	10,261	9,969	8,871	1,098
Finance, Accounting and Budget	8,184	8,381	8,220	161
Risk Management	6,194	5,918	4,413	1,505
Assistant General Manager - Support Services	330	332	310	22
Human Capital Management	4,470	4,536	4,742	(206)
Facilities Management and Security	12,990	13,049	11,624	1,425
Procurement	4,362	4,105	3,933	172
Occupational Safety and Health	1,733	1,760	1,463	297
Fleet Management	4,466	4,625	4,881	(256)
<b>Subtotal Administration</b>	<b>67,659</b>	<b>66,991</b>	<b>60,868</b>	<b>6,123</b>
<b>Subtotal O &amp; M Expenditures</b>	<b>303,069</b>	<b>297,009</b>	<b>268,630</b>	<b>28,377</b>
Debt Service	129,392	121,330	107,700	13,630
Payment in Lieu of Taxes	19,215	16,882	16,882	-
Right of Way	5,100	5,100	5,100	-
<b>Total Operating Expenditures</b>	<b>\$ 456,776</b>	<b>\$ 440,321</b>	<b>\$ 398,312</b>	<b>\$ 42,007</b>
Personnel Services charged to Capital Projects	(16,690)	(16,690)	(14,659)	(2,031)
<b>Total Net Operating Expenditures</b>	<b>\$ 440,086</b>	<b>\$ 423,631</b>	<b>\$ 383,654</b>	<b>\$ 39,975</b>

**FY 2013 Budget to Actual Variance Explanation:**

**Wastewater Treatment - Operations:** Savings mainly from lower new contract award prices for biosolids hauling, coupled with lower solids production from reduced flow and improved processes resulting in lower chemicals, lower electricity and other miscellaneous contractual services line items.

**Wastewater Treatment – Process Engineering:** Savings from personnel services – lower than anticipated vacancies.

**Water Services:** Savings mainly linked to under-spending in multiple planned activities (Valve ID program, Water Audit/Leak Detection, Contractual spend for process documentation) and savings from lower water purchases than anticipated.

**General Manager:** Savings attributable to lower than anticipated spending for the LID (Low Impact Development) program and for various consulting services including revenue initiatives and Team Blue projects.

**Information Technology:** Savings mainly from personnel services, professional services support for LAN/WAN infrastructure, GIS support, Maximo support, etc.

**Risk Management:** Savings mainly from lower claims and insurance premium payments.

**Facilities and Security:** Saving attributable to delayed construction of the Security Services Construction & Command Center which was included in both operating & capital budgets, other services and various small contracts.

### FY 2014 Operating Budget

The FY 2014 approved budget of \$479.5 million was revised by the Board of Directors to \$441.7 million, representing a decrease of \$37.8 million.

At the end of December 2013, operating expenditures (including debt service and the right of way and PILOT fees) totaled \$97.2 million, or 22 percent of the FY 2014 Board-revised budget of \$441.8 million. Total operating expenditures were in line with expectations for the first quarter of fiscal year 2014. These numbers include estimated incurred but unpaid invoices.

The following provides DC Water’s comparative expenditures by major object areas for the first quarter as detailed data by department would be available during the second quarter of the fiscal year.

**Comparative Statement of Expenditures**  
As of December 31, 2013  
(\$000's)

	FY 2014				
	APPROVED BUDGET	REVISED BUDGET	VARIANCE - FY 2014 APPROVED & REVISED	ACTUAL (YTD) as of 12/31/2013	Percent of Budget
Personnel Services	120,454	119,765	(689)	30,931	26%
Contractual Services	84,094	76,044	(8,050)	11,985	16%
Water Purchases	31,513	27,991	(3,522)	5,696	20%
Chemicals and Supplies	32,909	30,909	(2,000)	6,790	22%
Utilities	34,011	30,715	(3,296)	6,110	20%
Small Equipment	993	993	-	155	16%
<b>Subtotal O &amp; M Expenditures</b>	<b>303,973</b>	<b>286,416</b>	<b>(17,557)</b>	<b>61,666</b>	<b>22%</b>
Debt Service	150,389	130,120	(20,269)	29,285	23%
Payment in Lieu of Taxes	20,081	20,081	-	5,020	25%
Right of Way	5,100	5,100	-	1,275	25%
<b>Total O &amp; M Expenditures</b>	<b>\$ 479,543</b>	<b>\$ 441,717</b>	<b>\$ (37,826)</b>	<b>\$ 97,246</b>	<b>22%</b>
Personnel Services Charged to Capital Projects	(17,860)	(12,960)	4,900	(3,625)	28%
<b>Total Net Operating Expenditures</b>	<b>\$ 461,683</b>	<b>\$ 428,757</b>	<b>\$ (32,926)</b>	<b>\$ 93,622</b>	<b>22%</b>

Note: Actuals include accruals

The budget for personnel services charged to capital projects is understated at \$13.0 million. However, consistent with the expansion of capital programs and prior year trend at \$14.7 million, the year-to-date spending is in line with expectations for the first quarter of the year.

9. Please list any **reprogrammings**, in, out, or within, related to FY 2013 or FY 2014 funds. For each reprogramming, please list the total amount of the reprogramming, the original purposes for which the funds were dedicated, and the reprogrammed use of funds.

### **FY 2013 Reprogramming**

A total of \$5.1 million was reprogrammed in FY 2013 to meet operational and maintenance needs within the Authority's operating budget as follows:

a) Personnel Services (\$4.1 million)

Interdepartmental reprogrammings were effected using vacancy savings to meet year-end payroll adjustments. The vacancy savings were attributable to higher than anticipated vacancy rate of 15%

b) Non-Personnel Services (\$1.0 million)

Interdepartmental reprogrammings were effected using savings from professional services within contractual services line item of the budget to:

1. Meet increased maintenance and repair costs of DC Water fleet equipment and support services for the DC Fire Emergency & Medical Services (FEMS) fleet equipment per Memorandum of (\$0.5 million); and
2. Accommodate professional services needs in various departments (\$0.5 million)

### **FY 2014 Reprogramming**

There was no reprogramming at the end of the first quarter of FY 2014.

10. Please provide a list of all projects for which your agency currently has **capital funds** available. Please include the following:
- A description of each project, including any projects to replace aging infrastructure (e.g., water mains and pipes).
  - The amount of capital funds available for each project.
  - A status report on each project, including a timeframe for completion.
  - Planned remaining spending on the project.

DC Water's Approved FY 2014 - FY 2023 Capital Improvement Program (CIP) contains all of the information requested ("flash drive" included). DC Water finances its entire capital program through various sources on a yearly basis and in-line with its 10-year financial plan. Specifically, it is financed through cash contributions from Wholesale Customers, PAY-GO financing, and debt financing from bond proceeds and lines-of-credit, as necessary.

Revenue Bonds and Commercial Paper accounts for approximately 63 percent of all capital funds. The Blue Page captures CIP Disbursements by Service Area (*See Appendix – “CIP Disbursements”*). The debt service is repaid from DC retail ratepayers through the rates and fees charged for services. Page II-18 of the CIP book contains the Capital Authority Request for Fiscal Year 2015 (*See Appendix – “Capital Request”*). This request, when approved, will provide Congressional Authority through Fiscal Year 2017.

The CIP has a complete description of each project. The book has separate chapters for each service area (example Wastewater treatment versus Water service area). Included in the first section of each service area is a brief summary of the major activities. This is followed by the detailed project pages for every project within the designated service area. The project sheets include a description of the project, lifetime budget for the project, estimated funding sources, project timeframes including estimated start dates and completion dates, as well as disbursements and commitments budgets pre FY 2014, FY 2014 – FY 2023 and post FY 2023, respectively.

11. Please provide a complete accounting of all **federal grants** received for FY 2013 and FY 2014, to date.

The following table provides a summary of all federal grants received in FY 2013. No federal grant award has been received in FY 2014, as of 02/06/14. While the information requested and provided below relates only to federal grants received, it should be noted that in FY 2013, DC Water received \$14.2 million in federal appropriations to be used for the DC Clean Rivers Project and a \$14 million federal appropriation for the same purpose in FY 2014.

Name	Period	Total EPA Allowable Project Budget	% of Federal Funding	Federal Grant Award Amount	Remaining Federal Balance
<b><u>SAFE-DRINKING WATER GRANTS</u></b>					
Large Valve Replacements, Contract 10	2/13 - 9/15	2,020,300	80%	1,616,240	1,616,240
Large Valve Replacements, Contract 11	9/13 - 5/16	4,081,050	80%	3,264,840	3,264,840
Small Diameter Water Main Replacements Contract 9	9/13 - 5/16	4,424,900	80%	3,539,920	3,539,920
<b>TOTAL SAFE DRINKING WATER GRANTS</b>		<b>\$ 10,526,250</b>		<b>\$ 8,421,000</b>	<b>\$ 8,421,000</b>
<b>TOTAL EPA GRANTS (SRF)</b>		<b>\$ 10,526,250</b>		<b>\$ 8,421,000</b>	<b>\$ 8,421,000</b>

12. Please list each contract, procurement, lease, and grant (“**contract**”) awarded, entered into, extended and option years exercised, by your agency during FY 2013 and FY 2014, to date. For each contract, please provide the following information, where applicable:
- The name of the contracting party.
  - The nature of the contract, including the end product or service.
  - The dollar amount of the contract, including budgeted amount and actually spent.
  - The term of the contract.
  - Whether the contract was competitively bid or not.
  - The name of the agency’s contract monitor and the results of any monitoring activity.
  - Funding source.

For capital project see Appendix – “Contracts- DETS”

For goods and services see Appendix – “Contracts – Procurement”

13. Please provide the details of any **surplus** in the agency’s budget for FY 2013, including
- Total amount of the surplus.
  - All projects and/or initiatives that contributed to the surplus.

DC Water utilizes operating cash in excess of the Board’s reserve requirement and any other significant one-time cash infusions for capital financing or for repayment of higher cost debt. In FY 2013, the projected **cash** surplus of **\$54.4 million** was approved to be disbursed as follow:

- \$3.4 million additional transfer to Rate Stabilization Fund
- \$7.9 million transfer to DC PILOT Reserve Fund
- \$28 million additional transfer to PAYGO
- \$16 million added to maintain to working capital above operations and maintenance reserve
- (\$0.9) million customer rebate “including Federal” not disbursed in 2013.

### C. LAWS, AUDITS, AND STUDIES

14. Please identify any **legislative requirements** that the agency lacks sufficient resources to properly implement.

N/A

15. Please identify any statutory or regulatory **impediments** to your agency’s operations.

N/A

16. Please explain the impact on your agency of any **federal legislation or regulations** adopted during FY 2013 that significantly affect agency operations.

The Fiscal Year 2014 Omnibus Appropriations Act included a \$14 million federal payment for the Clean Rivers Project.

17. Please provide a list of all studies, research papers, and analyses (“**studies**”) the agency requested, prepared, or contracted for during FY 2013. Please state the status and purpose of each study.

See appendix – “Studies”

18. Please list and describe any ongoing **investigations**, audits, or reports on your agency or any employee of your agency, or any investigations, studies, audits, or reports on your agency or any employee of your agency that were completed during FY 2013 or FY 2014, to date.

See appendix – “Investigations Audits and Reports”

#### **A. PROGRAM-SPECIFIC QUESTIONS**

19. Please describe the agency’s three biggest challenges from 2013.

DC Water is undertaking significant construction projects in the District, including the construction commitments addressed in the Mayor’s Task Force on the Prevention of Flooding in Bloomingdale and LeDroit Park project, the Northeast Boundary Neighborhood Protection Project and the Clean Rivers Project. All of these projects require DC Water to address challenging infrastructure and regulatory demands while working in cooperation and collaboration with the District Government. In particular, DC Water’s Proposed Modification to the Long Term Control Plan for Green Infrastructure will require public and private support for achieving an approach that will increase local, green jobs, bring environmental, social and economic benefits to the District and reduce financial impact on ratepayers.

20. Please describe the agency’s goals for 2014.

The Authority’s strategic goals are laid out in the [Blue Horizon 2020 Strategic Plan](#) adopted by the Board of Directors in 2013.

- Develop, maintain, and recruit a high performing workforce
- Collaborate locally, regionally, and nationally
- Increase Board focus on strategic direction
- Enhance customer/stakeholder confidence, communications, and perception
- Assure financial sustainability and integrity
- Assure safety and security
- Consider DC Water role in drinking water treatment
- Optimally manage infrastructure
- Enhance operating excellence through innovation, sustainability, and adoption of best practices

21. Please describe any challenges the agency has experienced with the District government.

DC Water continues to collaborate with District agencies on infrastructure projects in public space. We look forward to working with DDOT and its new underground utility division to coordinate electrical undergrounding work in public space that may conflict with our water assets.

DC Water will also seek to negotiate PILOT and ROW agreements with the District of Columbia Government in the coming months.

22. What is the status of DC Water's efforts to modify its consent decree to allow for green infrastructure?

See appendix – "Clean Rivers"

23. Please describe the status of the "Green Infrastructure Challenge."

In April 2013 DC Water launched the Green Infrastructure Challenge, engaging firms to design innovative green practices that absorb rain water. These practices, known as Green Infrastructure, include installing green roofs (gardens on rooftops), rain gardens, rain barrels, and pervious pavements, removing impervious surfaces, and using other natural means to capture and infiltrate rain water. Capturing the water before it can enter the combined sewer system will aid in alleviating combined sewer overflows in the District.

At the award ceremony on January 9, 2014 DC Water announced the winning submissions for the design phase of the challenge. Information related to the award winners can be found at [www.dewater.com/greenchallenge](http://www.dewater.com/greenchallenge).

DC Water is awarding \$1 million for design and construction of these Green Infrastructure projects in the Potomac and Rock Creek drainage areas in the

District of Columbia. A subset of the projects above will be constructed in the District. This Challenge will serve as a model to support DC Water's proposal to conduct a large-scale, multi-million dollar demonstration project in the Potomac and Rock Creek sewersheds to evaluate the feasibility of using green practices, in place of or in conjunction with "gray" engineering solutions, to capture rain water and prevent combined sewer overflows (CSOs).

24. Please describe the status of the fire hydrant inspection and maintenance program, including:

There are approximately 9,350 public fire hydrants within the District of Columbia, all inspected annually and repaired and maintained by DC Water.

While DC Water strives to ensure all public fire hydrants are operable for fire suppression needs, unforeseen circumstances can cause a fire hydrant to be rendered out of service. Recognizing these circumstances, DC Water has set goals to ensure the number of out of service hydrants do not exceed 1% of the inventory of public fire hydrants. Currently, there are 81 fire hydrants out of service in the District for an unrepairable defect awaiting replacement.

In addition to inspecting, repairing and maintaining the existing inventory of public fire hydrants, DC Water is responsible for the fire hydrant replacement, upgrades and flow testing fire hydrants for flow test capacity. The replacement and upgrade program standardizes public fire hydrant models and requires upgrading the pumper nozzle size of the hydrant to 4.5 inch nozzles with 4 threads per inch, which is the National Standard Thread (NST) set by the NFPA.

- The current number of known mechanically defective hydrants in DC.

As of February 3, 2014, 69 hydrants are out of service due to defects.

- The number of hydrants in DC replaced in FY 2013.

For FY 2013, 209 hydrants were installed meeting the national standards as agreed upon in the MOU with DC FEMS.

- The frequency of fire hydrant inspection.

Per the MOU with DC FEMS, DC Water conducts an annual inspection of every public hydrant.

- The frequency of fire hydrant inspection for pressure in high elevation areas.

Each hydrant, regardless of elevation, is inspected once a year by DC Water in accordance with the MOU with DC FEMS. Each inspection is conducted in accordance with AWWA M17 standards and the manufacturer's recommendations.

25. Please describe the status of the combined sewer overflow elimination and the Long Term Control Plan, including:

- The progress of the green infrastructure approach as it pertains to the Clean Rivers Project.
- And for each Long Term Control Plan project:
  - A description.
  - The amount of capital funds available.
  - A status report, including a timeframe for completion.
  - Planned remaining spending.

See appendix – “Clean Rivers Project”

26. Please describe the agency's plan to increase its hiring of District residents, particularly with regard to the Clean Rivers Project.

DC Water participates in multiple job fairs targeted at DC residents. We are continuing to encourage contractors to hire DC residents through the [DC Water Works Program](#), and develop permanent contract language regarding hiring of DC residents. The majority of workers on DC Water's construction projects are hired and employed by construction contractors and their subcontractors, and there are many opportunities in a variety of trades. Current openings with these companies are now listed on our website along with the relevant contact information. We also send weekly communications to local training providers notifying them of employment opportunities. In addition, the DC Water Works Satellite Job Centers are available to assist individuals with current employment opportunities listed with the Center by DC Water contractors/vendors.

DC Water currently has two pilots underway that are designed as incentives for contractors to hire DC residents. One is a financial incentive that pays 5% or 10% of the DC payroll if the contractor employs 20% and 35% DC residents on their projects. The other pilot involves placement of unemployed DC resident trainees on the crews of contractors. A third pilot will be developed and implemented regarding green job training.

27. Please describe the status of the First Street Tunnel project to mitigate flooding in Bloomingdale and LeDroit Park.

On October 3, 2013 DC Water awarded the Design-Build Contract for the First Street Tunnel to construct approximately 2,800 linear feet of soft ground tunnel and associated structures in the Bloomingdale section of the District of Columbia. Early construction activities are in progress and include additional soil borings, pre-construction surveys, installation of instrumentation and monitoring systems, removal of trees and the demolition of portions of two cells of the McMillan Sand Filter site required to allow for safe access to the construction site. Construction of near surface structures, including diversion chambers, conduits and shafts will begin this spring and continue through December 2015. The project will provide an additional eight million gallons of storm water storage to the Bloomingdale/LeDroit neighborhood. The project is scheduled to be completed by Spring 2016 and is on schedule.

In January, 2014, DC Water held four community meetings to focus on the separate construction staging areas required for the project. This included detailed schedule, scope and sequencing of each staging area.

28. What is the status of the meetings that DC Water has had with DPW and DDOE to collect food waste from the city for composting through DC Water's anaerobic digesters at Blue Plains?

We intend to explore the possibility of co-digestion while we are in start-up for the digesters. DC Water wants to ensure that we master operation of the digesters on the intended feedstock (sewage solids) before we introduce external feedstocks. However, while gaining comfort with the system, DC Water will conduct bench scale testing using thermal hydrolysis and digestion equipment in our lab to explore the possibility of digesting added foodwaste product along with our sewage solids. These tests will help determine the appropriate mix ratios to avoid process upset. DC Water has established a research relationship with one potential local contributor of foodwaste and is in discussion with two others who may be interested in diverting foodwaste to the digesters. This will occur only after we gain confidence that the systems can withstand the addition of external organic wastes.

29. Please describe the status of the Biosolids Management Program, in terms of the number of anaerobic digesters currently being used by DC Water. What are DC Water's plans for growing this program in the future?

The completion of the construction of the digesters will be spring 2014. We expect to be fully ramped up and producing Class A biosolids in January 2015.

The design capacity of the existing digesters is such that the average day and beyond will run through the digesters. There are predicted peaks, estimated to occur 6 to 8 times per year, that will exceed the digester capacity, sending the excess flow to the back-up lime stabilization system. It is expected that at some time in the future, when flows to the plant exceed the average daily capacity of the digesters, we will consider expansion of the digester system. Space is available for an expansion of the pre-digestion system (thermal hydrolysis) as well as the digesters.

30. Please describe the status of the Glover-Archbold Park Sewer Rehabilitation Project.

Based on comments received during the 2013 Public Scoping Process and additional information that DC Water has agreed to provide the National Park Service (NPS) concerning the tree and wetlands impacts of various construction concepts, DC Water is currently developing Alternatives to address the need for rehabilitation and protection of sewer assets as required by the National Environmental Policy Act (NEPA). In parallel, NPS staff are working towards a decision on whether an Environmental Assessment (EA) or Environmental Impact Statement (EIS) will be required depending on the potential impacts of DC Water's proposed actions. The next official public comment period will be associated with the distribution of a draft NEPA document (EA or EIS). The draft EA or EIS will be made available for a minimum of 60 days, to be referred to as the Public Comment Period. It is anticipated the draft document will be available for public comment in Winter 2014-2015, with construction of the Preferred Alternative to begin in 2016.

Comments and concerns about the project can always be submitted to the Project Manager, Jessica Demoise via email [jessicademoise@dcwater.com](mailto:jessicademoise@dcwater.com) or telephone 202-787-2699.