

David L. Gadis, Chief Executive Officer

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY | 1385 CANAL STREET, SE | WASHINGTON, DC 20003

March 12, 2021

The Honorable Muriel M. Bowser
Mayor of the District of Columbia
1350 Pennsylvania Avenue NW
Washington, DC 20004

Dear Mayor Bowser:

As our nation marks the one-year anniversary of the onset of the COVID-19 pandemic, we want to thank you for the tremendous leadership you have demonstrated in guiding the District of Columbia through all that the last year has brought upon us.

At DC Water, our motto is “Water is Life” – and the pandemic has proven just how crucial clean water is to everyone. You may recall that DC Water was the first local utility to suspend disconnections, prior to a legislative mandate to do so. But in addition, we reconnected customers who were without service, and did so without requiring any payment for the arrears.

Yesterday, President Biden signed into law the recently passed “American Rescue Plan”, and it is gratifying that the District of Columbia will receive nearly \$2.4 billion in badly needed assistance. While there is no shortage of competing needs for this federal funding, we hope you will consider an allocation that addresses the needs of the District of Columbia’s water and sewer customers.

Pursuant to DC Council legislation and your accompanying executive orders, there is an ongoing moratorium on the disconnection of utilities, including water. We understand that these protections are important, as many residents are facing a financial crisis with the loss of employment and mounting bills. There are approximately **13,000 households and 1300 multi-family buildings with nearly \$17 million in arrears**. Commercial customers face similar hardships with several months of lost or severely reduced business, resulting in approximately **1,600 customers with more than \$6.5 million in arrears**.

Because water is essential, these delinquencies will continue to grow. We respectfully request that the District of Columbia allocate **1.25% (\$30 million)** of the federal relief package to alleviate residential and commercial customers of this financial burden. Such an investment has both immediate and long-term benefits: Immediate relief to residents struggling to make ends meet and businesses looking to stay afloat, and long-term relief to all customers in the form of lower water rates going forward (because otherwise unpaid bills create a budget shortfall that must be met with future increased rates).

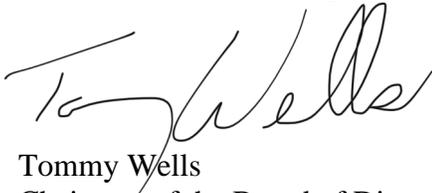
The American Rescue Plan also allows expenditures for investments in water, sewer and other infrastructure projects. DC Water appreciates the commitment that the District of Columbia has shown to help eliminate lead service lines throughout the city. An allocation of federal funding will accelerate our lead service line replacement efforts, representing a critical investment in the health and well-being of District of Columbia residents. We are requesting the District to allocate approximately **14.6% (\$350 million)** of the funding for this worthwhile effort. This would support the removal of 9,000 lead service lines over the next four years prioritized by equity and water quality improvements.

Given the financial hurdles that the pandemic has wrought upon so many District of Columbia residents and businesses, we know that the American Rescue Plan funding will only begin to address the many needs before you. That said, we would ask that you prioritize necessities of water equity and critical water and sewer infrastructure as you sort through the various requests you have received. This, amongst other efforts will not only help to address the life and health benefits that are essential in water, but also advance our efforts as we become a more resilient city across all 8 Wards.

Sincerely,



David L. Gadis
CEO and General Manager



Tommy Wells
Chairman of the Board of Directors
DC Water