



Approved FY 2026 Budgets

Section VII: FY 2026 Operating Expenditure

\$217M

PERSONNEL SERVICES

Employ 1,283 Full-Time Equivalent (FTEs) to provide water and wastewater services
Pay wages, retirement and health benefits for employees
Provide overtime compensation for emergency repair responses and special projects
Create career pathways and training opportunities for apprentices and summer interns
Breakdown of Personnel Services by Functional Areas:

\$153.7M Core operational departments – 951 FTEs

\$63.7M Administration and support departments – 332 FTEs

\$15M

SUPPLIES AND SMALL EQUIPMENT

\$10.7M **Buy** replacement pipes, valves, pumps, meters, vehicle parts, and other equipment for routine maintenance and upkeep

\$2.8M **Purchase** of laboratory supplies, custodial supplies, office supplies, uniforms, personal protective equipment (PPE) and other consumables

\$1.5M **Rent** machinery, cranes, vehicles and other specialized equipment

\$102M

CONTRACTUAL SERVICES

\$29M **Provide** support for information technology, legal, security, engineering, financial advisory, strategic, research and temporary staffing services

\$20M **Maintain** buildings, electrical equipment, HVAC, elevators, vehicles, green infrastructure, fire systems, digesters, combined heat and power facility

\$18M **Pay** for hauling and disposal of hazardous materials and biosolids, odor control, janitorial, industrial cleaning, reservoir, wet well and catch basin cleaning services

\$15M **Leverage** cutting-edge software technology to optimize operations and business processes

\$12M **Meet** obligations for insurance premiums, audit, claims and litigation

\$4M **Invest** in education, professional development, conferences, memberships and support events for 1,283 employees

\$2M **Foster** stakeholder engagement, community outreach and regional programs

\$2M **Pay** for printing and postage of customer bills, advertisement of contract solicitations, promotional items, storage and material transportation charges

\$48M

WATER PURCHASE

\$48M **Purchase** drinking water from the Washington Aqueduct

\$86M

UTILITIES AND CHEMICALS

\$82M **Fund** chemicals, energy and water used for collection, distribution and treatment activities and buy fuel used in vehicles and heavy-duty equipment

\$3M **Connect** employees, customers and stakeholders through uninterrupted telecommunication services (telephone, cellphone and radios)

\$1M **Lease** office space for sewer operations and other storage services

\$370M

NON-OPERATIONS AND MAINTENANCE

\$272M **Fund** debt service costs to support the capital program

\$74M **Allocate** funding for paygo financing

\$24M **Pay** the District's Payment in Lieu of Taxes and Right of Way fees

Overview of DC Water's Operational and Administrative Departments

Organizational Structure: DC Water is structured to fulfill its mission of providing water and wastewater services by grouping 30 departments into functional service lines and reporting clusters.

- **Operational Departments:** These departments are responsible for day-to-day activities such as water distribution, sewer services, wastewater treatment, customer care, and infrastructure maintenance. Their primary focus is to directly serve customers and ensure the reliability and safety of the water and wastewater systems.
- **Administrative and Technical Support Departments:** These departments provide essential support to operational units. Their functions include strategic planning, asset management, leadership development, financial management, human resources, and legal support. They enable the operational departments to function effectively and ensure compliance with regulatory and organizational standards.

Cluster-Based Reporting Structure: To enhance efficiency, accountability, and service delivery, DC Water organizes its departments into clusters.

- **Clusters:** Each cluster is led by a Senior Executive Team (SET) member who is responsible for the overall performance and service delivery of the departments within their cluster. This structure helps streamline decision-making processes, improve communication, and ensures that each cluster meets its performance metrics and strategic goals.
- **Purpose of Clusters:** Clusters are designed to promote collaboration and alignment across departments with similar functions, ensuring that resources are used effectively and that services are delivered efficiently.

Structural Changes:

- **Creation of the Information Technology (IT) Cluster:** The department of Information Technology was previously part of the Administration Cluster. The department became a stand-alone cluster in FY 2024 and is responsible for managing the organization's digital infrastructure, cybersecurity, and technology initiatives.

Importance of DC Water's Organizational Structure:

- **Leverage Organizational Strengths:** By reorganizing into functional clusters, DC Water aims to capitalize on the strengths of each department and improve collaboration across the organization.
- **Foster a High-Performing Team Culture:** Creation of a more cohesive and engaged workforce, where departments work together towards common goals and performance metrics.
- **Enhance the Employee Experience:** By streamlining processes and improving internal support, DC Water aims to provide a better work environment, which in turn enhances productivity and job satisfaction.
- **Improve Organizational Performance:** The new structure is designed to increase operational efficiency, reduce redundancies, and ensure that resources are allocated effectively to meet the utility's goals and objectives.

- **Serve the Public and Protect the Environment:** Ensure that DC Water continues to provide high-quality water and wastewater services to its customers, while also protecting the environment and complying with regulatory requirements.

Reporting and Accountability:

- The Senior Executive Team (SET) members overseeing each cluster are responsible for ensuring that their departments meet the organization's service delivery standards and performance metrics. This structure promotes accountability and ensures that departments are aligned with DC Water's overall mission and strategic objectives.
- **Performance Metrics:** Each department within the clusters is assessed based on specific performance indicators, which help track progress toward strategic goals and identify areas for improvement.

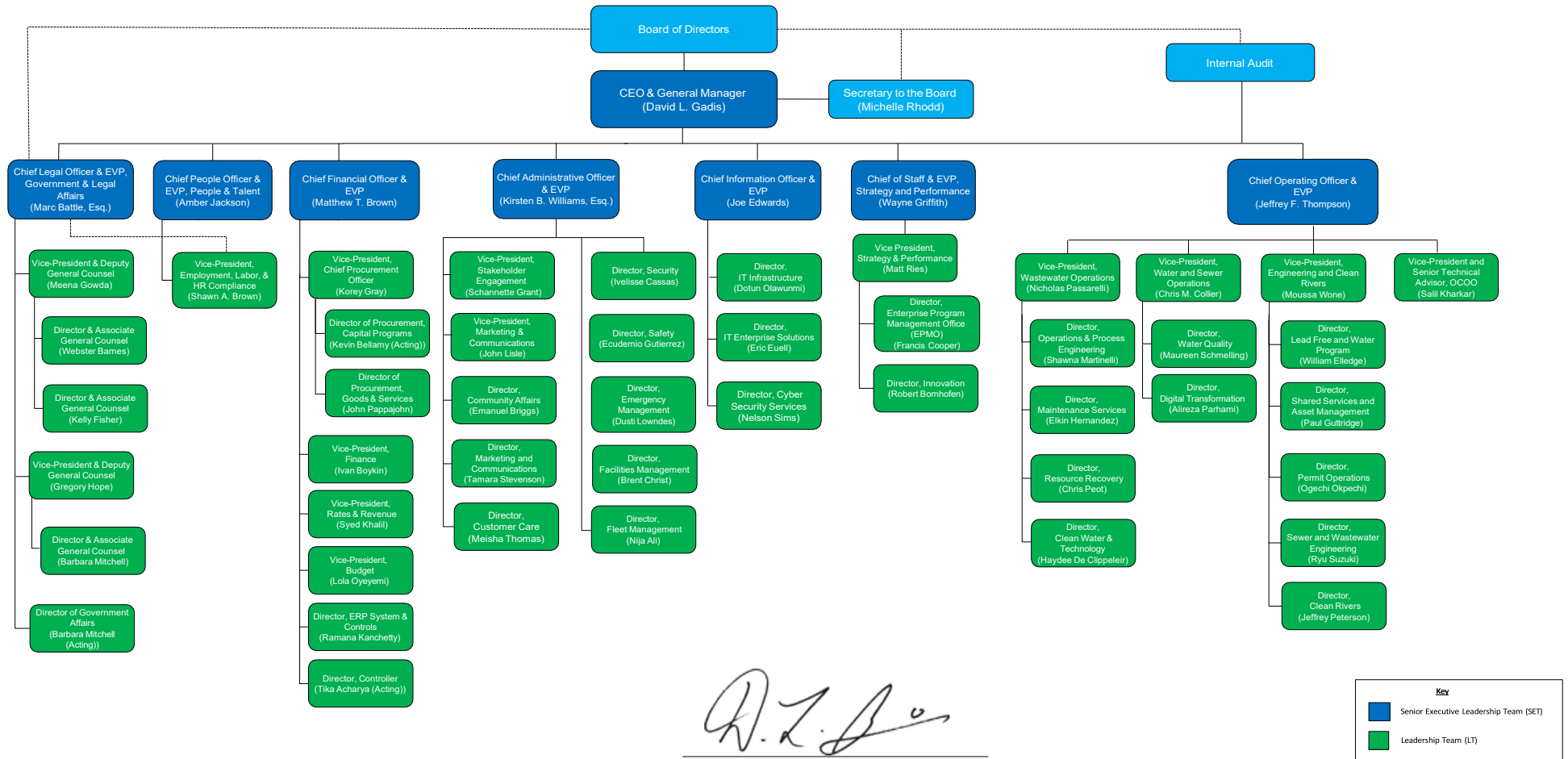
These structural changes are part of DC Water's ongoing efforts to optimize its operations, improve service delivery, and ensure the sustainable management of its resources.

DC Water Clusters & Senior Executive Team (SET)



Note: The Organizational Leadership structure was updated on March 5, 2025

DC WATER LEADERSHIP TEAM



David L. Gadis, CEO & General Manager

Operating Expenditures Budget Linkage to Blueprint 2.0

DC Water's five-year strategic plan, called Blueprint 2.0, includes five interconnected imperatives and lays out defined outcomes essential to achieving the strategic goals over the next five years and beyond. Detailed information about the strategic plan is available online at www.dewater.com/strategic-plan.



Healthy, Safe and Well

Is everybody we impact healthy, safe and well?



Sustainable

Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?



Reliable

Can we deliver our agreed service level in an efficient and effective manner?



Equitable

Are we operating in an equitable manner to enable our employees, partners, customers, and communities to prosper?

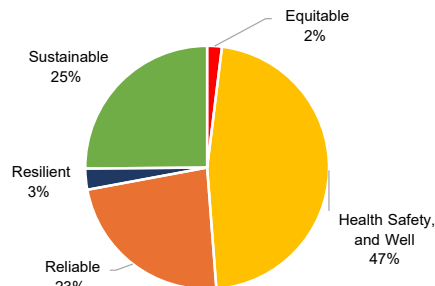


Resilient

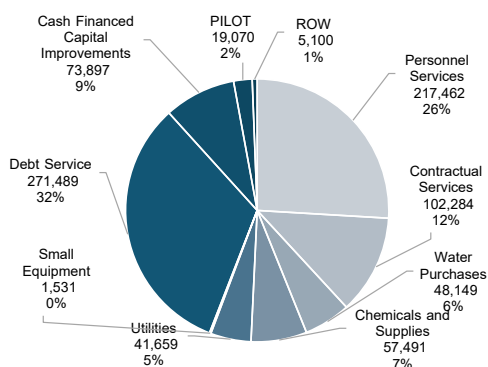
Are we able to cope with and recover from disruption, anticipating shocks and stressors to maintain service?

DC Water's budget is guided by its strategic plan. It serves as the primary lens through which budget requests are evaluated against established prioritization criteria and final budget decisions are made. The Approved FY 2026 operating budget advances DC Water's strategic plan and aligns it with the five imperatives of the Blueprint 2.0.

FY 2026 Operations & Maintenance Budget Breakdown by Blueprint 2.0



FY 2026 Operating Expenditures Budget Breakdown by Object



Examples of Major Operating Expenditure Programs



Salaries, retirement and health benefits, employment taxes, janitorial services, trash removal and recycling services, insurance premiums, claims, safety parts, custodial supplies, and more.



Chemicals, biosolids hauling & disposal, Combined Heat & Power facility support, industrial cleaning, grit removal, drinking water purchases, industrial cleaning, Green Infrastructure maintenance, research & development, audits, and more.



Energy, water usage, overtime, maintenance & repair (automotive, equipment, HVAC, elevators), telecommunication, software & hardware maintenance, locate & mark services, critical parts and supplies, and more.



Security guard services, employee on call time, maintenance & repairs (meter, general, electrical high and low voltage, other), cybersecurity, and more.



Customer assistance and community outreach programs, legal matters, litigation contingency, employee parking subsidy, clothing & uniforms, employee orientation, internship programs, various employee training and conferences, and more.

Operating Expenditures Budget

The Revised FY 2025 budget includes an amendment of \$5.5 million from debt service to the cash financed capital improvement fund due to the structure of new debt and refinancing. The overall operating expenditure budget for FY 2025 remains at the Board-adopted level.

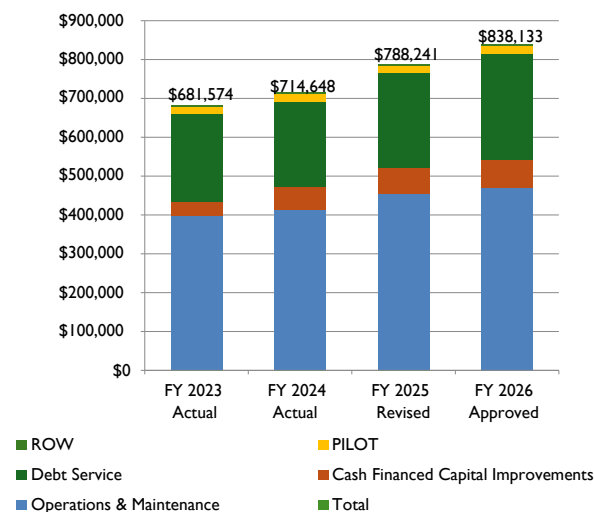
The Approved FY 2026 operating budget is \$838.1 million, an increase of \$50.7 million or 6.3% compared to FY 2025 level.

Approved FY 2026 Operating Budget Changes

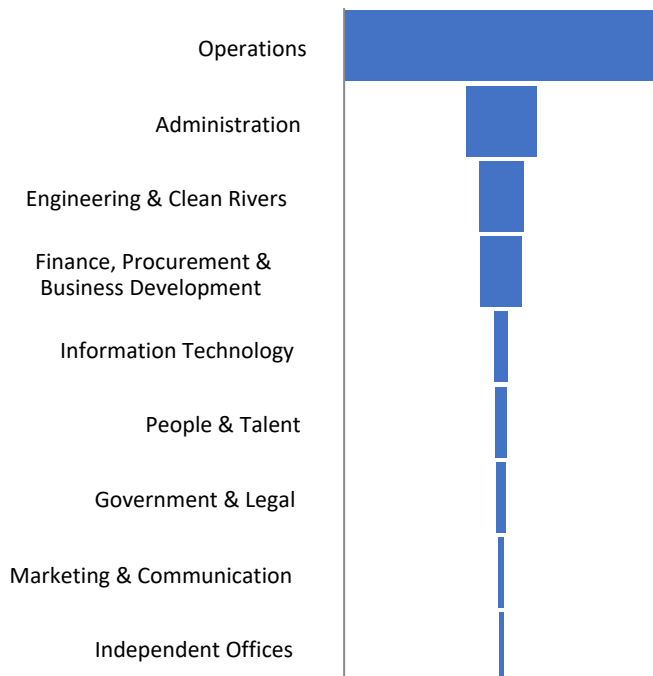
- **Personnel Services** (\$7.8 million increase): Reflects proposed adjustments for salaries, overtime and employee health benefits. Budget includes elimination of 45 hard to fill vacant positions, saving ratepayers \$5.7 million
- **Chemicals** (Relatively flat)
- **Supplies** (\$1.9 million increase): Reflects inflationary cost pressures for critical parts and custodial materials
- **Utilities** (\$1.3 million net increase): Higher electricity costs offset by reduced natural gas and water usage in treatment activities
- **Water Purchase** (\$2.8 million increase): DC Water's proportionate cost for dredging the Little Seneca Reservoir by the Washington Aqueduct.
- **Contractual Services** (no change)
- **Small Equipment** (\$0.2 million increase): Reflects rental of two cranes for use at Blue Plains
- **Debt Service** (\$27.5 million increase): for planned debt coverage between the projected senior and subordinate bond series
- **Cash Financed Capital Improvements** (\$7.9 million increase): PAYGO funding to reduce future borrowing costs
- **PILOT & ROW** (\$0.4 million increase): Payment to the District for Payment-in-Lieu-of Taxes and Right-of-Way fee which remains at the FY 2025 level



Historical and Projected Operating Expenditures



FY 2026 Operations & Maintenance Budget by Cluster



Operating Expenditures by Object

DC Water's annual operating budget provides the resources necessary to sustain a multi-billion-dollar water distribution, sewage collection, and treatment system.

The FY 2026 Approved budget for Operations expenditures is \$838.1 million, which is an increase of 6.3% from the Revised FY 2025 budget. The operations and maintenance expenses are categorized into six major expenditure types: Personnel Services, Chemicals & Supplies, Contractual Services, Utilities and Rent, Water Purchases, and Small Equipment. Additionally, a portion of the personnel costs are capitalized in direct support of DC Water's Capital Improvement Program.

\$ in thousands	FY 2023 Year-End Actual	FY 2024 Year-End Actual	FY 2025 Revised Budget	Approved Budget	FY 2026 Change	% Budget
Personnel Services	\$ 183,316	\$ 192,994	\$ 209,633	\$ 217,462	\$ (7,829)	-3.7%
Chemicals & Supplies	53,082	55,596	55,585	57,491	(1,906)	-3.4%
Contractual Services	88,309	89,276	102,284	102,284	0	0.0%
Utilities and Rent	37,361	34,202	40,318	41,659	(1,341)	-3.3%
Water Purchases	33,609	38,904	45,330	48,149	(2,819)	-6.2%
Small Equipment	1,244	1,599	1,364	1,531	(167)	-12.2%
Total O&M Expenditures	\$ 396,921	\$ 412,570	\$ 454,513	\$ 468,576	\$ (14,063)	-3.1%
Debt Service	225,852	220,073	243,969	271,489	(27,521)	-11.3%
Cash Financed Capital Improvements	35,730	58,576	65,963	73,897	(7,934)	-12.0%
Payment in Lieu of Taxes	17,970	18,330	18,696	19,070	(374)	-2.0%
Right of Way Fees	5,100	5,100	5,100	5,100	-	0.0%
Total Operating Expenditures	\$ 681,574	\$ 714,648	\$ 788,241	\$ 838,133	\$ (49,892)	-6.3%
Personnel Services Charged to Capital Projects	(27,813)	(26,699)	(34,087)	(30,907)	(3,180)	9.3%
Net Operating	\$ 653,760	\$ 687,949	\$ 754,154	\$ 807,226	\$ (53,072)	-7.0%



PERSONNEL SERVICES



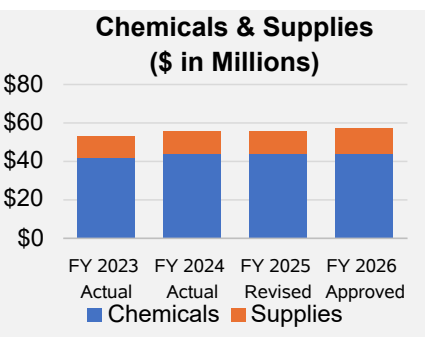
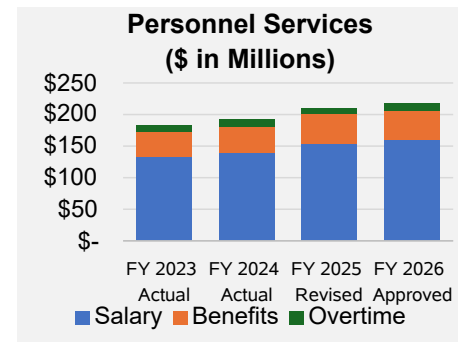
Healthy, Safe and Well



Reliable

Personnel Services covers the salaries, benefits, overtime, on-call and other employee compensations for 1283 full time employees, temporary part-time employees, apprentices and the DC Water's internship program.

Total costs for FY 2026 are estimated at \$217.5 million, or 27.4% of total operating budget and reflect a \$7.8 million or 3.7% increase from prior year. This increase in employee salaries and benefits is intended to improve employee retention in a highly competitive job market.



CHEMICALS & SUPPLIES



Healthy, Safe and Well



Reliable



Resilient

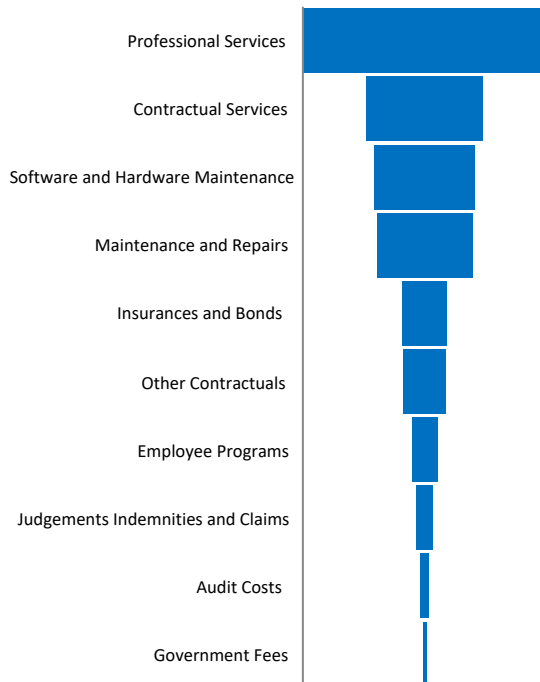
These include the various chemicals (Methanol, Polymer, Ferric Chloride, Etc.) used in the treatment processes, office supplies, custodial supplies including spare parts for maintaining critical assets, uniforms for operational and technical employees, etc.

The Approved FY 2026 budget is estimated at \$57.5 million, or 6.9 % of total operating budget and reflect a 3.4% increase from prior year budget. The \$1.9 million increase is mainly due to higher costs for critical spare parts and custodial supplies to maintain DC Water's infrastructure.

FY 2026 Contractual Services



CONTRACTUAL SERVICES



The Approved FY 2026 contractual budget is estimated at \$102.3 million, representing 12.2% of the total operating budget and remains relatively flat compared to the prior year. Key cost pressures include hauling, cleaning, IT support, utility marking, and security services, with budget reallocations focusing on travel, training, and professional services such as consulting, legal, and insurance.

MAJOR CONTRACTUAL SERVICES

- **Professional Services:** Provides support for the Combined Heat & Power (CHP) facility, information technology, strategic, legal, financial advisory, strategic, temporary staffing, research and development, security and traffic services, and more
- **Contractual Services:** Hauling and disposal of waste materials, industrial cleaning, odor control, janitorial, reservoir, wet well and catch basin cleaning services and more
- **Software and Hardware Maintenance:** Software subscriptions, system updates, and technical support
- **Maintenance and Repairs:** Electrical, vehicles, heavy-duty equipment, HVAC, elevator systems
- **Employee Programs:** Tuition assistance, training, and conferences
- **Insurance Services:** Premiums for liability, property, and coverage
- **Other Contracts:** Locate and mark utilities, storage, printing, advertising, material transportation, and regional services.



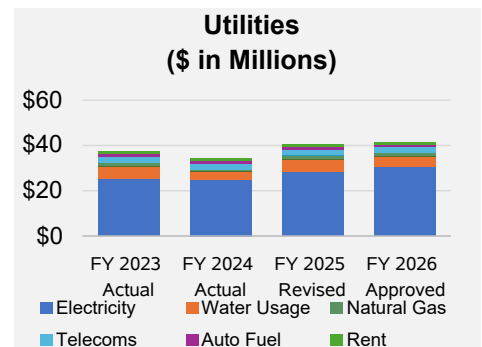
UTILITIES



This covers the costs for telecommunications (radios, cell and phone lines), electricity, natural gas, water usage, building rentals, etc.

Total utilities costs for FY 2026 are estimated at \$41.7 million, or 4.98% of total operating budget, and reflect a 3.3% increase from prior year budget.

Electricity – The projected \$2.5 million increase in electricity is based on anticipated increase in capacity charges. Energy is used for various treatment activities at Blue Plains, Pump Stations, and various facilities. Onsite electric generation of 7MW from the Combined Heat & Power Facility mitigates cost growth and reduces reliance on the power grid.

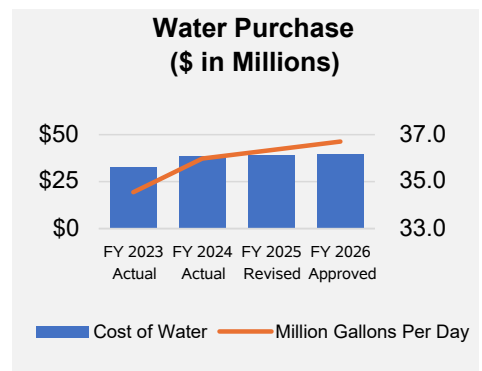


WATER PURCHASE



This covers water purchased from the U.S. Army Corps of Engineers (Washington Aqueduct), the entity that sources, treats and produces the tap water distributed by DC Water in the District

Total water purchase costs for FY 2026 are estimated at \$48 million, or 5.72% of total operating budget and reflect a 6.2% increase from prior year budget. The \$2.8 million increase is driven by DC Water's proportionate cost for the dredging of the Little Seneca Reservoir by the Washington Aqueduct.

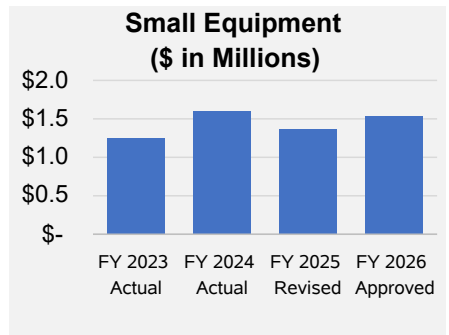




SMALL EQUIPMENT

Small equipment includes items such as rented equipment, cranes, adding machines, cameras, small appliances, etc.

Total costs for FY 2026 are estimated at \$1.5 million, with a \$167K increase for renting additional cranes at Blue Plains facility.



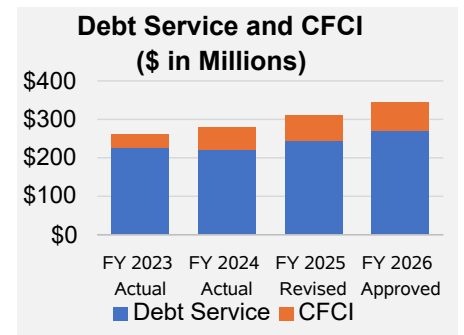
DEBT SERVICE & CFCI

The Non-O&M category includes the debt service and cash financed capital improvement (CFCI), as well as Payment in Lieu of Taxes (PILOT) and Right-of-Way (ROW) fees.

Debt service refers to the repayment of principal and interest on debt issued for the capital program. As of FY 2024, the total debt service paid amounted to \$220 million, with a planned debt service payment of \$271.5 million in FY 2026.

The FY 2025 revised budget reflects reprogramming of \$5.5 million from debt service to CFCI for paygo to reduce future borrowing costs.

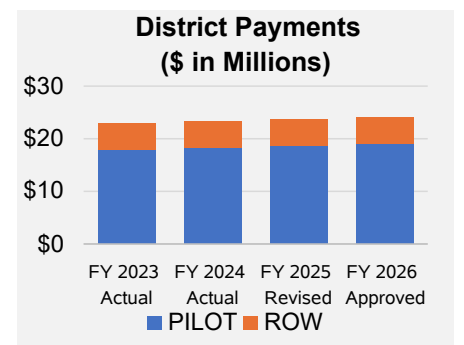
CFCI serves dual purpose as an Operations and Maintenance budget contingency, and provides sufficient debt service coverage/paygo.



DISTRICT PAYMENTS

These are payments to the District for water and sewer conduits that it occupies within the District of Columbia, consistent with an existing memorandum of understanding (MOU).

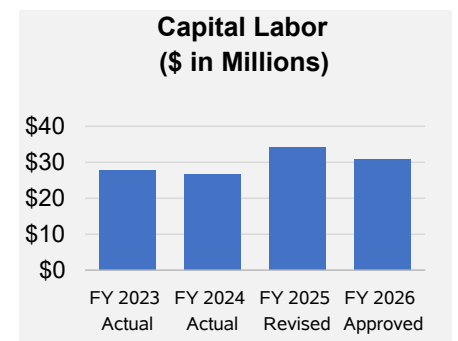
The PILOT is for \$19 million and increased by 2%, and the ROW amount is \$5.1 million, no change from the prior year.



CAPITAL LABOR

Capital labor charges represent costs for personnel directly supporting capital projects, including planning, design, and construction efforts.

The Approved FY 2026 budget is \$31 million and reflects a decrease of \$3 million mainly due to the elimination of aged and hard to fill vacancies in the engineering departments.



Operating Expenditures by Department and Cluster

(\$ in thousands)

Departments & Clusters	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 REVISED	FY 2026 APPROVED
OPERATIONS	\$ 240,603	\$ 251,636	\$ 272,880	\$ 286,235
Office of the Chief Operating Officer	2,113	1,585	1,692	2,059
Wastewater Treatment Operations	91,639	92,889	99,254	101,362
Process Engineering	7,862	6,432	8,534	8,468
Maintenance Services	21,627	24,233	24,763	26,945
Clean Water and Technology	3,686	3,878	5,055	5,486
Resource Recovery	6,670	6,833	7,775	8,354
Water Operations	66,140	74,193	80,716	87,507
Pumping and Sewer Operations	40,866	41,593	45,092	46,056
ENGINEERING	\$ 37,993	\$ 37,204	\$ 44,476	\$ 40,148
Engineering & Technical Services	23,280	23,128	25,395	21,382
CIP Infrastructure Management	4,731	1,514	5,965	4,530
Wastewater Engineering	2,226	4,202	3,722	4,862
Permit Operations	4,637	4,946	5,286	5,399
Clean Rivers	3,120	3,415	4,108	3,974
ADMINISTRATION	\$ 52,004	\$ 55,828	\$ 58,887	\$ 63,927
Office of the Chief Administration Officer	-	491	1,466	1,325
Customer Care	19,177	19,248	21,117	21,969
Strategy and Performance	2,991	2,925	2,738	3,244
Office of Emergency Management	1,605	1,560	1,682	1,801
Fleet Management	6,596	7,515	7,191	7,543
Occupational Safety & Health	2,259	2,647	2,859	3,370
Facilities Management	9,691	11,285	10,778	13,807
Security	9,686	10,157	11,057	10,866
INFORMATION TECHNOLOGY	\$ 10,960	\$ 11,037	\$ 11,006	\$ 12,155
Information Technology	10,960	11,037	11,006	12,155
INDEPENDENT OFFICES	\$ 4,342	\$ 4,490	\$ 4,426	\$ 4,547
Secretary to the Board	385	808	875	1,033
Office of the Chief Executive Officer	3,177	2,866	2,712	2,696
Internal Audit (outsourced)	780	815	839	818
FINANCE & PROCUREMENT	\$ 30,796	\$ 32,423	\$ 40,490	\$ 38,084
Finance	22,991	24,246	30,062	27,762
Procurement	6,664	6,490	7,611	7,644
Compliance and Business Development	1,141	1,687	2,318	2,477
Non-Ratepayer Revenue Fund	-	-	500	200
MARKETING AND COMMUNICATION	\$ 3,102	\$ 3,891	\$ 4,349	\$ 4,850
Marketing and Communication	3,102	3,891	4,349	4,850
PEOPLE AND TALENT	\$ 8,169	\$ 10,128	\$ 9,685	\$ 10,262
People and Talent	8,169	10,128	9,685	10,262
GOVERNMENT AND LEGAL AFFAIRS	\$ 8,951	\$ 5,934	\$ 8,312	\$ 8,369
Government and Legal Affairs	8,951	5,934	8,312	8,369
Subtotal O & M Expenditures	\$ 396,921	\$ 412,570	\$ 454,513	\$ 468,576
Debt Service	225,852	220,073	243,969	271,489
Cash Financed Capital Improvements	35,730	58,576	65,963	73,897
Payment in Lieu of Taxes	17,970	18,330	18,696	19,070
Right of Way Fees	5,100	5,100	5,100	5,100
Total Operating Expenditures	\$ 681,574	\$ 714,648	\$ 788,241	\$ 838,133
Personnel Services charged to Capital Projects	(27,813)	(26,699)	(34,087)	(30,907)
Total Net Operating Expenditures	\$ 653,760	\$ 687,949	\$ 754,154	\$ 807,226

FY 2025 Revised Budget by Department by Category

(\$ in thousands)

	Auth Pos	Pay	Fringe	Overtime	Personnel Services	Supplies	Chemicals	Utilities	Contracts	Biosolids	Water Purchases	Equipment	Total Non- Personnel Services	Total Operating
810ZZZ-Wastewater Treatment Operations	106	11,114	3,491	1,530	16,134	341	43,878		10,814	-	-	118	83,119	99,254
812ZZZ-Process Engineering	36	4,521	1,407	32	5,960	780	-		1,522	-	-	228	2,574	8,534
811ZZZ-Maintenance Services	102	10,832	3,458	700	14,990	5,129	-		4,013	-	-	500	9,773	24,763
813ZZZ-Water Operations	217	20,924	6,788	2,542	30,253	1,218	39		3,254	-	45,330	201	50,463	80,716
600ZZZ-Customer Care	120	11,343	3,616	304	15,264	105	-		5,431	-	-	3	5,853	21,117
801ZZZ-Engineering and Technical Services	112	15,825	5,228	938	21,992	151	-		2,975	-	-	-	3,403	25,395
802ZZZ-CIP Infrastructure Management	24	4,651	1,205	5	5,861	-	-		104	-	-	-	104	5,965
803ZZZ-Wastewater Engineering	23	2,176	613	10	2,799	10	-		914	-	-	-	924	3,722
800ZZZ-Clean Rivers	8	1,727	445	-	2,172	10	-		1,858	-	-	-	1,936	4,108
804ZZZ-Permit Operations	28	3,506	1,024	55	4,585	30	-		644	-	-	-	701	5,286
814ZZZ-Pumping and Sewer Operations	195	19,819	6,457	2,134	28,409	1,620	162		5,869	-	-	143	16,683	45,092
810YYY-Resource Recovery	8	1,067	356	90	1,513	1	-		966	5,278	-	-	6,262	7,775
810XXX- Clean Water and Technology	12	1,625	398	250	2,273	554	-		2,203	-	-	-	2,782	5,055
Subtotal Operations	991	\$109,129	\$34,486	\$8,590	\$152,205	\$9,949	\$44,079	\$38,181	\$40,568	\$5,278	\$45,330	\$1,193	\$184,577	\$336,781
100ZZZ-Secretary to the Board	3	450	82	-	532	8	-	2	333	-	-	-	343	875
101ZZZ-Office of Chief Executive Officer	4	1,073	243	-	1,316	9	-	17	1,369	-	-	-	1,395	2,712
102ZZZ-Internal Audit	0	-	-	-	-	-	-	-	839	-	-	-	839	839
103ZZZ-Marketing and Communication	20	2,608	664	-	3,271	8	-	17	1,044	-	-	9	1,078	4,349
104ZZZ-Office of Chief Operating Officer	5	876	175	-	1,051	2	-	1	638	-	-	-	641	1,692
105ZZZ-Office of Chief Administration Officer	2	464	102	-	566	-	-	-	900	-	-	-	900	1,466
201ZZZ-Office of Emergency Management	6	901	246	0	1,146	6	-	12	517	-	-	-	536	1,682
202ZZZ-Fleet Management	8	938	269	6	1,213	1,317	-	1,283	3,303	-	-	75	5,978	7,191
203ZZZ-Occupational Safety	18	1,864	495	-	2,359	4	-	29	465	-	-	1	500	2,859
204ZZZ-Facilities Management	52	4,946	1,489	325	6,759	106	-	77	3,785	-	-	50	4,018	10,778
205ZZZ-Security	8	1,153	248	0	1,401	32	-	393	9,211	-	-	20	9,656	11,057
300ZZZ-Finance	65	9,410	2,519	83	12,012	10	-	56	17,984	-	-	-	18,050	30,062
301ZZZ-Procurement	39	5,283	1,530	90	6,903	24	-	40	642	-	-	3	708	7,611
302ZZZ-Non-Ratepayer Revenue Fund	0	-	-	-	-	-	-	-	500	-	-	-	500	500
303ZZZ-Compliance & Business Development	11	1,476	431	-	1,907	9	-	5	397	-	-	-	411	2,318
400ZZZ-Strategy and Performance	9	1,403	343	-	1,745	6	-	3	983	-	-	-	992	2,738
500ZZZ-People and Talent	33	4,286	1,016	0	5,302	4	-	24	4,354	-	-	-	4,383	9,685
601ZZZ-Information Technology	37	5,242	1,430	6	6,679	5	-	154	4,156	-	-	13	4,328	11,006
700ZZZ-Government and Legal Affairs	14	2,604	658	3	3,264	7	-	24	5,017	-	-	-	5,048	8,312
Subtotal Administration	334	\$44,976	\$11,939	\$513	\$57,428	\$1,558	-	\$2,137	\$56,438	-	-	\$171	\$60,304	\$117,732
Subtotal O & M Expenditures	1,325	\$ 154,105	\$ 46,425	\$ 9,103	\$ 209,633	\$ 11,506	\$ 44,079	\$ 40,318	\$ 97,006	\$ 5,278	\$ 45,330	\$ 1,364	\$ 244,881	\$ 454,513
Debt Service														243,969
Cash Financed Capital Improvements														65,963
Payment in Lieu of Taxes														18,696
Right of Way														5,100
Total OPERATING EXPENDITURES														788,241
Personnel Services charged to Capital Projects														(34,087)
TOTAL NET OPERATING EXPENDITURES														\$754,154

FY 2026 Approved Budget by Department byCategory

(\$ in thousands)

	Auth Pos	Pay	Fringe	Overtime	Personnel Services	Supplies	Chemicals	Utilities	Contracts	Biosolids	Water Purchases	Equipment	Total Non- Personnel Services	Total Operating
810ZZZ-Wastewater Treatment Operations	105	11,780	3,930	1,538	17,249	346	43,955	28,557	11,180	-	-	74	84,113	101,362
812ZZZ-Process Engineering	36	4,772	1,498	28	6,298	579	-	32	1,558	-	-	-	2,169	8,468
811ZZZ-Maintenance Services	97	10,644	3,168	906	14,718	5,919	-	146	5,152	-	-	1,010	12,227	26,945
813ZZZ-Water Operations	211	21,940	7,024	3,492	32,455	1,518	39	445	4,780	-	48,149	120	55,051	87,507
600ZZZ-Customer Care	119	12,306	3,458	404	16,168	112	-	382	5,304	-	-	3	5,801	21,969
801ZZZ-Engineering and Technical Services	104	13,798	3,941	938	18,677	150	-	320	2,214	-	-	20	2,705	21,382
802ZZZ-CIP Infrastructure Management	23	3,547	915	7	4,469	10	-	0	52	-	-	-	62	4,530
803ZZZ-Wastewater Engineering	18	3,130	810	1	3,941	2	-	0	919	-	-	-	921	4,862
800ZZZ-Clean Rivers	9	1,788	461	-	2,250	5	-	63	1,657	-	-	-	1,724	3,974
804ZZZ-Permit Operations	28	3,466	1,034	65	4,566	19	-	22	792	-	-	-	834	5,399
810XXX- Clean Water and Technology	14	1,851	495	100	2,446	856	-	1	2,182	-	-	-	3,040	5,486
810YYY-Resource Recovery	9	1,182	385	154	1,721	7	-	1	804	5,821	-	-	6,633	8,354
814ZZZ-Pumping and Sewer Operations	178	19,697	6,166	2,904	28,768	1,727	0	9,591	5,828	-	-	142	17,288	46,056
Subtotal Operations	951	\$109,903	\$33,286	\$10,537	\$153,726	\$11,250	\$43,995	\$39,561	\$42,421	\$5,821	\$48,149	\$1,369	\$192,566	\$346,293
100ZZZ-Secretary to the Board	3	512	132	-	644	3	-	9	377	-	-	-	388	1,033
101ZZZ-Office of Chief Executive Officer	4	1,097	265	-	1,362	7	-	35	1,292	-	-	-	1,334	2,696
102ZZZ-Internal Audit	-	-	-	-	-	-	-	0	818	-	-	-	818	818
103ZZZ-Marketing and Communication	20	3,137	685	3	3,825	7	-	30	988	-	-	-	1,025	4,850
104ZZZ-Office of Chief Operating Officer	5	1,135	280	-	1,415	2	-	2	627	-	-	13	644	2,059
105ZZZ-Office of Chief Administration Officer	2	446	111	-	557	-	-	3	765	-	-	-	769	1,325
201ZZZ-Office of Emergency Management	7	1,024	264	-	1,287	21	-	14	479	-	-	-	514	1,801
202ZZZ-Fleet Management	7	895	261	4	1,160	1,333	-	1,161	3,864	-	-	25	6,383	7,543
203ZZZ-Occupational Safety	16	1,770	473	3	2,246	15	-	22	1,087	-	-	-	1,124	3,370
204ZZZ-Facilities Management	53	5,355	1,678	475	7,508	763	-	96	5,337	-	-	103	6,299	13,807
205ZZZ-Security	9	1,223	323	2	1,548	44	-	387	8,877	-	-	10	9,318	10,866
300ZZZ-Finance	65	10,589	3,147	45	13,781	10	-	43	13,929	-	-	-	13,982	27,762
301ZZZ-Procurement	39	5,411	1,561	120	7,092	11	-	49	494	-	-	0	553	7,644
302ZZZ-Non-Ratepayer Revenue Fund	-	-	-	-	-	-	-	0	200	-	-	-	200	200
303ZZZ-Compliance & Business Development	11	1,527	438	-	1,965	10	-	0	502	-	-	-	512	2,477
400ZZZ-Strategy and Performance	9	1,763	459	-	2,222	-	-	2	1,020	-	-	-	1,022	3,244
500ZZZ-People and Talent	31	4,834	1,277	3	6,113	5	-	32	4,112	-	-	-	4,149	10,262
601ZZZ-Information Technology	37	5,976	1,448	6	7,430	16	-	180	4,517	-	-	11	4,725	12,155
700ZZZ-Government and Legal Affairs	14	2,751	827	2	3,580	-	-	30	4,759	-	-	-	4,789	8,369
Subtotal Administration	332	\$49,444	\$13,629	\$663	\$63,736	\$2,246	-	\$2,098	\$54,041	-	-	\$162	\$58,547	\$122,283
Subtotal O & M Expenditures	1,283	\$ 159,348	\$ 46,914	\$ 11,200	\$ 217,462	\$ 13,496	\$ 43,995	\$ 41,659	\$ 96,462	\$ 5,821	\$ 48,149	\$ 1,531	\$ 251,114	\$ 468,576
Debt Service														271,489
Cash Financed Capital Improvements														73,897
Payment in Lieu of Taxes														19,070
Right of Way														5,100
Total OPERATING EXPENDITURES														838,133
Personnel Services charged to Capital Projects														(30,907)
TOTAL NET OPERATING EXPENDITURES														\$807,226

Summary of Authorized Positions by Department

DC Water is focused on reducing its vacancy rate by assessing staffing requirements and increasing hiring efforts in critical areas. In past years, hard-to-fill positions were deactivated, and new roles were added to align with operational needs such as water quality compliance and strategic programs. This reflects DC Water's commitment to efficiency and achieving a lower single-digit vacancy rate.

Explanation of Changes to Authorized Positions

Overview:

- In FY 2023, the authorized headcount was revised from 1325 to 1308, resulting in the elimination of 17 positions identified as hard-to-fill positions across the Authority
- In FY 2024 and FY 2025, the Authority introduced new positions across multiple departments to support key initiatives aimed at addressing areas of greatest need, driving efficiency, and filling critical roles

Key Drivers of Growth:

- Operational Expansion:** The expansion of operational activities required additional staff to manage increased workloads and ensure efficiency
- Strategic Initiatives:** New strategic initiatives, such as the implementation of advanced technologies and customer service enhancements, necessitated the creation of specialized roles
- Regulatory Compliance:** Compliance with new regulatory requirements led to the establishment of positions focused on ensuring adherence to industry standards

Impact on Workforce:

- The authorized headcount increased by approximately 1.3% from FY 2023 to FY 2025, reflecting the organization's commitment to scaling its operations and enhancing service quality

Major FY 2026 Position Changes

Overview of FY 2026:

- DC Water continues to refine its workforce strategy to align with evolving business needs and market conditions. This includes both the elimination of existing vacant positions (through redirection of aged vacant positions) without active recruitment and the addition of minimum new positions to remain responsive to changing demands

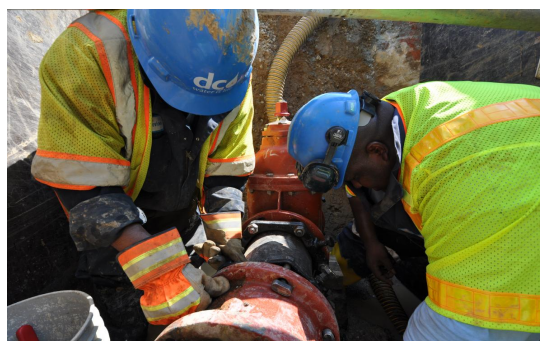
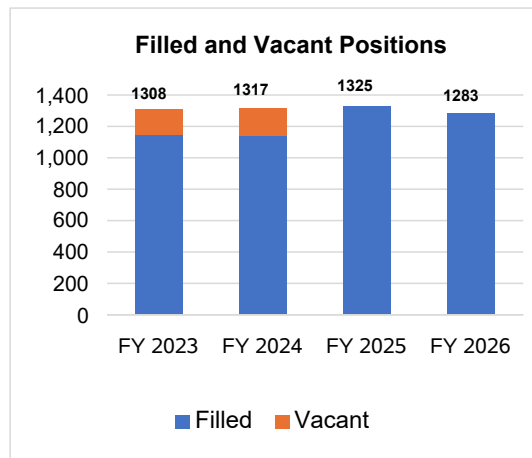
Significant Changes in FY 2026:

- New Positions:** Introduction of 3 new positions in key areas such as information technology, emergency management, and research and development
- Headcount Adjustments:** Elimination of 45 vacant positions to maintain a balanced workforce, ensuring that the organization remains agile and optimize resource utilization. This reflects DC Water's commitment to efficiency and achieving a lower single digit vacancy rate than historical trends

Rationale for Changes:

- Strategic Alignment:** Ensuring that the workforce is aligned with the organization's long-term strategic goals and objectives
- Operational Efficiency:** Enhancing operational efficiency by optimizing the allocation of human resources
- Market Adaptation:** Adapting to market trends and customer expectations by investing in areas with the highest impact on service delivery and business growth

These position changes reflect management's proactive approach to workforce planning, ensuring that it remains well-equipped to meet future challenges and opportunities.



Authorized Positions

		FY 2023		FY 2024		FY 2025	FY 2025	FY 2026
		Authorized	Year -End Filled	Authorized	Year -End Filled	Authorized	Revised	Authorized
O	Wastewater Treatment Operations	106	101	106	101	104	106	105
p	Process Engineering	36	30	36	29	35	36	36
e	Maintenance Services	98	94	102	91	102	102	97
r	Water Operations	213	192	212	193	213	217	211
a	Customer Care	120	104	120	109	120	120	119
t	Pumping and Sewer Operations	183	167	185	163	186	195	178
i	Engineering and Technical Services	133	119	120	104	128	112	104
o	Wastewater Engineering	22	7	27	16	20	23	18
n	CIP Infrastructure Management	31	28	27	23	30	24	23
s	Clean Rivers	10	7	9	6	9	8	9
	Permit Operations	29	25	29	26	29	28	28
	Resource Recovery	8	7	8	8	9	8	9
	Clean Water and Technology	12	11	12	12	13	12	14
Subtotal		1,001	892	993	881	998	991	951
A	Office of the Chief Executive Officer	4	3	4	4	4	4	4
d	Office of the Chief Operating Officer	3	2	5	4	4	5	5
m	Office of the Chief Administration Officer	0	0	2	1	2	2	2
i	Strategy and Performance	9	7	9	6	8	9	9
n	Office of the Secretary	3	2	3	2	3	3	3
i	Internal Audit (outsourced)	-	-	-	-	-	-	-
s	Government and Legal Affairs	14	13	14	13	14	14	14
t	Marketing and Communication	14	10	19	12	19	20	20
r	People and Talent	34	25	33	21	29	33	31
a	Information Technology	37	32	37	32	37	37	37
t	Procurement	35	32	35	27	39	39	39
i	Compliance and Business Development	7	7	8	7	11	11	11
o	Finance	60	47	64	57	64	65	65
n	Office of Emergency Management	6	4	6	6	6	6	7
	Facilities Management	50	43	52	47	52	52	53
	Security	7	7	7	7	9	8	9
	Occupational Safety and Health	16	11	18	9	18	18	16
	Fleet Management	8	7	8	5	8	8	7
Subtotal		307	252	324	260	327	334	332
Total Positions		1,308	1,144	1,317	1,141	1,325	1,325	1,283

Year-round interns, short-term temps and summer temps are not included in the filled count.

Position Highlights

- Reflects the recommendation to eliminate 45 existing hard-to-fill and aged vacant positions, resulting in an estimated cost savings of \$5.7 million
- Includes the addition of 3 new positions (through reallocation of aged and hard-to-fill vacant positions) to meet organizational headcount needs and support key initiatives
- Assumes an overall vacancy rate of 7% in FY 2025 and 5% in FY 2026, driven by the elimination of existing vacancies. Historically, the Authority has faced a double-digit vacancy rate, with the vacancy rate based on active recruitment standing at 9.6% at the close of FY 2024
- Aligns with the strategic plan, Blueprint 2.0, to set priorities and strengthen operations, ensuring alignment with long-term goals and enhancing overall efficiency

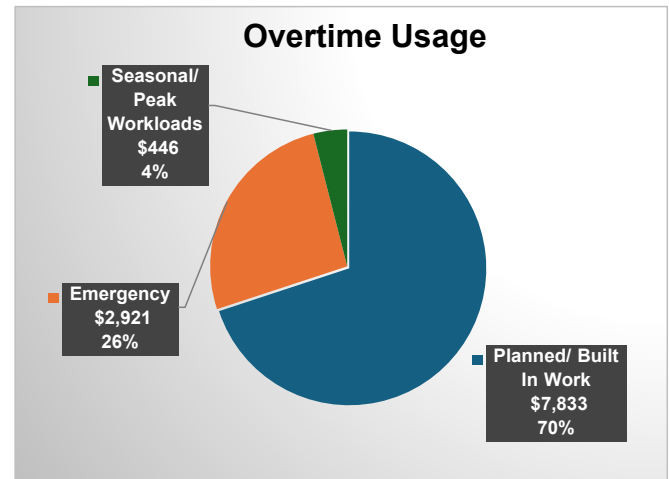
Summary of Overtime

(\$ in thousands)

At DC Water, overtime is mainly used to ensure continuity of operations in critical areas such as maintenance, facilities, customer service, cyclical events and respond to emergencies impacting customers.

Below is the breakdown of the overtime usage and costs by department:

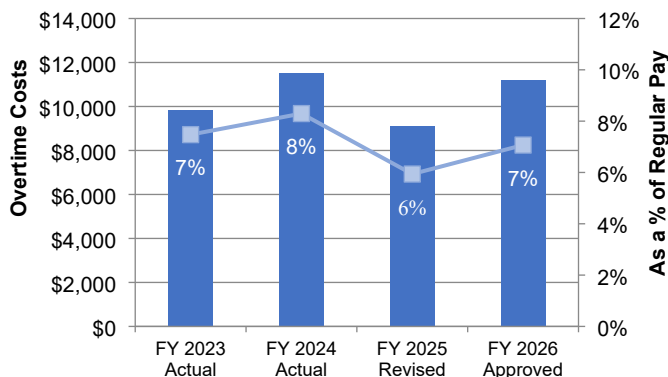
- **Planned/Built-in Work:** This includes overtime that is scheduled in advance to cover regular, ongoing tasks that cannot be completed within standard working hours. It ensures that essential services are maintained without interruption.
- **Emergency Work:** This type of overtime is used to respond to unexpected events or emergencies that require immediate attention. It ensures that the organization can quickly address issues such as equipment failures, natural disasters, or other urgent situations.
- **Seasonal or Peak Workloads:** Overtime is also used to manage periods of increased demand, such as during peak seasons or special projects. This helps the organization handle temporary spikes in workload without hiring additional staff. Additionally, at the end of the fiscal year, overtime may be necessary to complete tasks related to closing out the year's accounts, preparing reports, and ensuring that all financial and operational activities are properly documented.



(\$ in thousands)

Department	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved
Wastewater Treatment Operations	\$ 1,603	\$ 1,451	\$ 1,530	\$ 1,538
Resource Recovery	143	145	90	154
Clean Water and Technology	253	92	250	100
Process Engineering	37	27	32	28
Maintenance Services	739	855	700	906
Engineering and Technical Services	792	877	938	938
CIP Infrastructure Management	1	6	5	7
Wastewater Engineering	0	0	10	1
Permit Operations	61	57	55	65
Water Operations	2,537	3,790	2,542	3,492
Pumping and Sewer Operations	2,738	3,144	2,134	2,904
Clean Rivers	-	-	-	-
Customer Care	360	476	304	404
Information Technology	6	6	6	6
Office of Emergency Management	-	-	-	-
Fleet Management	10	3	6	4
Occupational Safety and Health	0	2	-	3
Facilities Management	365	448	325	475
Security	2	2	0	2
Secretary for the Board	-	-	-	-
Office of the Chief Executive Officer	-	-	-	-
Internal Audit	-	-	-	-
Finance	89	32	83	45
Procurement	96	101	90	120
Compliance and Business Development	-	-	-	-
Marketing and Communication	2	2	-	3
People and Talent	5	2	-	3
Government and Legal Affairs	1	1	3	2
Total	\$ 9,840	\$ 11,520	\$ 9,103	\$ 11,200

Annual Overtime Trend



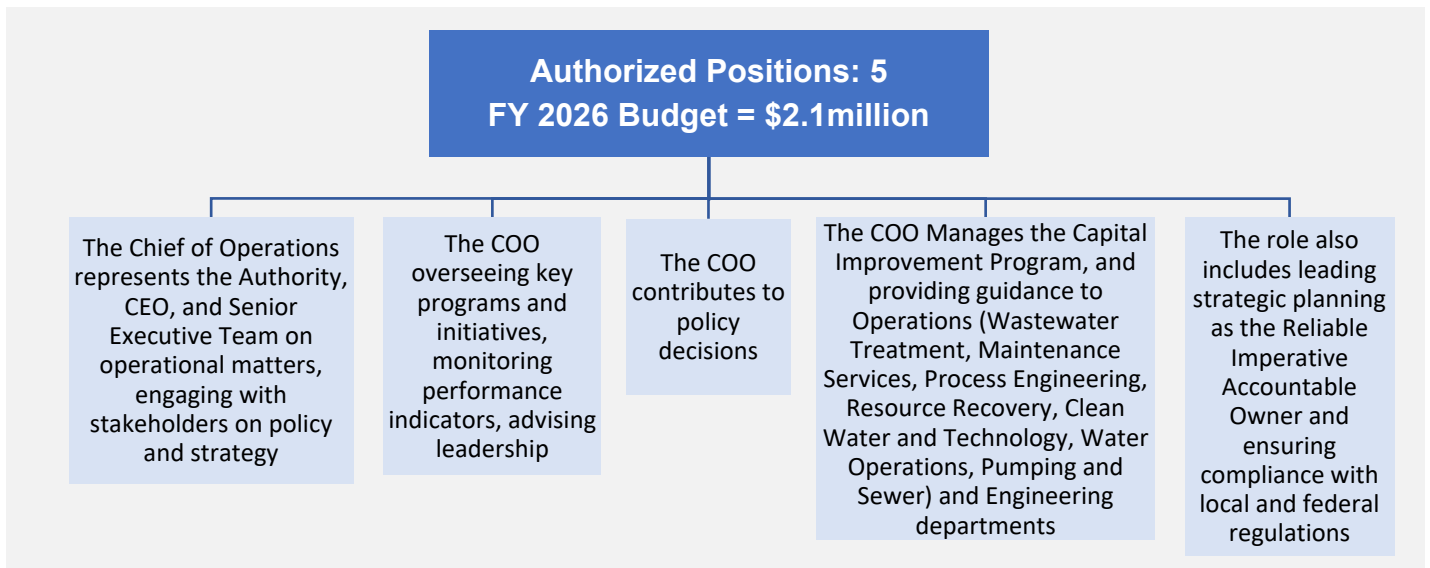
CLUSTER: OPERATIONS

DEPARTMENT: OFFICE OF THE CHIEF OPERATING OFFICER (COO)

Purpose: To support and provide oversight, guidance and strategic direction, to ensure alignment with the vision and strategic direction cast by the CEO and Board of Directors

Mission: Effectively, efficiently, and reliably manage the core operations of the Authority to provide critical services to internal and external customers; oversight and direction for the authority's capital improvement program planning and implementation; and working to mitigate risks to day-to-day operations and critical infrastructure

Organization Structure



DEPARTMENT: OFFICE OF THE CHIEF OPERATING OFFICER (COO)

FY 2026 Operating Budget Overview

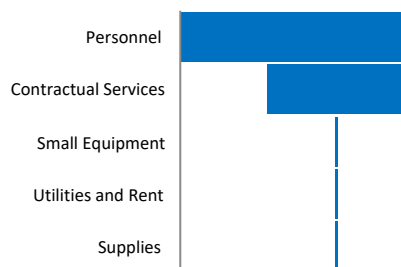
Personnel Services: Increase reflects salary and benefit adjustments in line with year-over-year trends

Non-Personnel Services: Relatively flat

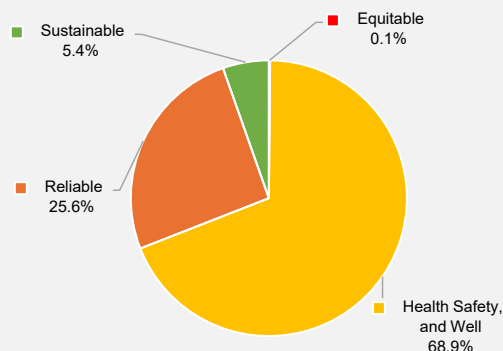
Capital Equipment: No Activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	3	5	5	5	0	0%
Personnel Services	\$ 967	\$ 1,267	\$ 1,051	\$ 1,415	\$ (364)	(35)%
Contractual Services	1,105	155	638	627	11	2%
Chemicals and Supplies	-	-	2	2	0	0%
Utilities and Rent	-	-	1	2	(1)	(66)%
Small Equipment	41	164	-	13	(13)	-
Non Personnel Services	1,146	318	641	644	(3)	(1)%
Total O&M Expenditures	\$ 2,113	\$ 1,585	\$ 1,692	\$ 2,059	\$ (367)	(22)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Oversee the completion of the Anacostia Tunnel as part of the Clean Rivers Program – emphasizing sustainable infrastructure development
- Lead negotiation of the National Pollutant Discharge Elimination System (NPDES) Permit for the Blue Plains Advanced Wastewater Treatment Plant, ensuring regulatory compliance and strategic alignment with operational goals
- Provide strategic oversight for effective execution of the large Capital Improvement Program (CIP), proactively minimizing risks to critical infrastructure

ACCOMPLISHMENTS

- Supported departments in achieving the 11th consecutive Platinum Award from the National Association of Clean Water Agencies, recognizing our collective commitment to excellence in clean water management
- Achieved the Consent Decree milestone for the Tunnel Project, reflecting strong cross-functional teamwork and commitment to regulatory compliance

GOALS

- Lead departmental efforts to maintain Platinum Status with the National Association of Clean Water Agencies, reflecting sustained excellence in compliance, performance, and environmental stewardship
- Provide strategic leadership to ensure adherence to the EPA-mandated 2030 timeline for the successful completion of the Clean Rivers Project
- Direct the implementation of a Geographic Information System (GIS)-centric Asset Management System for DC Water, enhancing data-driven decision-making and infrastructure management

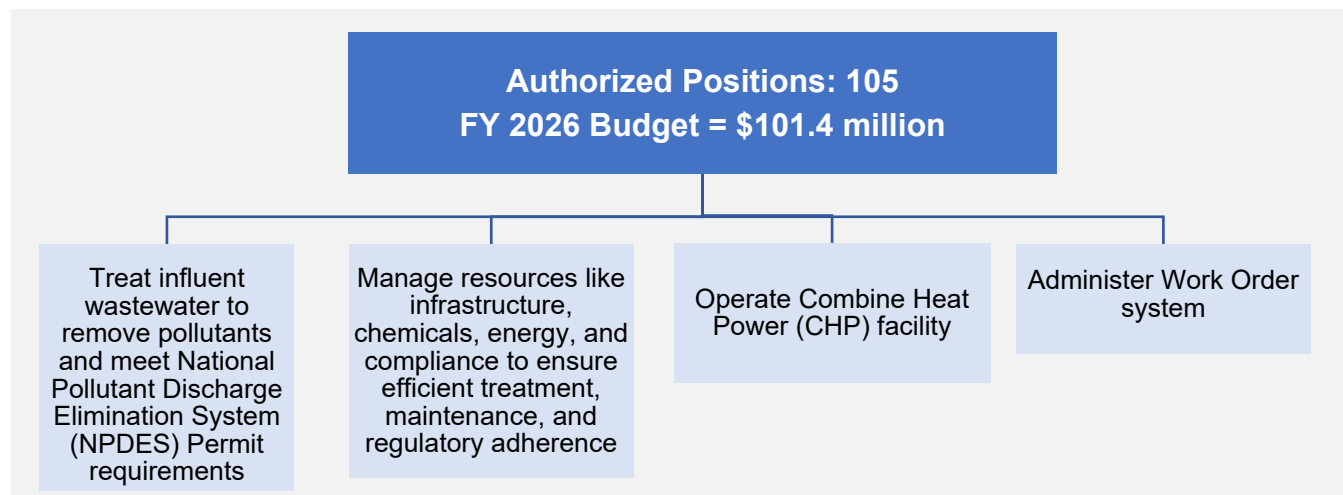
CLUSTER: OPERATIONS

DEPARTMENT: WASTEWATER TREATMENT OPERATIONS

Purpose: Operate the Advanced Wastewater Treatment Plant at Blue Plains to produce treated effluent that meets stringent Federal Clean Water Act and local water quality requirements

Mission: To treat wastewater delivered to Blue Plains from the collection system of the District of Columbia and surrounding jurisdictions in Maryland and Virginia, and ensure that effluent is in compliance with the Clean Water Act

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Achieve National Association of Clean Water Agencies Award Status	Platinum	Platinum	Platinum	Platinum	Reliable
Discharge monitoring report quality assurance samples: 90% acceptable results	greater than 90%	greater than 90%	greater than 90%	greater than 90%	Reliable

Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory.

DEPARTMENT: WASTEWATER TREATMENT OPERATIONS

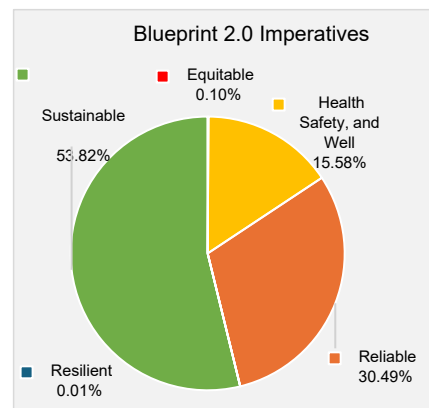
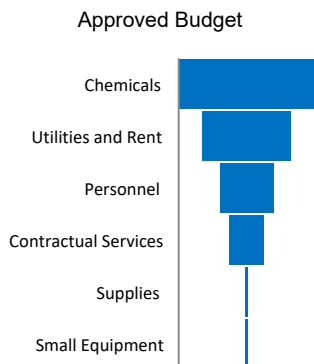
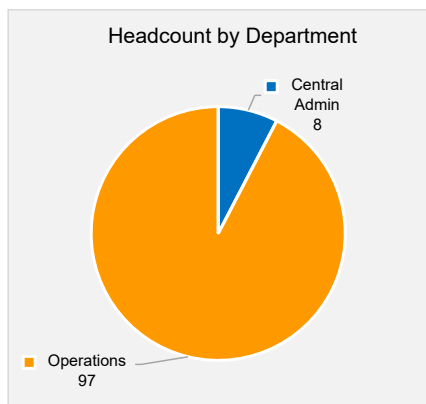
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increase in employee salaries, benefits, and overtime

Non-Personnel Services: Increase covers the higher cost of industrial cleaning services and energy

Capital Equipment: Purchase of automatic sampling and refrigeration equipment

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	106	106	106	105	1	1%
Personnel Services	\$ 15,261	\$ 16,347	\$ 16,134	\$ 17,249	\$ (1,115)	(7)%
Contractual Services	9,655	9,929	10,814	11,180	(366)	(3)%
Chemicals and Supplies	42,498	43,392	44,219	44,301	(82)	0%
Utilities and Rent	24,222	23,158	27,967	28,557	(590)	(2)%
Small Equipment	3	63	118	74	44	37%
Non Personnel Services	76,378	76,542	83,119	84,113	(993)	(1)%
Total O&M Expenditures	\$ 91,639	\$ 92,889	\$ 99,254	\$ 101,362	\$ (2,108)	(2)%
Capital Equipment	-	-	\$ 20	\$ 50	\$ (30)	(150)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> 12th consecutive receipt of Platinum National Association of Clean Water Agencies Award Successful implementation of staff training augmentation 	<ul style="list-style-type: none"> Achieve Platinum National Association of Clean Water Agencies Continued implementation of staff training program and increased hours of staff training execution 	<ul style="list-style-type: none"> Fluctuating costs of chemicals and utilities due to volatility in markets

DEPARTMENT: WASTEWATER TREATMENT OPERATIONS

MAJOR PLANNED ACTIVITIES AND CHANGES

- Implementation of an Asset Management Program alongside the Asset Reliability Program
- Implementation of Operator Driven Reliability (ODR) and mobile device utilization
- Optimization of new capital projects and support for planned CIP projects (e.g., Headworks Electrical Upgrades, Influent Structure Rehabilitation, etc.)
- Continue implementation of the Career Advancement Framework
- Continue workforce development initiatives to enhance skills and create a learning environment, including safety and operator cross-training

IMPACT OF OPERATIONAL PROGRAM

- Improved equipment reliability and operational efficiency
- Enhanced workforce skills and career growth opportunities
- Better project execution and infrastructure optimization
- Increased safety and operational effectiveness
- Streamlined asset and work order management through Maximo

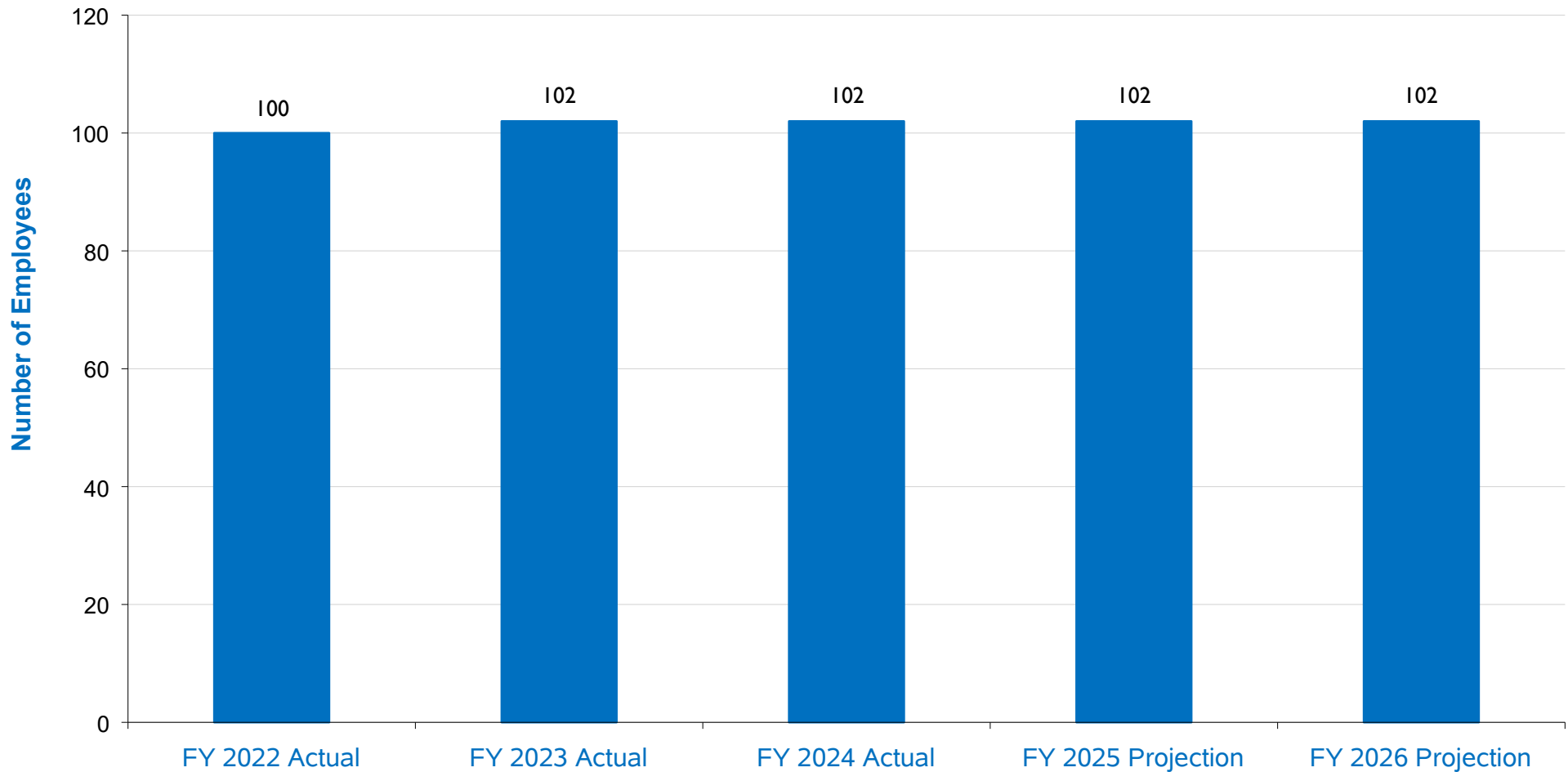
IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Potential operational disruptions due to coordination of large-scale process outages during construction of the Influent Structure Rehab CIP Project
- Potential operational impacts due to Emergency Digester Repair Work
- Continued implementation of the Long-Term Control Plan, the operation of the Tunnel Dewatering and Enhanced Clarification Facilities will increase electricity usage, chemicals, and other associated operation and maintenance costs with increased volumes due to additional tunnel sections



Treatment of wastewater at DC Water Blue Plains

Wastewater Treatment Certified Operators* FY 2022 - FY 2026

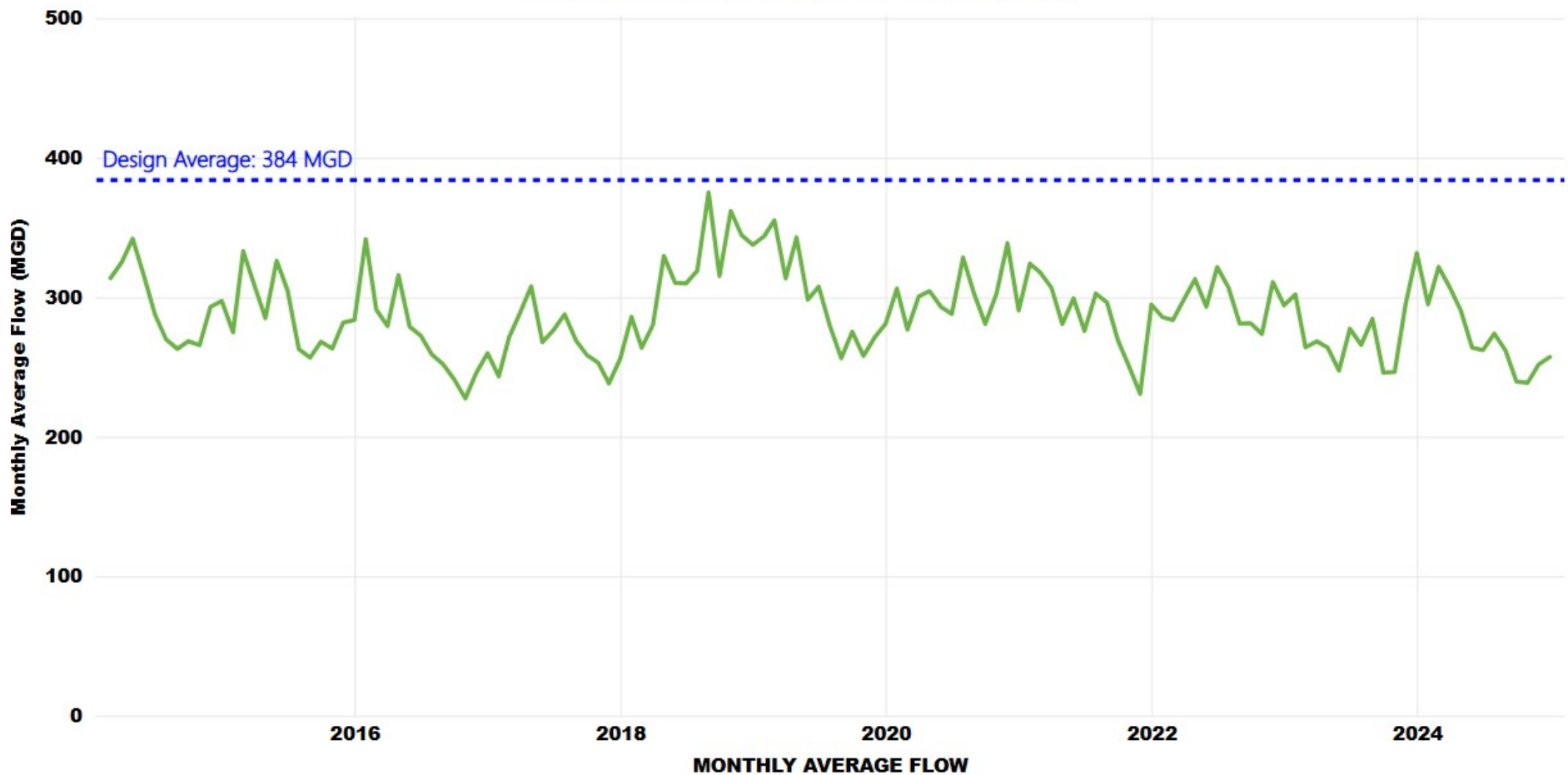


*Includes all positions with Certified Wastewater Treatment Plant Operator License

BLUE PLAINS WASTEWATER TREATMENT PLANT EFFLUENT FLOW

January 2014 – December 2024

Complete Treatment Flow - Outfall 002 (MGD)



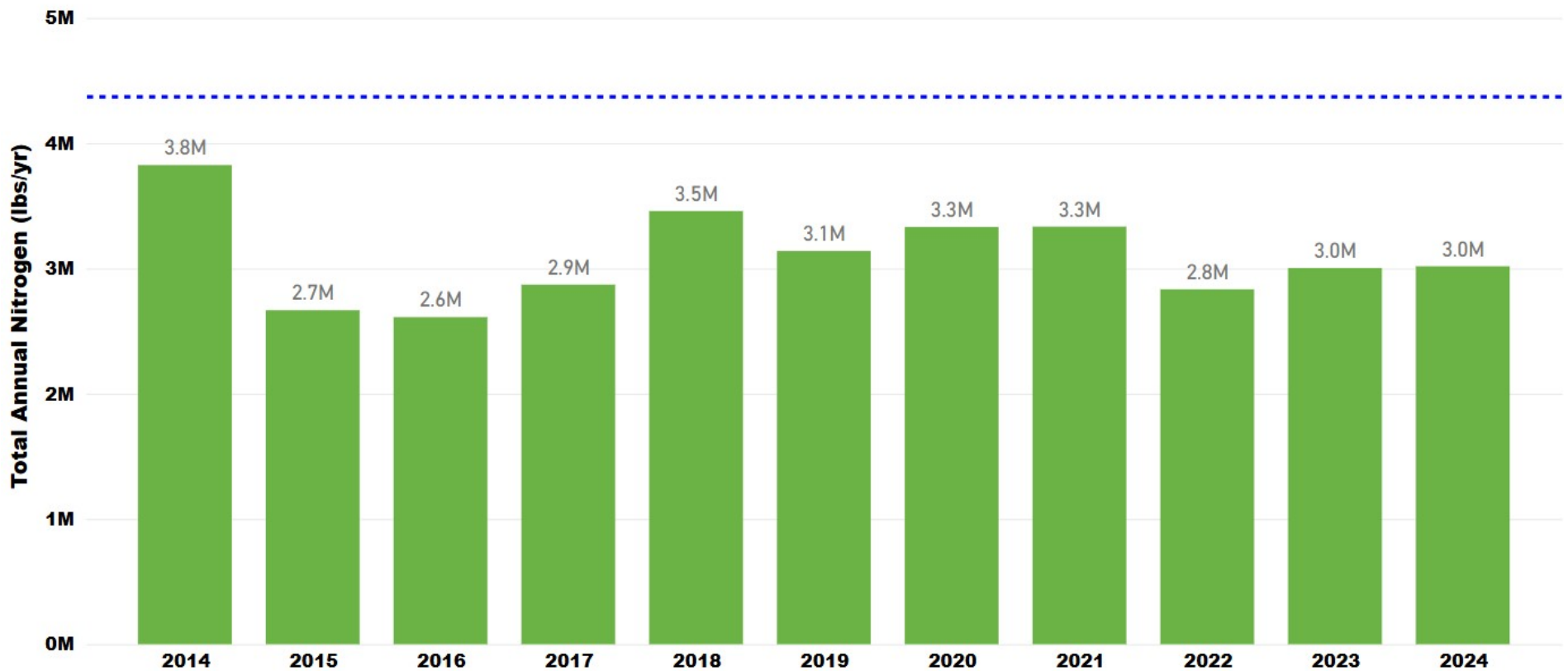
BLUE PLAINS WASTEWATER TREATMENT PLANT ANNUAL TOTAL NITROGEN LOAD

2014 - 2024

Total Annual Nitrogen (million lbs/yr)

Calendar Year

Annual Permit Limit (effective 2015): 4.37 M

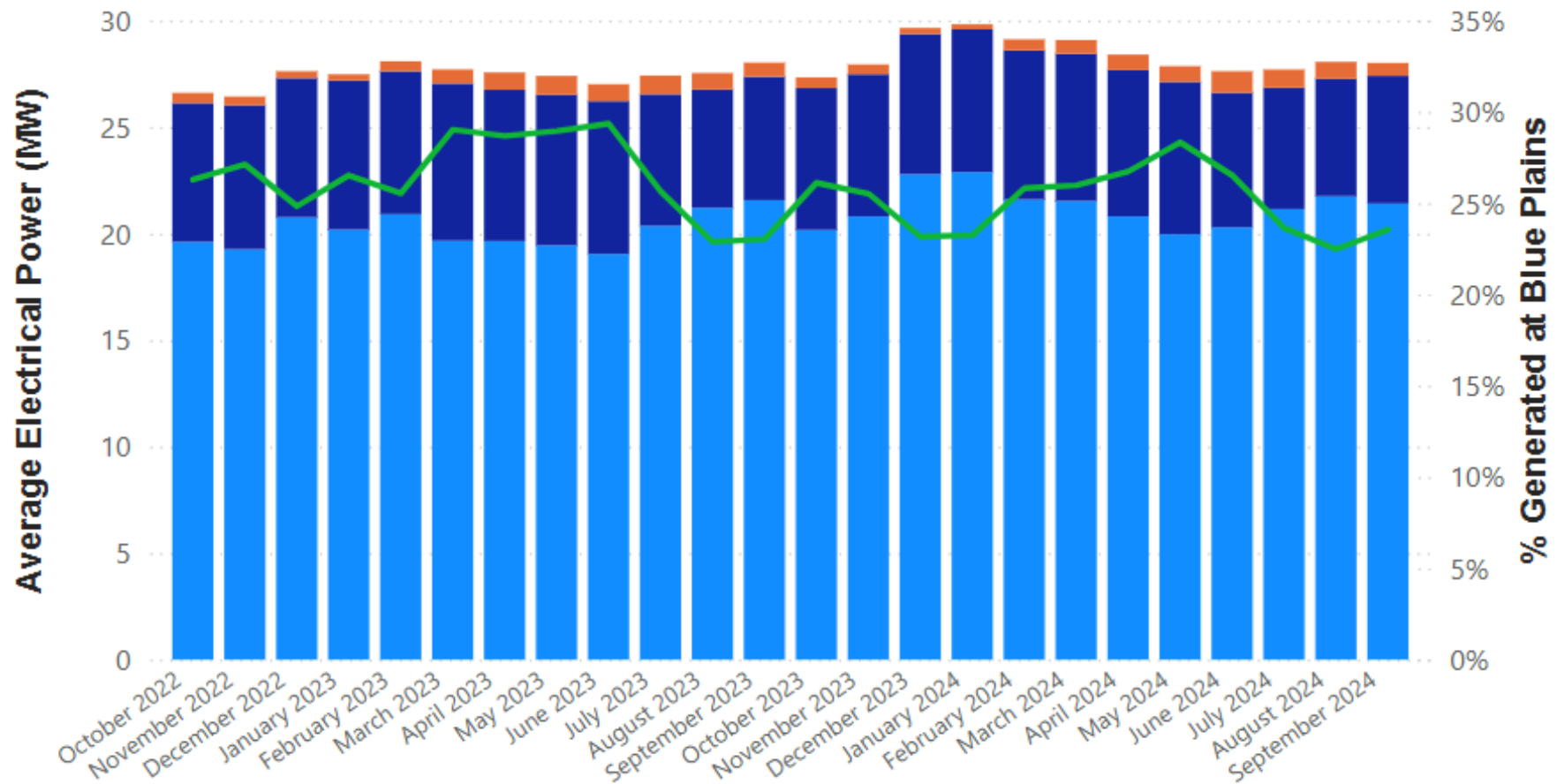


BLUE PLAINS ELECTRICITY REPORT

October 2022 – September 2024

Blue Plains Electrical Report

● Purchased from Power Grid ● CHP Onsite Generation ● Solar Onsite Generation ● % Generated at Blue Plains



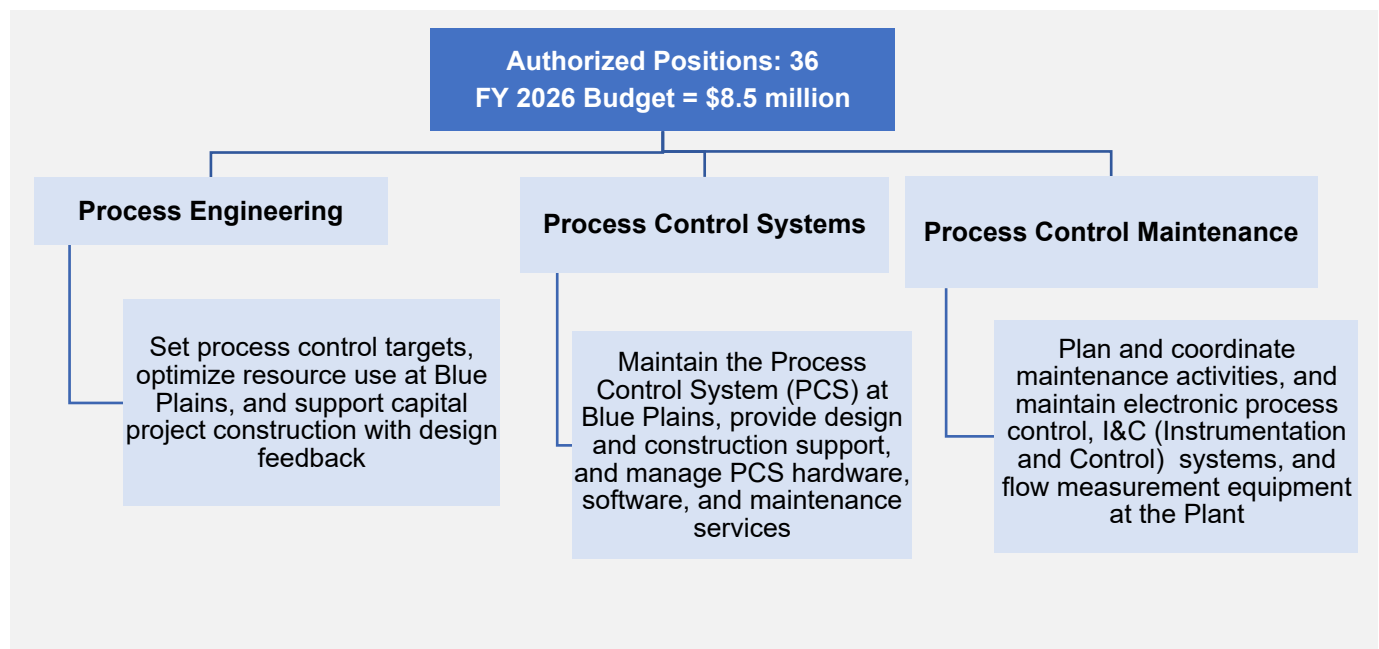
CLUSTER: OPERATIONS

DEPARTMENT: PROCESS ENGINEERING

Purpose: To assist in the operation of the Advanced Wastewater Treatment Plant at Blue Plains, and production of treated effluent and Class A Biosolids that meet stringent Federal Clean Water Act and local water quality requirements

Mission: To economically maintain DC Water's process equipment and facilities at the Blue Plains Advanced Wastewater Treatment Plant, and ensure that the operational and customer service objectives of the Authority are achieved

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Critical Equipment Availability 97%	greater than 97%	greater than 97%	greater than 97%	greater than 97%	Reliable

DEPARTMENT: PROCESS ENGINEERING

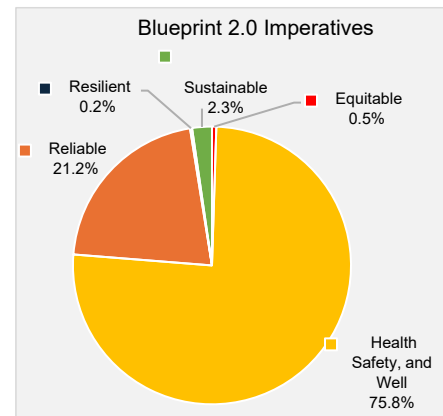
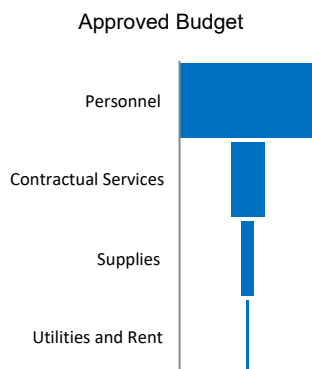
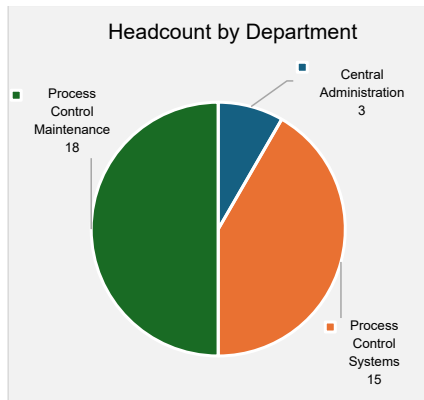
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increase for salaries, and benefits adjustments

Non-Personnel Services: Decrease in small equipment and supplies, offset in part by increases in contractual services and utilities

Capital Equipment: Purchase of annual actuator and process probe replacements, parts for sensor calibration, and upgrades to the PCS (Control System) network

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	36	36	36	36	0	0%
Personnel Services	\$ 5,318	\$ 4,883	\$ 5,960	\$ 6,298	\$ (339)	(6)%
Contractual Services	1,583	1,064	1,522	1,558	(36)	(2)%
Chemicals and Supplies	889	469	780	579	201	26%
Utilities and Rent	37	31	44	32	11	26%
Small Equipment	35	(14)	228	-	228	100%
Non Personnel Services	2,544	1,549	2,574	2,169	405	16%
Total O&M Expenditures	\$ 7,862	\$ 6,432	\$ 8,534	\$ 8,468	\$ 66	1%
Capital Equipment	\$ 1,565	\$ 971	\$ 625	\$ 775	\$ (150)	(24)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> 12th consecutive receipt of Platinum National Association of Clean Water Agencies Award Successful implementation of staff training augmentation 	<ul style="list-style-type: none"> Achieve Platinum National Association of Clean Water Agencies Continued implementation of staff training program and increased hours of staff training execution 	<ul style="list-style-type: none"> Fluctuating costs of chemicals and utilities due to volatility in markets

DEPARTMENT: PROCESS ENGINEERING

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Maintain full compliance with the National Pollutant Discharge Elimination Systems (NPDES) permit
- Train staff on CIP/commissioning projects and ongoing Plant-Wide Process Training
- Complete ongoing Process Control System (PCS) upgrades
- Support key CIP projects, including electrical, structural, and equipment upgrades.
- Conduct process design reviews for capital projects
- Implement and enhance the Asset Management Program alongside the Asset Reliability Program
- Improve the structure and use of Maximo and leverage mobile tablets
- Optimize Plant processes to enhance permit compliance, reliability, and treatment performance, including Class A Biosolids Facilities
- Fine-tune and monitor key performance indicators in Process Engineering, Control Systems, and Control Maintenance teams
- Strengthen cybersecurity and recovery procedures impacting Process Control System (PCS)

IMPACT OF OPERATIONAL PROGRAMS

- Maintains regulatory compliance and avoid penalties
- Improves staff readiness and operational efficiency
- Enhances system reliability and extends equipment life
- Reduces downtime and improves data tracking
- Strengthens cybersecurity protection
- Boosts treatment performance and efficiency

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increased preventive maintenance costs due to aging equipment and facilities due to delayed project upgrade starts
- Increased effort for training and commissioning of new facilities
- Potential operational disruptions due to coordination of large-scale process outages because of the Influent Structure Rehab CIP Project



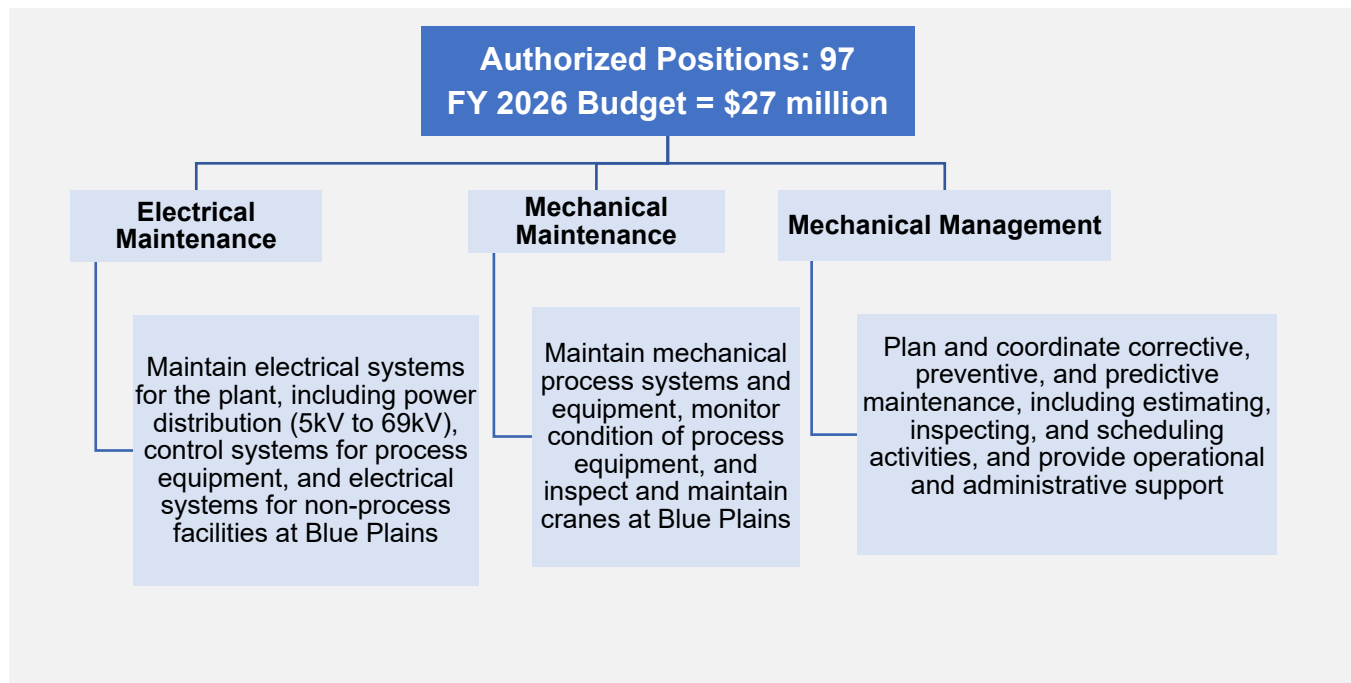
CLUSTER: OPERATIONS

DEPARTMENT: MAINTENANCE SERVICES

Purpose: Maintain all mechanical and electrical equipment at the Blue Plains Advanced Wastewater Treatment Plant

Mission: To economically maintain DC Water's process equipment and facilities at the Blue Plains Advanced Wastewater Treatment Plant, ensuring that the operational and customer service objectives of the Authority are achieved

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Critical Equipment Availability 97%	97%	98%	greater than 95%	greater than 95%	Reliable

DEPARTMENT: MAINTENANCE SERVICES

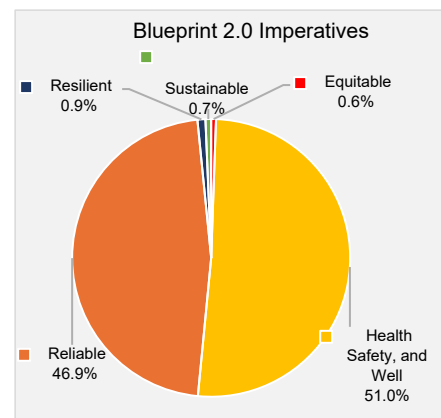
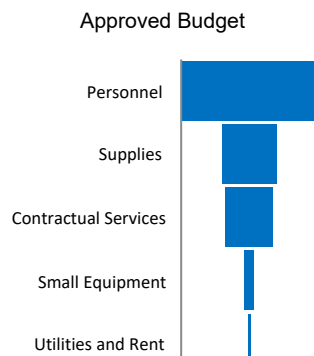
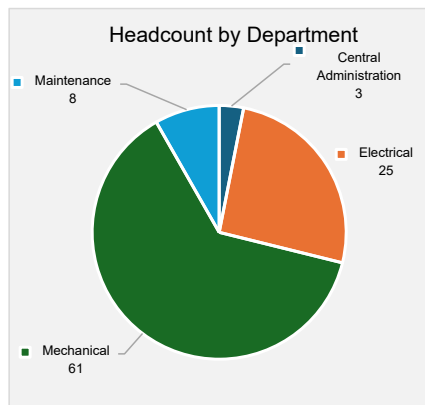
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Decrease reflects the elimination of five vacant, hard-to-fill electrician positions, offset in part by increases in salaries adjustments

Non-personnel Services: Increases to cover the impact of inflation on critical parts, supplies, and maintenance, services

Capital Equipment: Covers pump rehab, motor repairs, warehouse parts, facility maintenance, and a condition monitoring system for Blue Plains

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	98	102	102	97	5	5%
Personnel Services	\$ 12,306	\$ 13,346	\$ 14,990	\$ 14,718	\$ 272	2%
Contractual Services	4,007	4,095	4,013	5,152	(1,138)	(28)%
Chemicals and Supplies	4,668	5,702	5,129	5,919	(790)	(15)%
Utilities and Rent	126	138	130	146	(16)	(12)%
Small Equipment	522	953	500	1,010	(510)	(102)%
Non Personnel Services	9,321	10,887	9,773	12,227	(2,454)	(25)%
Total O&M Expenditures	\$ 21,627	\$ 24,233	\$ 24,763	\$ 26,945	\$ (2,182)	(9)%
Capital Equipment	\$ 3,640	\$ 5,025	\$ 4,000	\$ 5,940	\$ (1,940)	(49)%



ACCOMPLISHMENTS

- The critical equipment availability target was met every month during FY 2024, with an annual monthly average of 97%
- Over 10 different maintenance-specific training initiatives directed toward frontline employees

GOALS

- Sustain Critical Equipment availability of more than 95% (monthly average)
- Maintain an ongoing commitment to provide training aimed at cultivating and perpetuating skills essential for the adoption and implementation of optimal maintenance practices
- Continue initiatives and programs aimed at improving the effectiveness and efficiency of Preventive and Predictive Maintenance Optimization

CHALLENGES

- Increasing costs of equipment, parts, tools, and maintenance services
- Equipment aging: Biosolids facilities (Cambi, Digesters, Belt Filter Presses)

DEPARTMENT: MAINTENANCE SERVICES

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Develop an improved approach for Nitrification Reactor and Cambi outages, influent screen inspections, etc.
- Continue providing new skills to support best maintenance practices
- Validate online vibration monitoring program for expansion
- Continue rehabilitation of major process equipment (Nitrification Blowers and Wastewater Pumps)
- Identify and plan maintenance optimization activities (e.g., belt press roller upgrades)
- Identify and implement new training initiatives (e.g., advanced laser alignment, pulley systems, and belt operations) using sheaves for power transmission and motion control
- Plan and execute new opportunities for emerging technologies and data-driven applications

IMPACT OF OPERATIONAL PROGRAMS

- Improved maintenance practices and equipment reliability
- Enhanced skills and capabilities of maintenance staff
- Expansion of technology and data applications for more efficient maintenance
- Optimized process equipment performance

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increase maintenance activities for Tunnel Dewatering Pump Station (TDPS), Enhanced Clarification Facility (ECF), and aging of the biosolids facilities (Cambi, Digesters, Belt Filter Presses)



The left side picture shows a multimedia filter in backwash, flushing out contaminants. On the right, large tanks store ferric chloride, a key treatment chemical. This contrast highlights wastewater treatment operations

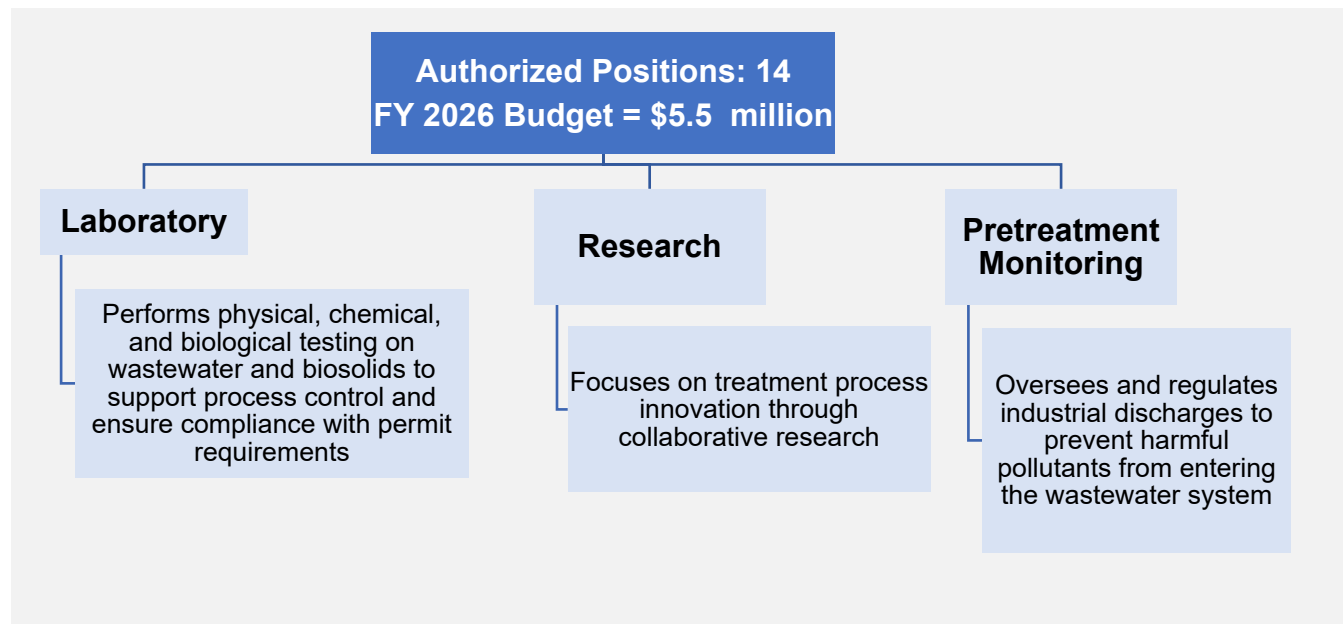
CLUSTER: OPERATIONS

DEPARTMENT: CLEAN WATER QUALITY & TECHNOLOGY

Purpose: To assist in sampling, operation, and optimization of the Advanced Wastewater Treatment Plant at Blue Plains to produce treated effluent and class A biosolids that meet stringent Federal Clean Water Act and local water quality requirements, and to provide process technology solutions for future challenges that the Authority will face through collaborative research while opening opportunity for commercialization of such solutions

Mission: To reliably sample and monitor industrial sources, wastewater, and biosolids to meet compliance with the Clean Water Act and to ensure operational and customer objectives of the Authority are achieved. To provide novel and cost-effective solutions for upcoming process and treatment needs for Blue Plains through collaborative research and testing

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Achieve National Association of Clean Water Agencies Award Status	Platinum	Platinum	Platinum	Platinum	Reliable
Discharge monitoring report quality assurance samples: 90% acceptable results	greater than 90%	greater than 90%	greater than 90%	greater than 90%	Reliable

* Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory.

DEPARTMENT: CLEAN WATER QUALITY & TECHNOLOGY

FY 2026 OPERATING BUDGET OVERVIEW

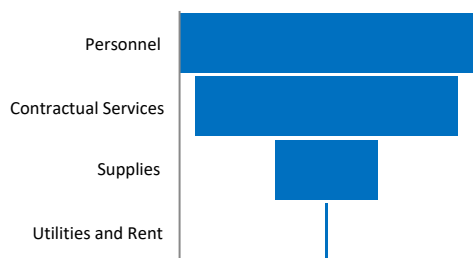
Personnel Services: Increase reflects department reorganization and the addition of one new position for the reclaimed water research program, coupled with salaries and benefits adjustments

Non-personnel Services: Increase is for lab supplies and Per- and poly-fluoroalkyl substances (PFAS) related tasks to enhance monitoring and compliance with environmental standards

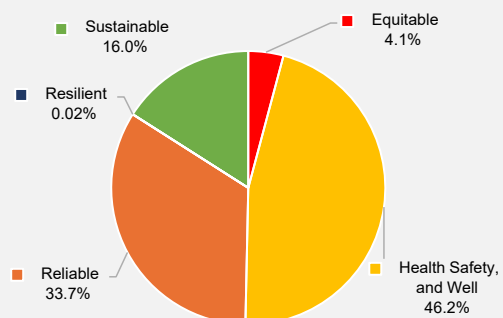
Capital Equipment: Covers laboratory equipment

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	12	12	12	14	(2)	(17)%
Personnel Services	\$ 2,088	-	\$ 2,273	\$ 2,446	\$ (174)	(8)%
Contractual Services	941	-	2,203	2,182	21	1%
Chemicals and Supplies	658	-	554	856	(303)	(55)%
Utilities and Rent	-	-	26	1	25	96%
Small Equipment	-	-	-	-	-	-
Non Personnel Services	1,599	-	2,782	3,040	(257)	(9)%
Total O&M Expenditures	\$ 3,686	-	\$ 5,055	\$ 5,486	\$ (431)	(9)%
Capital Equipment	\$ 27	\$ 172	\$ 80	\$ 80	\$ 0	0%

Approved Budget



Blueprint 2.0 Imperatives



ACCOMPLISHMENTS

- The overall rating of the Pretreatment Program Annual Report for the reporting year of 2022 was calculated to be 100%, which is category 1
- Successful development of a Partial Denitrification-Anammox (PdNA) concept (novel nutrient removal technology) ready for full-scale piloting

GOALS

- Maintain 100% rating from EPA for pretreatment program
- Develop and operate a National Environmental Laboratory Accreditation Program (NELAP) certified laboratory
- Continue developing solutions for current and future challenges at Blue Plains through collaborative research

CHALLENGES

- Changing regulations and potential needs for advanced laboratory methods and/or treatment needs



DEPARTMENT: CLEAN WATER QUALITY & TECHNOLOGY

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Continue training initiatives to support best practices, efficiency, and effectiveness
- Expand culture of learning and cross-training through workshops and collaborative projects
- Advance viable research concepts by piloting or demonstrating within existing infrastructure
- Identify future research needs within CIP planning, operational needs, or regulatory drivers
- Work on identifying upcoming regulatory changes and develop sampling efforts or treatment needs
- Continue laboratory certification efforts
- Enhance preparedness for emerging contaminants through research and monitoring
- Identify regulatory-driven research needs (e.g., PFAS) affecting pretreatment, process needs, and compliance

IMPACT OF OPERATIONAL PROGRAMS

- Improved employee skills, efficiency, and career advancement
- Enhanced team collaboration and high-performance culture
- Successful integration of research concepts into operational value
- Anticipation and preparation for regulatory changes
- Better preparedness for emerging contaminants and regulatory compliance

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Improve the reliability and quality of laboratory measurements through maintaining state-of-the-art lab equipment
- Increase in-house capability for monitoring and testing through investments in pilot systems and equipment



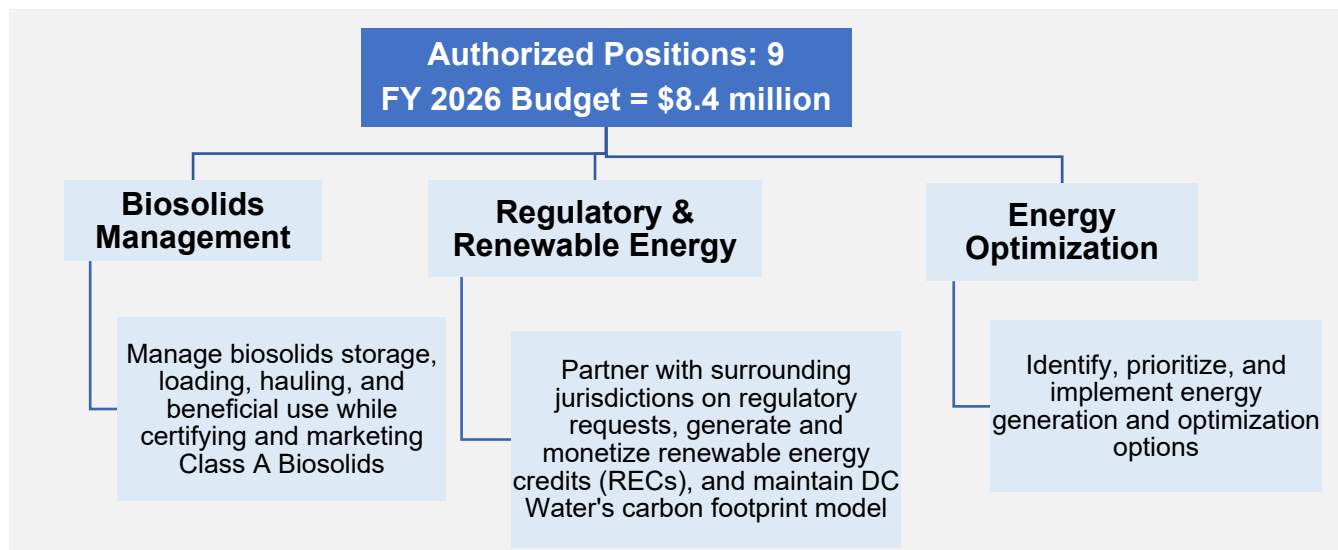
CLUSTER: OPERATIONS

DEPARTMENT: RESOURCE RECOVERY

Purpose: Maximize the available resources generated and assets owned by DC Water. Recycle the generated biosolids effectively and efficiently. Capture energy from biosolids, wastewater, and open space and monetize the renewable energy credits (RECs). Maintain the DC Water carbon footprint model

Mission: Maximize the wastewater assets generated and owned by DC Water to generate revenue and savings and reduce the authority's carbon footprint

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Compliance with disposal of biosolids regulations 100%	100%	100%	100%	100%	Sustainable

Note: EPA 503 (i.e. Title 40 of the Code of Federal Regulations, Part 503) regulates the use or disposal of sewage sludge or biosolids EPA DMR QA (i.e. Discharge Monitoring Report Quality Assurance) is conducted on wastewater samples used for permit compliance reports. Achieving acceptable results for at least 90% of samples will minimize the potential for EPA to audit the laboratory.

DEPARTMENT: RESOURCE RECOVERY

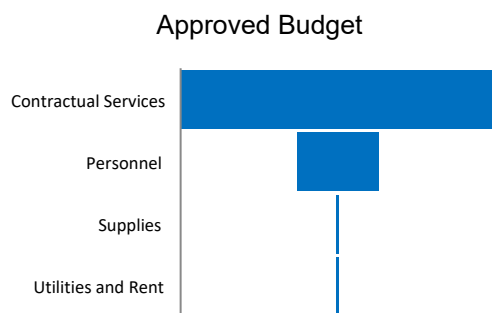
FY 2026 Operating Budget Overview

Personnel Services: Increase reflects department personnel services adjustments, including one additional FTE added after the cluster reorganization to meet operational needs

Non-Personnel Services: Increase is primarily due to the biosolids hauling and disposal contract

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	8	8	8	9	(1)	(13)%
Personnel Services	\$ 1,125	-	\$ 1,513	\$ 1,721	\$ (208)	(14)%
Contractual Services	5,545	-	6,243	6,625	(382)	(6)%
Chemicals and Supplies	0	-	1	7	(6)	(595)%
Utilities and Rent	-	-	18	1	17	94%
Non Personnel Services	5,545	-	6,262	6,633	(371)	(6)%
Total O&M Expenditures	\$ 6,670	-	\$ 7,775	\$ 8,354	\$ (578)	(7)%
Capital Equipment	-	-	-	-	-	-



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Build solar panel curing pad
- Improve safety at Dewatered Sludge Loading Facility
- Collaborate on biosolids regulations with local jurisdictions
- Increase biosolids use for restoration, aim to sell 65,000 tons of Class A Bloom
- Continue research in wastewater treatment and biosolids management
- Advance solar and energy optimization projects
- Explore new initiatives like food codigestion and sewer heat recovery

ACCOMPLISHMENTS

- Achieved 40% revenue growth in FY 2025
- Achieved three record months of inventory sales in the fall, showing new markets emerging
- Achieved \$2.8M savings over conventional contract costs, exceeding our goal by 10%
- FY 2024 set a revenue record for REC sales, with a 65% increase over FY 2023

GOALS

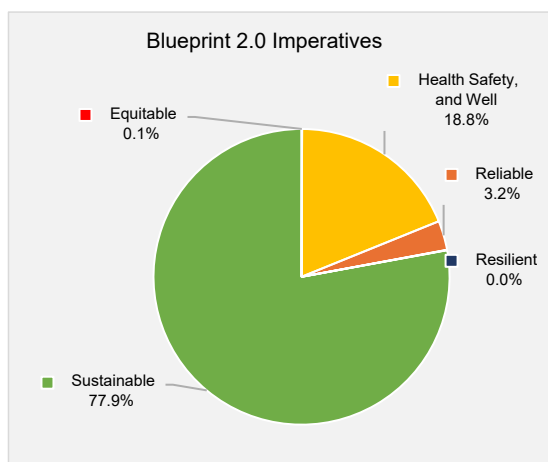
- Increase Bloom sales
- Bloom Savings Target: \$2.75M
- REC sales Target: \$5.1M

CHALLENGES

- Construction for Curing Pad is underway. Expected completion in early FY 2026

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Work on the curing pad will allow for production of a higher value product for greater revenue and savings



BLUE PLAINS WASTEWATER TREATMENT PLANT

BIOSOLIDS PRODUCTION

October 2020 – January 2025



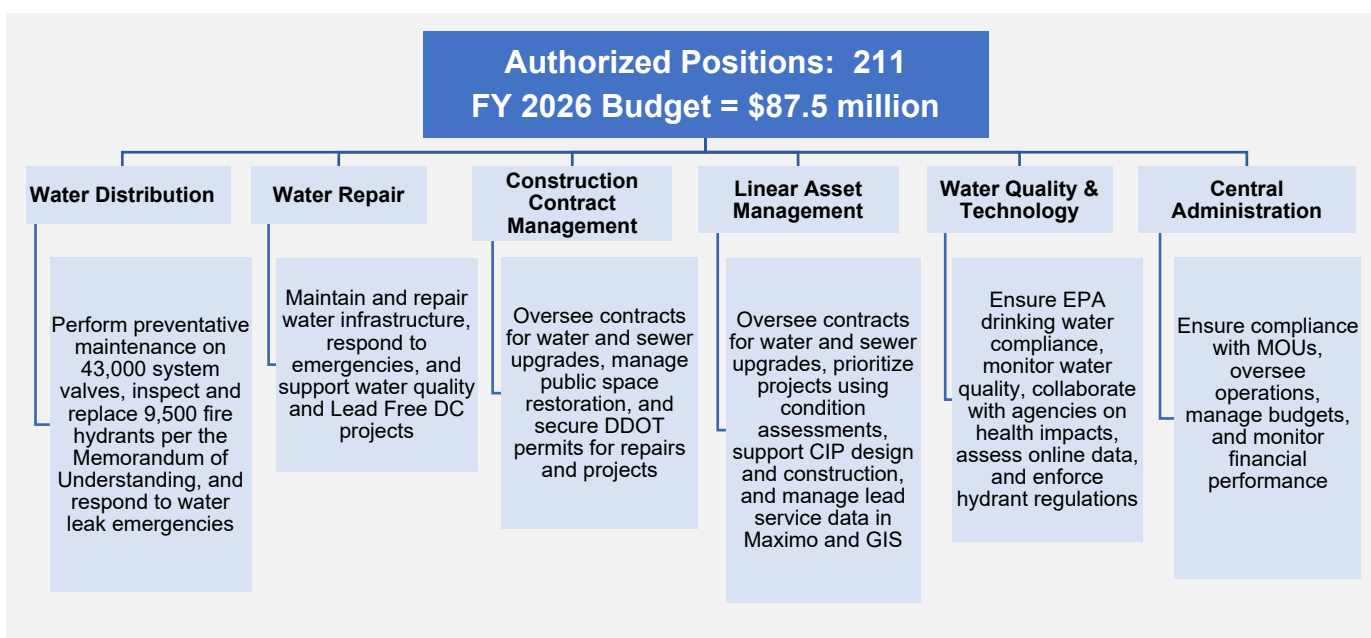
CLUSTER: OPERATIONS

DEPARTMENT: WATER OPERATIONS

Purpose: Operate and maintain the water distribution system delivering potable water to the citizens and visitors to the District of Columbia. Ensure compliance with the applicable regulations promulgated by the Safe Drinking Water Act

Mission: To support the Authority's mission as defined by the Strategic Plan; (Blueprint 2.0) and exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Maintain Safe Drinking Water Act standards. Coliform results less than 5%	2%	0.13%	5%	5%	Healthy, Safe, and Well
Maintain a 99% fire hydrant operational rate	99%	99%	99%	99%	Reliable
Respond to 95% of all emergency service orders in less than 45 minutes	99%	100%	100%	90%	Reliable
Number of water main breaks per 100 miles of pipe	26	40.56	25	25	Reliable

DEPARTMENT: WATER OPERATIONS

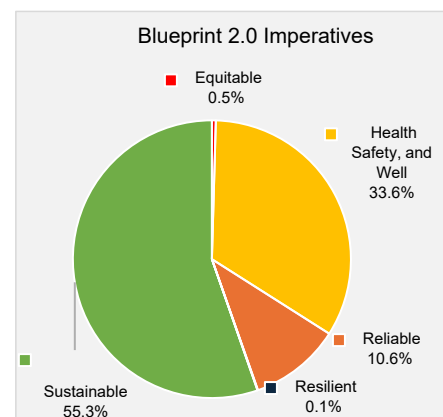
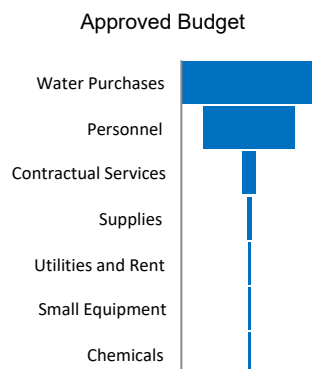
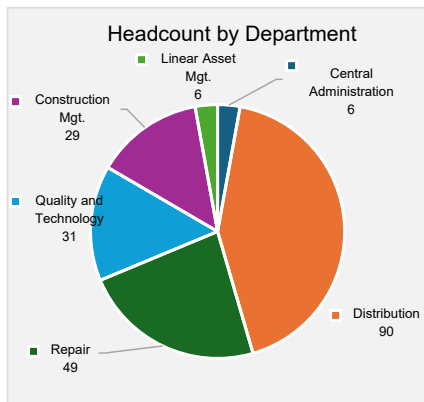
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: The increase is attributable to higher salaries, benefits, and overtime costs, partially offset by the elimination of six vacant positions

Non-personnel Services: Increase reflects higher cost of chemicals and supplies, contractual services (locate and mark utilities), and potable water purchases from the Washington Aqueduct, partly offset by small equipment purchase

Capital Equipment: Covers a Drone Starter Kit, water cathodic protection assessment, database upgrades, a Surface 4 Hub, and Hydrant App updates for compliance and functionality

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	213	212	217	211	6	3%
Personnel Services	\$ 27,916	\$ 29,362	\$ 30,253	\$ 32,455	\$ (2,202)	(7)%
Contractual Services	2,908	3,946	3,254	4,780	(1,526)	(47)%
Chemicals and Supplies	1,134	1,430	1,257	1,557	(301)	(24)%
Utilities and Rent	391	384	421	445	(24)	(6)%
Water Purchases	33,609	38,904	45,330	48,149	(2,819)	(6)%
Small Equipment	181	166	201	120	81	40%
Non Personnel Services	38,224	44,831	50,463	55,051	(4,589)	(9)%
Total O&M Expenditures	\$ 66,140	\$ 74,193	\$ 80,716	\$ 87,507	\$ (6,791)	(8)%
Capital Equipment	\$ 679	\$ 662	\$ 1,000	\$ 1,300	\$ (300)	(30)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> The water monitoring program tested more than 40,000 samples taken from variety of sources across the District 100% Response rate within 45 minutes – emergency calls dispatched in FY 2024 	<ul style="list-style-type: none"> Maintain Safe Drinking Water Act Standards Maintain a fire hydrant operations rate of 99% Respond to 95% of all emergency service orders in 45mins or less Reduce the number of leaks and main breaks using the sensor program - AQUASCAN Continue to review, update, train, and develop standard operation procedures for key operational activities 	<ul style="list-style-type: none"> Increasing costs of equipment, parts, tools, and maintenance services Overtime and rising costs are being closely monitored, driven by an increase in water main breaks and the impact of changing weather patterns on aging infrastructure

DEPARTMENT: WATER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Implement mobile computing solutions for operations
- Develop Acqua application for Compliance Services
- Transition Voluntary Lead Service Replacement under Lead-Free DC Program
- Expand cathodic protection testing and maintenance
- Develop Pipeline and Soil Testing Pilot Program
- Implement Lead and Copper Rule compliance strategies
- Expand operational dashboard for data insights
- Streamline asset commissioning and coordination
- Publish updates to food service and cross-connection regulations
- Develop Fats, Rags, Oil, and Grease awareness campaign
- Expand pressure monitoring, leak detection, and valve exercising programs
- Assess water main conditions on bridges
- Develop a digital platform for water system optimization

IMPACT OF OPERATIONAL PROGRAMS

- Enhanced operational efficiency through digital solutions
- Improved compliance with regulatory changes
- Strengthened infrastructure integrity and maintenance
- Increased public safety and environmental protection
- Better data visualization for proactive decision-making

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Mobile computing solutions will increase software and hardware needs
- Overtime may rise with increased capital projects
- Deferred system replacements could impact operational spending
- Capital projects for Water Quality and Lead-Free DC may require extra costs
- Renovation for Fire Hydrant Use Program at Blue Plains
- Enhancements for customer compliance will add costs



Types of Water Pipes (Service Lines)

Lead – A dull, silver-gray color that is easily scratched with a coin. Use a magnet - strong magnets will not cling to lead pipes.



Galvanized – A dull, silver-gray color. Use a magnet - strong magnets will typically cling to galvanized pipes.



Copper – The color of a penny.



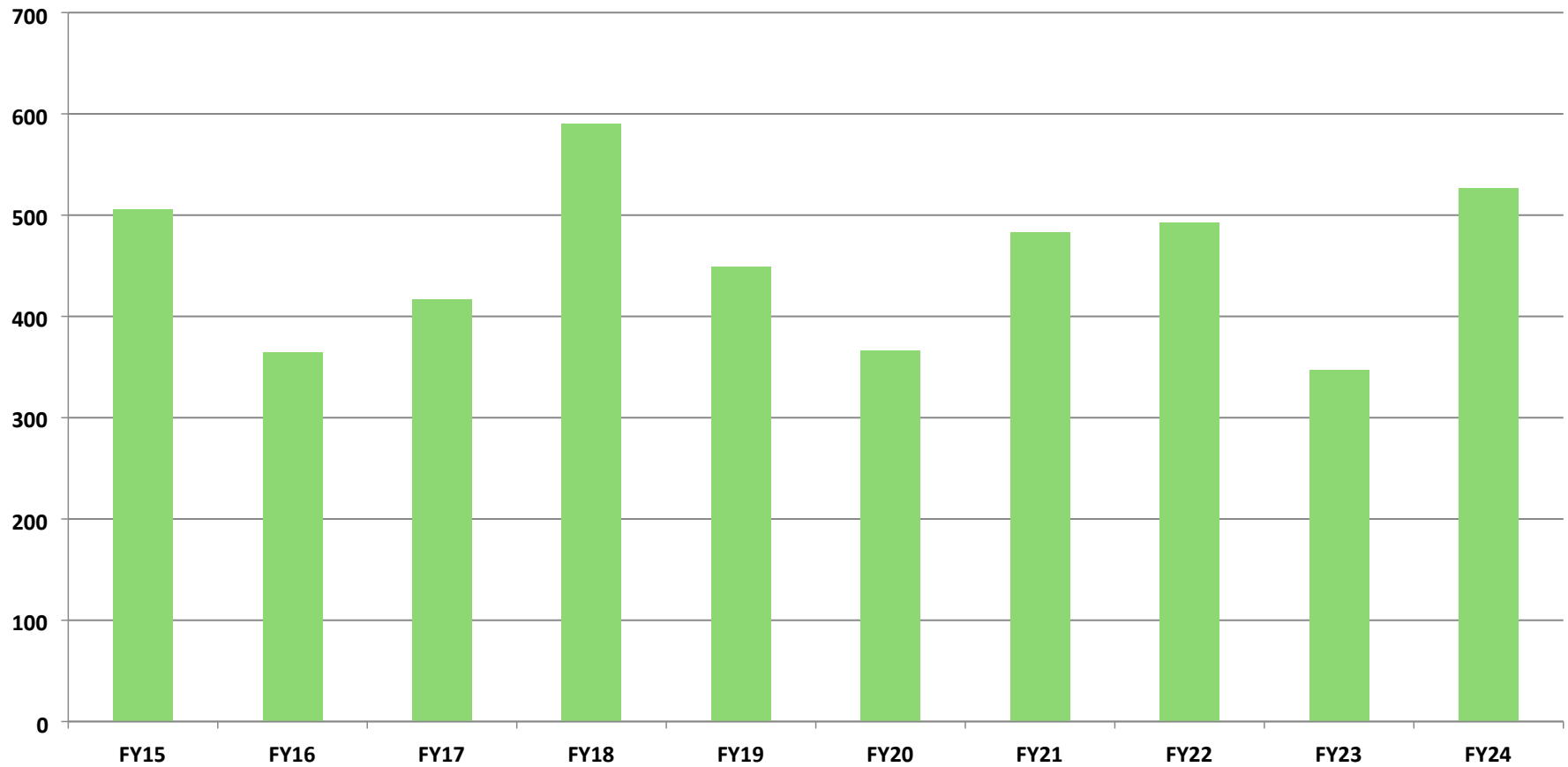
Plastic – White, rigid pipe.



Brass – Bronze to gold color. Older pipes may be corroded and may contain lead.

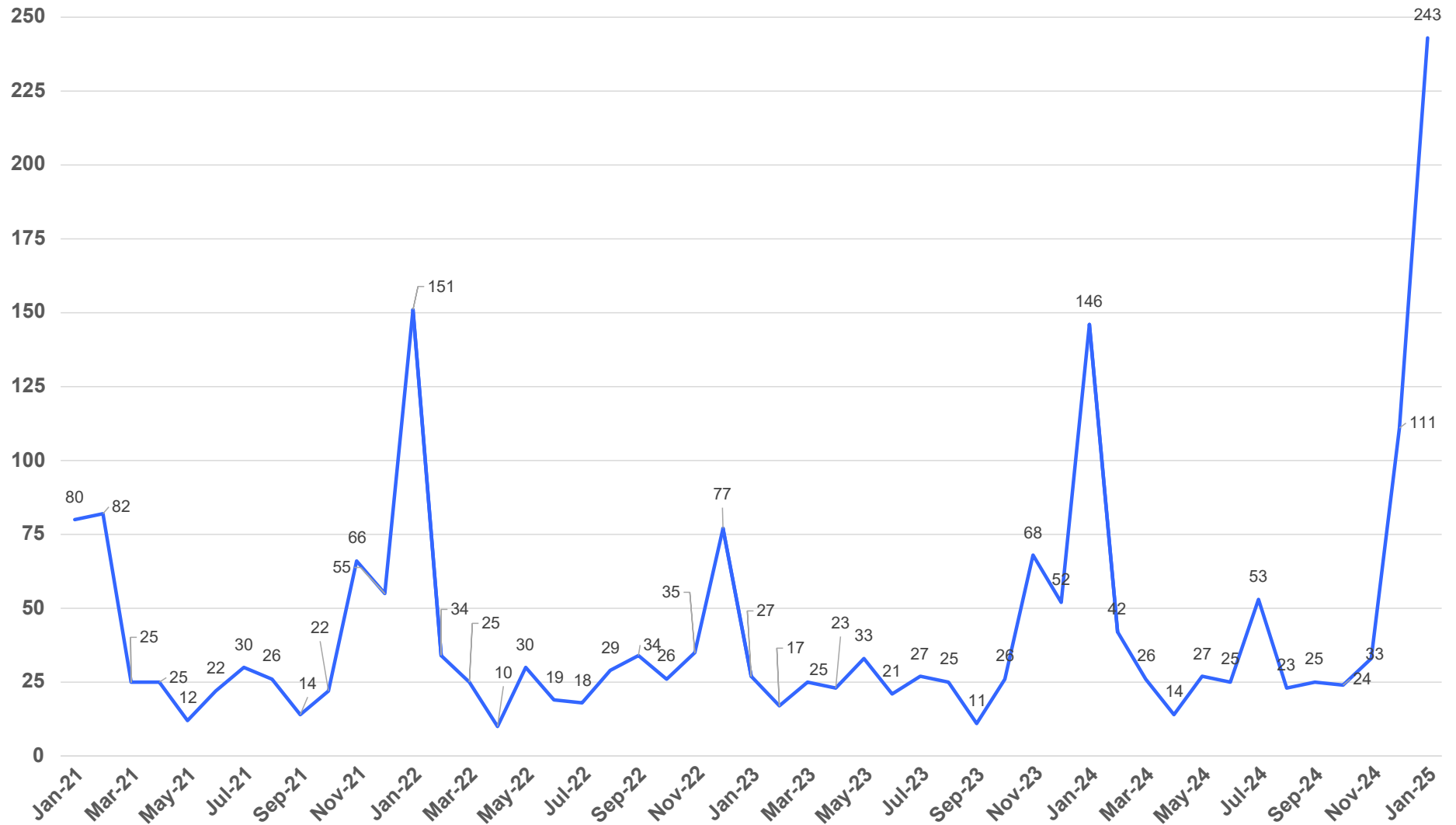


Historical Water Main Breaks FY 2015 through FY 2024



Number of Water Main Breaks Reported FY 2015 - FY 2024

Historical Monthly Main Breaks FY 2021 through January 2025



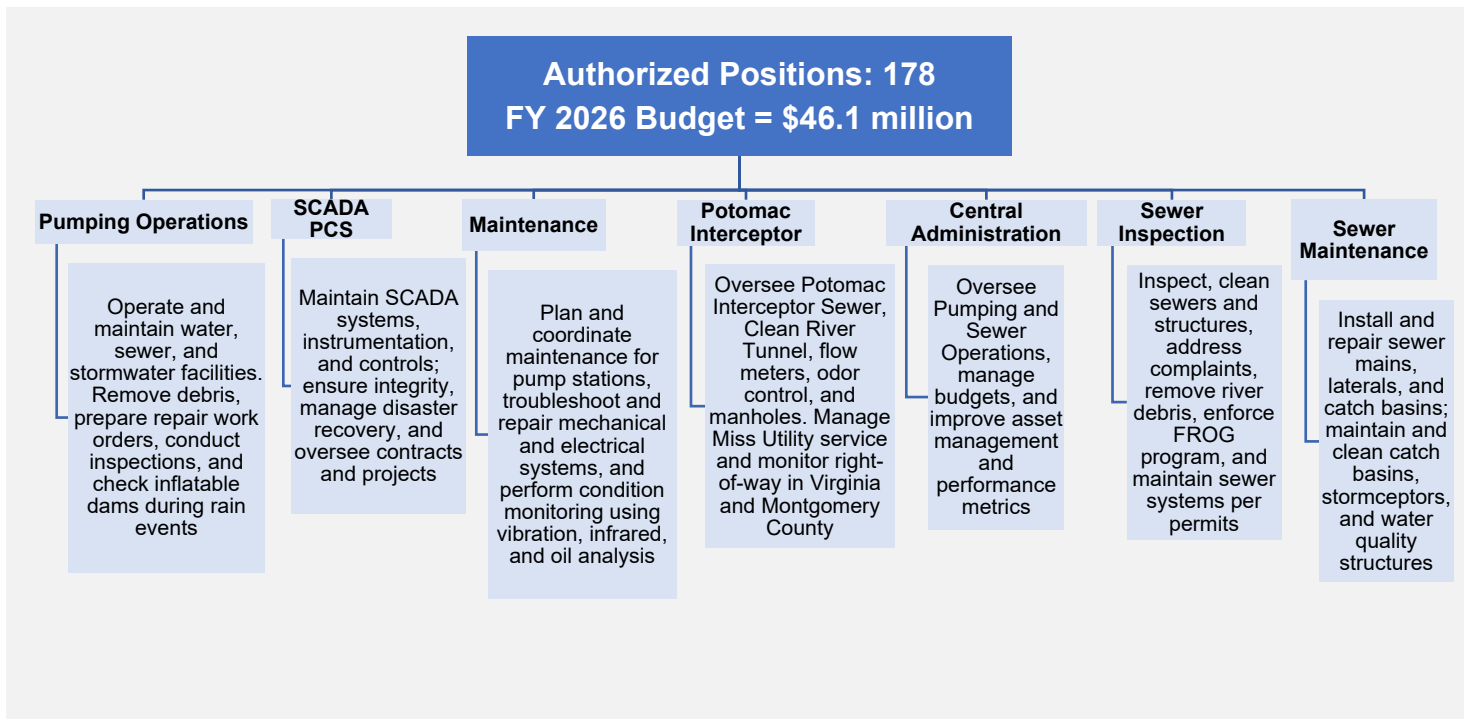
CLUSTER: OPERATIONS

DEPARTMENT: PUMPING AND SEWER OPERATIONS

Purpose: Delivery of safe, reliable, and efficient water and sewer pumping operations

Mission: To provide resilient delivery of water and sewer system services every minute of the day

Organization Structure:



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Availability % of our critical assets	99%	99%	100%	100%	Reliable
Odor Complaints Sewer Overflows for the entire District of Columbia	174	160	0	0	Healthy, Safe, and Well
Odor Complaints Sewer Overflows for Potomac Interceptor Area	0	3	0	0	Healthy, Safe, and Well

DEPARTMENT: PUMPING AND SEWER OPERATIONS

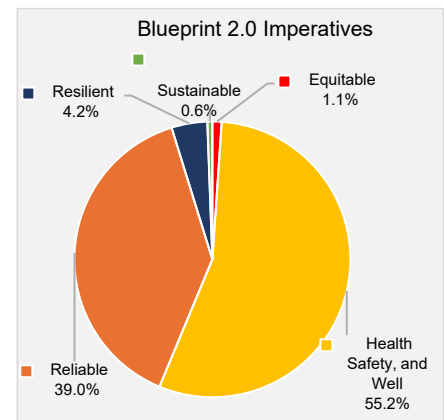
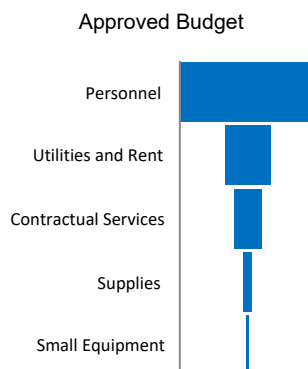
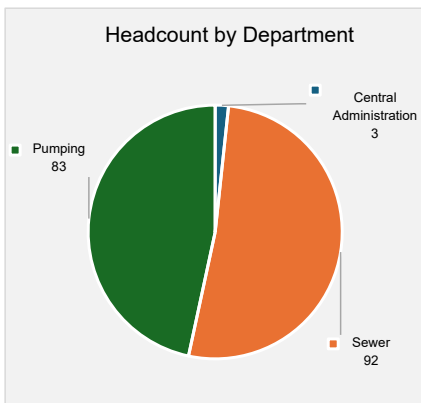
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Reflects increase in personnel services adjustment, offset in part by the reduction of 17 vacant positions

Non-Personnel Services: Increase is primarily due to utilities (electricity costs)

Capital Equipment: Increases are driven by infrastructure upgrades, equipment purchases, facility improvements, and system expansions, including the replacement of aging pipes

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	183	185	195	178	17	9%
Personnel Services	\$ 25,568	\$ 3,125	\$ 28,409	\$ 28,768	\$ (358)	(1)%
Contractual Services	4,153	501	5,869	5,828	41	1%
Chemicals and Supplies	1,669	-	1,782	1,727	54	3%
Utilities and Rent	9,273	-	8,889	9,591	(702)	(8)%
Small Equipment	204	-	143	142	1	1%
Non Personnel Services	15,298	501	16,683	17,288	(605)	(4)%
Total O&M Expenditures	\$ 40,866	\$ 3,626	\$ 45,092	\$ 46,056	\$ (964)	(2)%
Capital Equipment	\$ 1,737	\$ 742	\$ 2,000	\$ 2,265	\$ (265)	(13)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> The critical equipment availability target was met during FY 2024, at 99% 100% of annual catch basin cleaning 100% Permit Reporting 	<ul style="list-style-type: none"> Zero Non-permitted Combined Sewer Overflow (CSO) Monthly scheduled completion rate at 95% Asset Availability of 95% Sewer odor investigation to resolution within 48hrs for level 5 	<ul style="list-style-type: none"> Increasing costs of equipment, parts, tools, and maintenance services Aging infrastructure, obsolete equipment and lack of maintenance services Reduced workforce, possible increased overtime

DEPARTMENT: PUMPING AND SEWER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

PUMPING

- Operate Water Pumping Stations, Reservoirs and Storage Tanks within the regulations of Safe Drinking Water Act
- Operate Wastewater Pumping Stations, Stormwater Pumping Stations, and Inflatable Dams, within the requirements of the National Pollution Discharge Elimination System (NPDES) Permit, the Municipal Separate Storm Water Sewer System (MS4) Permit, and DC Water Standard Operating Procedures
- Maintain and evaluate results from the maintenance reliability programs - oil analysis, thermography, vibration analysis, and ultrasound
- Replace Variable Frequency Drive (VFD), Valves, Programmable Logic Controllers (PLC), Operator Interface Terminal (OIT), Instruments and other critical equipment in need of upgrades
- Work with the Department of Water and Wastewater Engineering to design and construct improvements
- Prepare and submit Multi-Jurisdictional Use Facility FY 2025 Bill
- Implementation of Long-Term Corrosion Prevention Program
- Maintain and Repair Potomac Interceptor linear and vertical assets (includes odor control facilities)

IMPACT OF OPERATIONAL PROGRAMS

- Enhanced operational efficiency through digital solutions
- Improved compliance with regulatory changes
- Strengthened infrastructure integrity and maintenance
- Increased public safety and environmental protection
- Better data visualization for proactive decision-making

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Deferred CIP projects could lead to more failures and emergencies at pump stations, stormwater stations, and inflatable dams, increasing overtime, material costs, and environmental risks
- Major upcoming CIP projects will add to the workload of the Pumping and Potomac Interceptor teams in the near term
- Finding replacement parts for old equipment is a challenge and meeting goals of asset availability could decline



DEPARTMENT: PUMPING AND SEWER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

SEWER

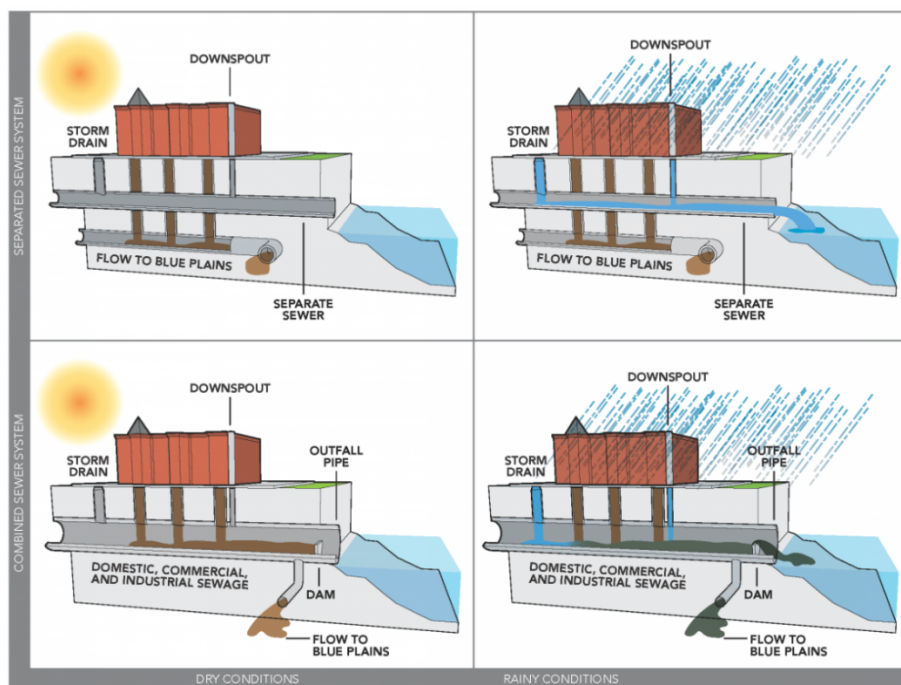
- Continue Small Local Sewer Inspection Program (Red Zone Robotics)
- Deploy update to catch basin app
- Deploy Local and Small Sewer Inspection and Maintenance Program
- Update the Sewer Emergency Operations Response Documents – Major Sewer Assets (Sewer)
- Implement root cause analysis training
- Work with Department of Engineering & Technical Services (DETS) on the design phase of rehabilitation to Oxon Run Sewers
- Coordinate with DETS in Creek Bed Sewer Rehab Projects
- Continue coordination with DETS on condition assessment for Outfall Sewer Rehab
- Coordinate with DETS to complete design phase for Spring Place Sewer Rehabilitation

IMPACT OF OPERATIONAL PROGRAMS

- Deferred CIP projects may lead to increased failures and emergencies in the sewer system, including outfalls, catch basins, Sanitary Sewer Overflows (SSO), and dry weather overflows

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Delaying CIP projects may result in more frequent failures and emergencies within the sewer system, such as outfalls, catch basins, SSOs, and dry weather overflows. This can lead to increased overtime and material costs, as well as diminished public confidence and greater environmental risks



Combined Sewer Overflow or CSO

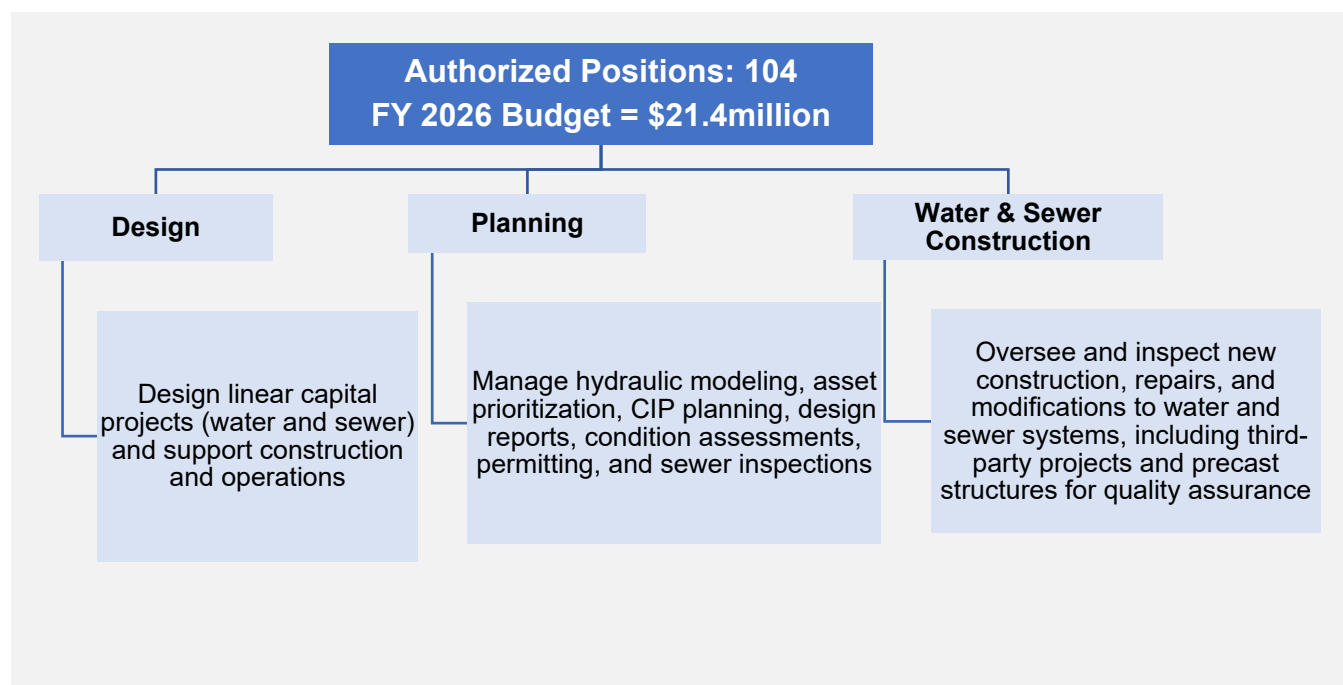
CLUSTER: ENGINEERING

DEPARTMENT: ENGINEERING AND TECHNICAL SERVICES

Purpose: To perform engineering planning, design, and construction management necessary to execute DC Water's Capital Improvement Program (CIP)

Mission: To provide assistance and advice to operating departments and management on engineering aspects of the Authority's operation and facilities. To develop and maintain engineering documentation of the Authority's facilities and systems, and to assist the Authority with environmental policy

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percentage of KPI's Completed	80%	80%	80%	80%	Reliable
Use 100% of Clean Water Act grant funds	100%	100%	100%	100%	Equitable
Use 100% of Safe Drinking Water Act grant funds	100%	100%	100%	100%	Equitable

DEPARTMENT: ENGINEERING AND TECHNICAL SERVICES

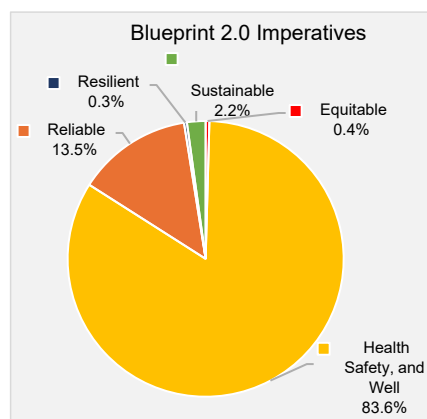
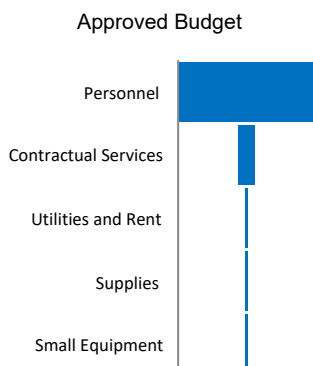
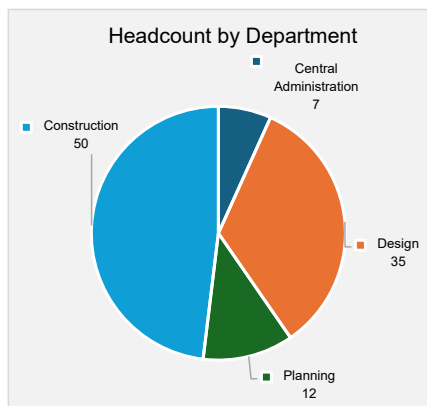
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Decreased due to elimination of vacancies and other position transfers for realignment within the cluster

Non-personnel: Decreased due to reduced contractual services, utilities, and small equipment

Capital Equipment: Remains relatively flat

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	133	120	112	104	8	7%
Personnel Services	\$ 19,470	\$ 21,007	\$ 21,992	\$ 18,677	\$ 3,314	15%
Contractual Services	3,296	1,696	2,975	2,214	761	26%
Chemicals and Supplies	167	113	151	150	1	1%
Utilities and Rent	327	299	277	320	(43)	(15)%
Small Equipment	19	12	-	20	(20)	-
Non Personnel Services	3,809	2,121	3,403	2,705	699	21%
Total O&M Expenditures	\$ 23,280	\$ 23,128	\$ 25,395	\$ 21,382	\$ 4,013	16%
Capital Equipment	\$ 0	\$ 25	\$ 25	\$ 25	\$ 0	0%



ACCOMPLISHMENTS

- Realigned internal resources to fulfill As-Built requests
- Rehabilitated small diameter projects identified as a priority
- Solidified funding and staff for DCW's Lead Free DC program

GOALS

- Standalone department for Lead Free DC program
- Agile funding solutions for LDF, small diameter and as-built projects
- Advancement of CIP execution for new and existing initiatives

CHALLENGES

- Continuity of services during staff realignment.
- Formulating and instilling a collaborative delivery process while maintaining established project lists/thresholds

DEPARTMENT: ENGINEERING AND TECHNICAL SERVICES

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Conduct condition assessments for major sewers and large water mains
- Inspect 40 miles of local sewers annually
- Identify rehabilitation needs for water and sewer assets
- Advertise and execute small-diameter water main renewal projects (11 miles/year)
- Advance planning, design, and construction of capital projects
- Digitize over 11 million records in DC Water's archive
- Implement Water and Sewer Facility and Asset Management Plans
- Maintain and enhance hydraulic models
- Obtain necessary permits and approvals for CIP execution
- Support engineering needs across DC Water

IMPACT OF OPERATIONAL PROGRAMS

- Improved asset condition monitoring and rehabilitation
- Enhanced project delivery efficiency and cost-effectiveness
- Strengthened infrastructure resilience and longevity
- Increased compliance with regulatory requirements
- Better coordination with third-party projects impacting DC Water Assets
- Streamlined data access and management through digitization
- Continued progress toward full-lead service line replacement

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increase in operating costs due to ramping up of CIP projects
Examples include support for isolating water mains for condition assessment
- Increase in Capital Projects will require additional staff and/or consultant support



Engineering Team at work

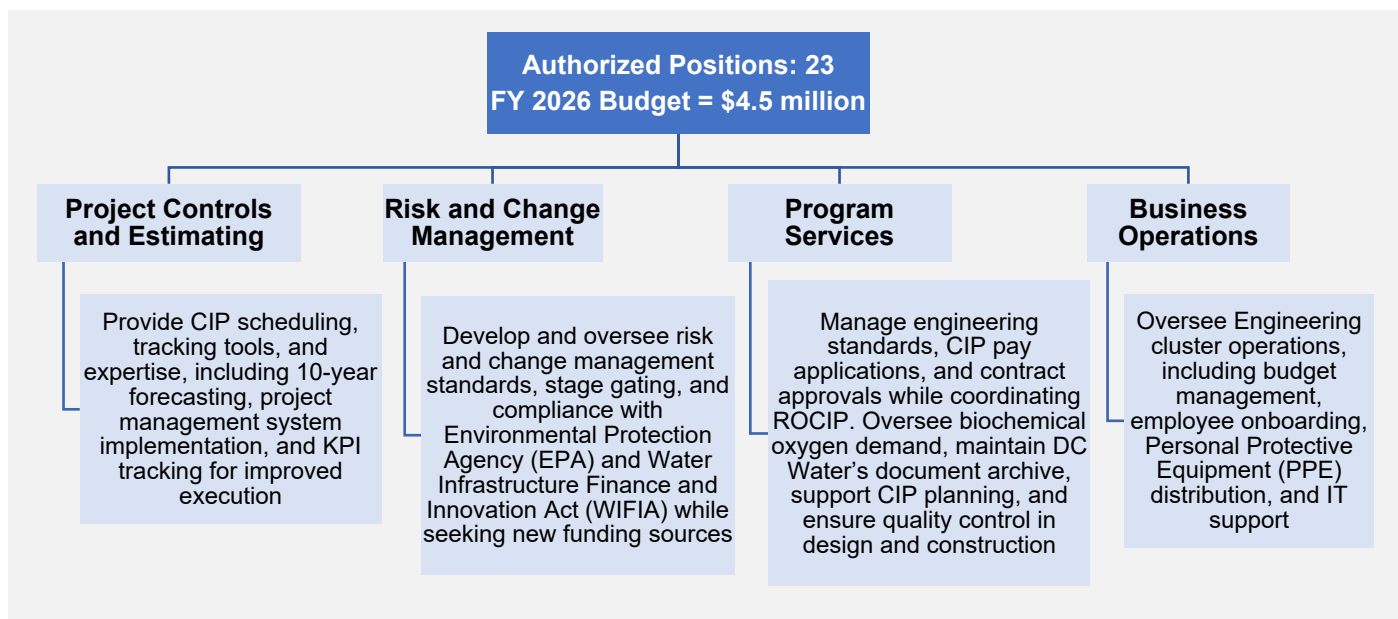
CLUSTER: ENGINEERING

DEPARTMENT: CIP INFRASTRUCTURE MANAGEMENT

Purpose: To improve Capital Improvement Program (CIP) project delivery efficiency and outcomes; centralize key support functions to improve service by aligning current staff and functions and provide enhanced project execution tools and standards to drive CIP execution performance improvements

Mission: To provide the CIP management tools, analysis, oversight, and leadership to ensure DC Water Capital and Operating Program goals and objectives are consistently met while ensuring compliance with the required fiscal boundaries through a transparent and collaborative process

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percentage of KPI's Completed	80%	50%	80%	80%	Reliable
Use 100% of Clean Water Act grant funds	100%	100%	100%	100%	Equitable
Use 100% of Safe Drinking Water Act grant funds	100%	100%	100%	100%	Equitable

DEPARTMENT: CIP INFRASTRUCTURE MANAGEMENT

FY 2026 Operating Budget Overview

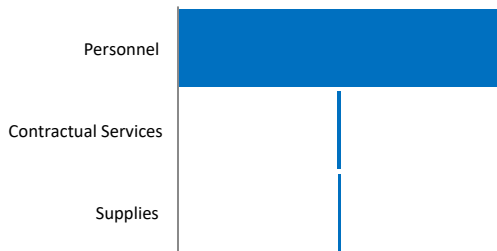
Personnel Services: Decreased due to elimination of vacancies and other position transfers for realignment within the cluster

Non-Personnel Services: Decreased due to reduced contractual services; partly offset by increase in chemical and supplies

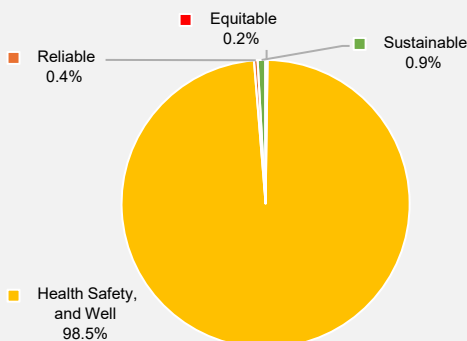
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	31	27	24	23	1	4%
Personnel Services	\$ 4,651	\$ 1,446	\$ 5,861	\$ 4,469	\$ 1,392	24%
Contractual Services	65	56	104	52	53	50%
Chemicals and Supplies	13	11	-	10	(10)	-
Small Equipment	2	-	-	-	-	-
Non Personnel Services	80	67	104	62	43	41%
Total O&M Expenditures	\$ 4,731	\$ 1,514	\$ 5,965	\$ 4,530	\$ 1,435	24%
Capital Equipment	\$ 426	\$ 110	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Create standards and procedures for transitioning to a collaborative delivery model
- Set up tools (Unifier & P6) for the collaborative delivery model
- Develop dashboards to track project delivery metrics and KPIs
- Enhance tools, standards, and procedures for efficient capital program delivery
- Set standards and procedures to manage and reduce risk consistently
- Track and control CIP project execution using established metrics and KPIs
- Implement centralized tools, standards, and procedures for tracking all projects, including collaborative delivery

GOALS

- Expanded Oracle Primavera Unifier, including Construction Manager at Risk (CMAR)/Progressive Design-Build (PDB) adaptation and DocuSign for invoices
- Addressing paper archive backlog in the Technical Information Center
- Implementing project delivery health dashboards with P6 enhancements
- Enhancing tools, processes, and training for collaborative delivery (PDB & CMAR)

CHALLENGES

- Adapting to the shift from Design Bid Build to Collaborative Delivery
- Contractor availability for capital program delivery
- Securing funding for the capital program

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continue to build and strengthen the department to align required resources with core functions. Areas of focus are Project Management Information Systems, Cost Estimating, Contract Management Services, Document Management, Quality, and administrative functions. These activities will result in reduction in consultant staff and corresponding cost savings

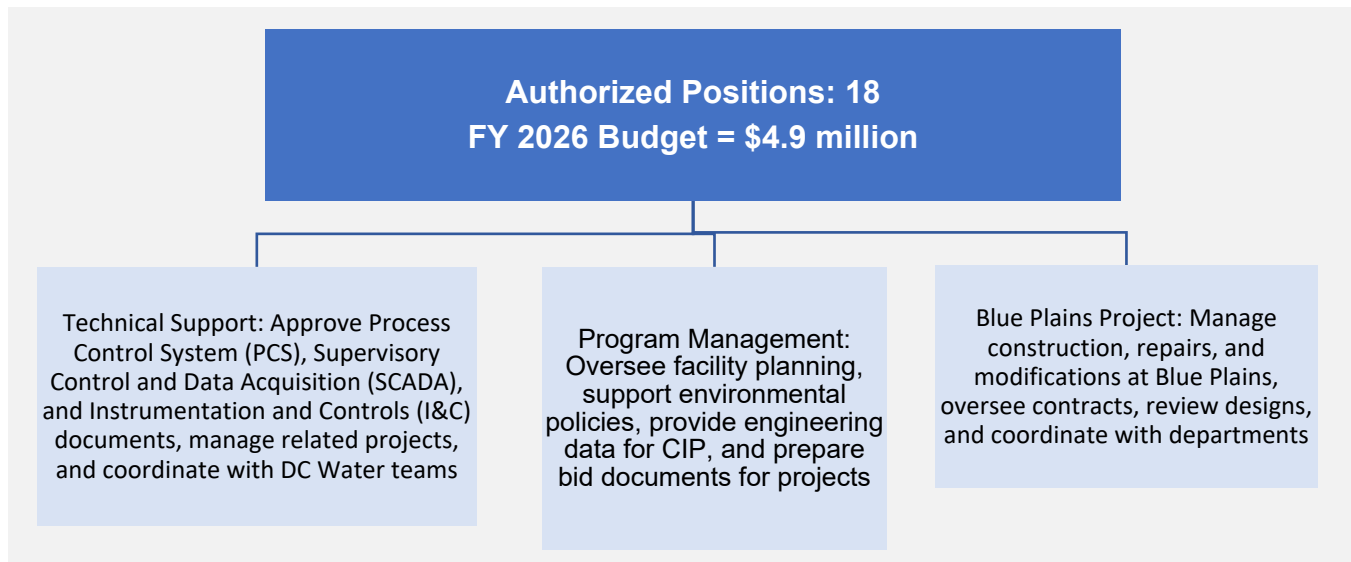
CLUSTER: ENGINEERING

DEPARTMENT: WASTEWATER ENGINEERING

Purpose: Oversee the construction and rehabilitation of wastewater treatment, water, and sewer pumping facilities to meet all required National Pollutant Discharge Elimination System (NPDES) and consent decree requirements, and continued performance for critical functionality of assets

Mission: Plan and execute a Capital Improvement Program (CIP) that supports DC Water in effectively and efficiently meeting the NPDES standards

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Design Lock-In and Stag-gating with comment closure	2	2	2	2	Resilient
Construction Contracts Awarded	3	3	3	3	Reliable
Construction Contracts Closed	2	2	2	2	Sustainable

DEPARTMENT: WASTEWATER ENGINEERING

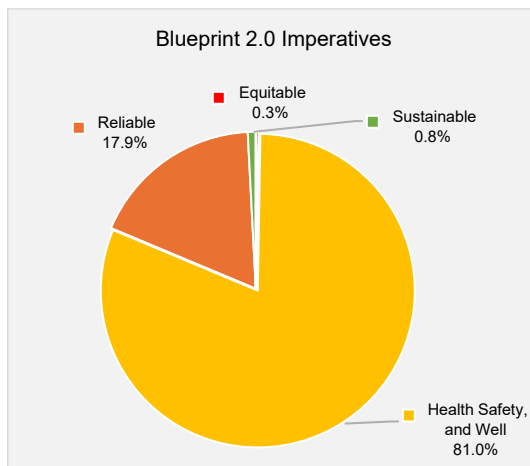
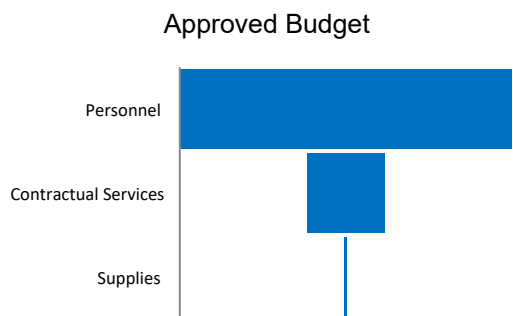
FY 2026 Operating Budget Overview

Personnel Services: Increased due to salaries and benefits adjustments

Non-Personnel Services: Relatively flat

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	22	27	23	18	5	22%
Personnel Services	\$ 1,509	\$ 3,387	\$ 2,799	\$ 3,941	\$ (1,143)	(41)%
Contractual Services	717	815	914	919	(5)	(1)%
Chemicals and Supplies	-	0	10	2	8	80%
Non Personnel Services	717	815	924	921	3	0%
Total O&M Expenditures	\$ 2,226	\$ 4,202	\$ 3,722	\$ 4,862	\$ (1,140)	(31)%
Capital Equipment	-	-	-	-	-	-



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Department division alignment that supports staffing levels conducive to consultants performing the design and project management assistance in support of the collaborative delivery process
- Complete design for Filter Underdrain and Backwash System Upgrades
- Managing and implementing the 10-year CIP for the Enhanced Nitrogen Removal Facility and plantwide liquid and solid processing
- Solicit contractor for construction of Headworks Electrical Upgrades, Headworks Influent Structures Rehabilitation, and Central Operations Facility Electrical Upgrades
- Complete concept plan for Floodwall completion for mitigation of 500-year flood at Blue Plains
- Complete SCADA upgrades for Stormwater Pump Stations

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Allocation of capital funding for priority projects throughout the authority may impact existing operating budget thresholds to maintain established goals and KPIs
- Completion of other rehabilitation and replacement projects such as electrical grid and micro grid improvements and gravity thickener will impact priorities
- Construction and maintenance of activities related to the combined sewer overflow and stormwater programs will impact the budget allocation process

ACCOMPLISHMENTS

- Onboarded new Process Facilities Program Manager to oversee the whole lifecycle of a CIP project
- Transitioned to collaborative delivery and started solicitations for one Progressive Design Build and two Construction Manager at Risk

GOALS

- Issue Notice to Proceed on three collaborative delivery contracts
- Start solicitation for the comprehensive Progressive Design Build contract in October 2025

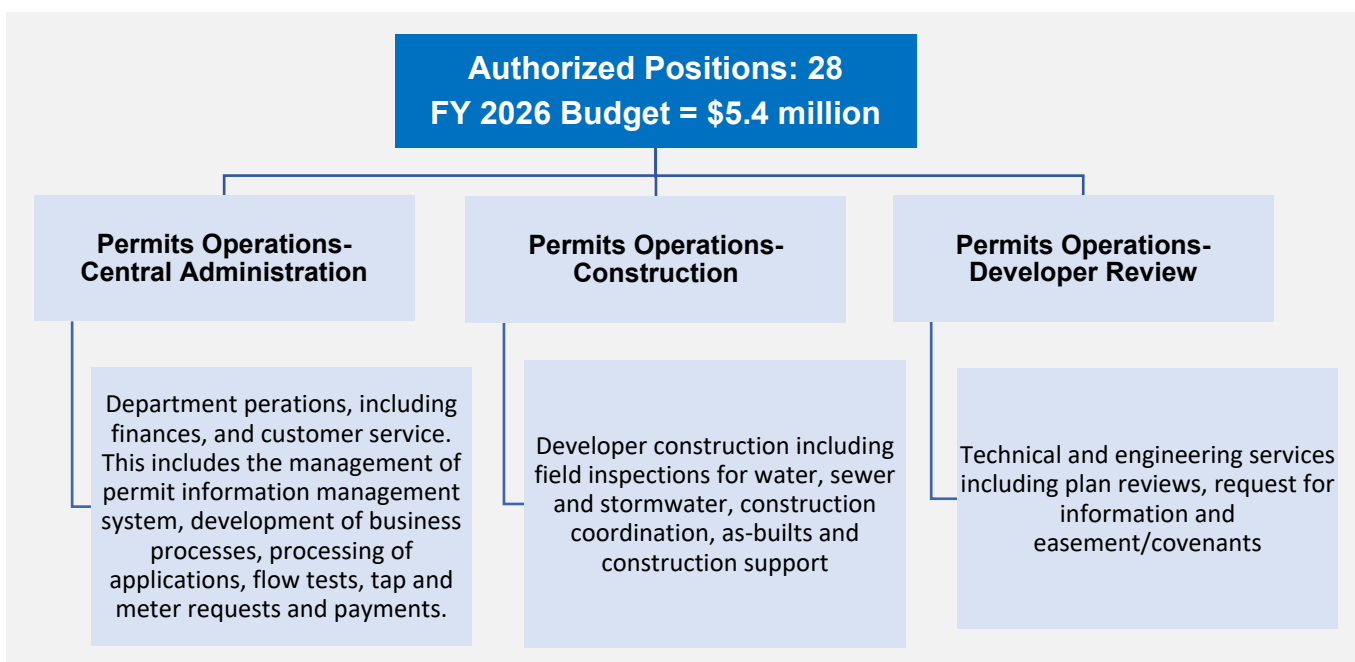
CLUSTER: ENGINEERING

DEPARTMENT: PERMITS OPERATIONS

Purpose: Support the District of Columbia's construction permit process through a coordinated effort with the Department of Building (DOB), the District Department of Transportation (DDOT), and the Department of Environment and Energy (DOEE). This is done through the review and approval of plans for new construction and renovations that impact the water or sewer system

Mission: To manage DC Water's development and permit services

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Process permit applications within service level agreement timeframe of 85%	92%	93%	90%	90%	Equitable

DEPARTMENT: PERMITS OPERATIONS

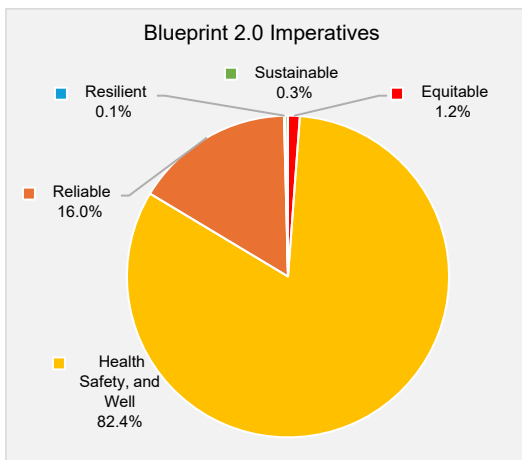
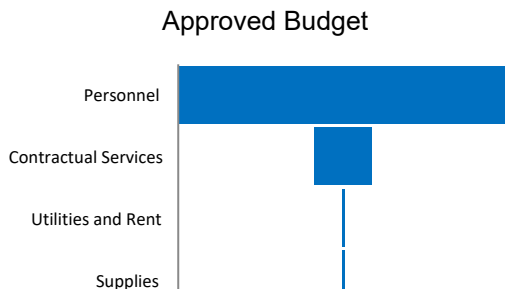
FY 2026 Operating Budget Overview

Personnel Services: Decreased slightly due to position transfers for realignment within the cluster, offset in part by increases in salaries and benefits

Non-personnel services: Increased primarily in contractual (professional services)

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	29	29	28	28	0	0%
Personnel Services	\$ 3,286	\$ 4,078	\$ 4,585	\$ 4,566	\$ 19	0%
Contractual Services	977	817	644	792	(148)	(23)%
Chemicals and Supplies	1	13	30	19	11	37%
Utilities and Rent	373	38	27	22	4	15%
Non Personnel Services	1,351	868	701	834	(133)	(19)%
Total O&M Expenditures	\$ 4,637	\$ 4,946	\$ 5,286	\$ 5,399	\$ (113)	(2)%
Capital Equipment	-	-	-	-	-	-



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Review and adjust permit review fees to meet future budget needs
- Complete the email permit application and electronic review process for remote work
- Begin transition from the current work order management system to a new system
- Start a policy for construction inspection account refunds and forfeitures
- Implement a \$300,000 Memorandum of Agreement with DC Department of Consumer and Regulatory Affairs (DCRA)/DC Water for permit review support
- Increase in-field staff participation for field validation and meter sets
- Reduce the time to process customer account refunds to within 2 years for 50% of projects and 5 years for 100% of projects
- Renew the DC Department of Consumer and Regulatory Affairs (DCRA)/DC Water Permit Review Memorandum of Agreement (MOA)

ACCOMPLISHMENTS

- Developed a new tap and meter request process to ensure taps and meters are installed simultaneously, reducing non-revenue water loss
- Established an escalation process for tracking and monitoring issues escalated to the SET from the DC Council, DC government, Deputy Mayor for Planning and Economic Development (DMPED), and other DC agencies
- Improved relationships with the developer community via the District of Columbia Building Industry Association (DCBIA) by holding quarterly meetings to enhance collaboration, provide updates on upcoming changes, and resolve process challenges

GOALS

- Continue optimizing processes to enhance operational efficiency

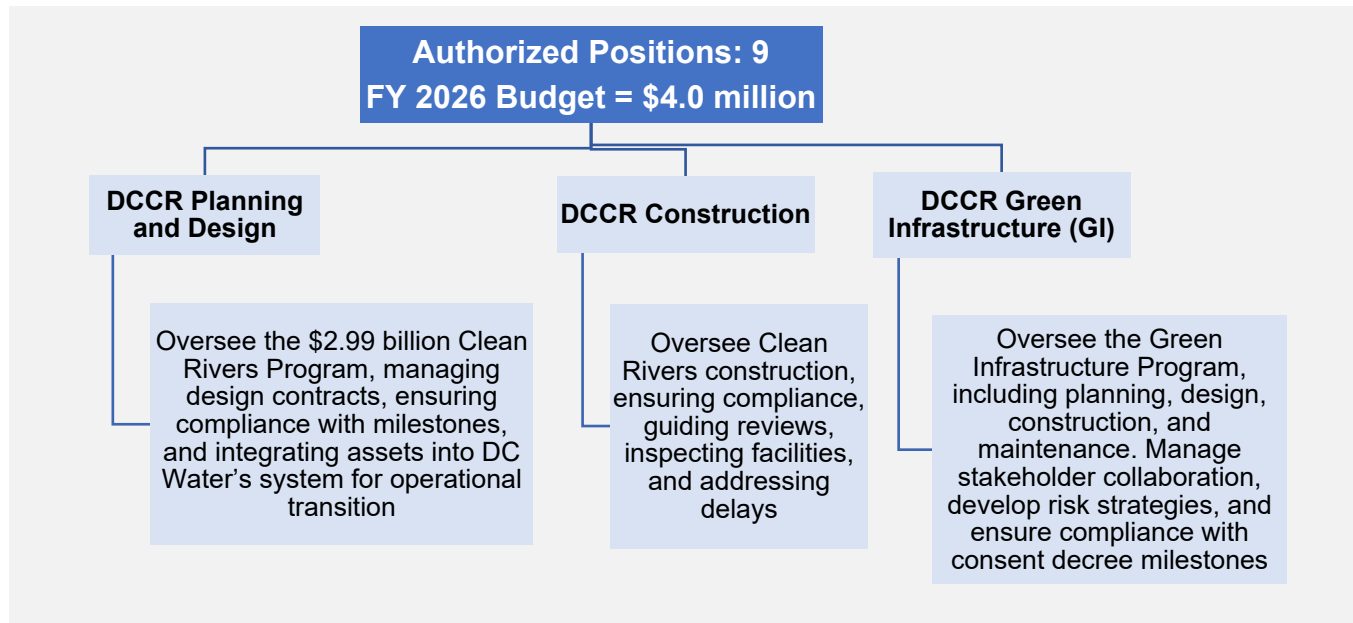
CLUSTER: ENGINEERING

DEPARTMENT: CLEAN RIVERS

Purpose: To oversee the Authority's DC Clean Rivers Project, a twenty-five-year Consent Decree and Long-Term Control Plan, to reduce combined sewer overflows and bring them into compliance with District water quality standards, while also providing flood mitigation to neighborhoods in the Northeast Boundary section of the City. The project is a combination of tunnel systems and green infrastructure

Mission: To develop, design, construct and implement the Authority's 25-year DC Clean Rivers Program (aka Combined Sewer Overflow Long-Term Control Plan) that includes federally enforceable consent decree driven milestones

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Meet all CSO LTCP consent decree milestones	100%	100%	100%	100%	Reliable

DEPARTMENT: CLEAN RIVERS

FY 2026 OPERATING BUDGET OVERVIEW

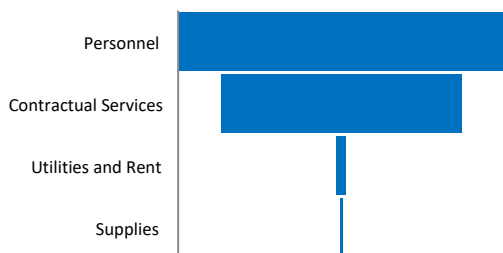
Personnel Services: Increased slightly due to salaries and benefits adjustments coupled with addition of one FTE

Non-Personnel Services: Decreased primarily due to reduced reliance on contractual services

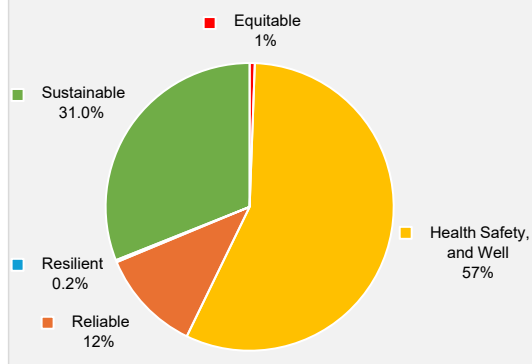
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	10	9	8	9	(1)	(13)%
Personnel Services	\$ 1,868	\$ 1,785	\$ 2,172	\$ 2,250	\$ (78)	(4)%
Contractual Services	1,146	1,550	1,858	1,657	201	11%
Chemicals and Supplies	10	2	10	5	5	53%
Utilities and Rent	96	77	68	63	5	8%
Non Personnel Services	1,252	1,630	1,936	1,724	212	11%
Total O&M Expenditures	\$ 3,120	\$ 3,415	\$ 4,108	\$ 3,974	\$ 134	3%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



ACCOMPLISHMENTS

- Northeast Boundary Tunnel (NEBT) received 2024 Project of the Year award from the Underground Construction Association
- October 2023 – Placed in Operation Rock Creek Green Infrastructure Project B
- November 2023 – Started Construction - Potomac River Tunnel Project
- September 2024 – Awarded Phase 1 Preconstruction for Rock Creek Project C
- November 2024 – Award of the Construction Manager at Risk (CMAR) Preconstruction Phase for Piney Branch Tunnel

GOALS

- Complete surface restoration and complete operational demonstration of Northeast Boundary Tunnel (NEBT) transfer assets to DC Water Operations
- Meet all Consent Decree deadlines for Rock Creek C, Rock Creek D, and Piney Branch Tunnel projects
- Manage risks related to stakeholder approvals, material costs and sourcing uncertainty, and skilled labor/staffing for the program
- Build out the new Potomac Interceptor project team
- Support transition to new contract delivery methods Construction Manager at Risk (CMAR), Progressive Design Build (PDB)

CHALLENGES

- Increasing costs of materials, equipment, and labor due to inflation, uncertainty related to tariffs, and immigration policy
- Uncertainty related to Federal Administration changes and potential impacts to third party coordination (ex. National Park Service (NPS), Commission of Fine Arts (CFA), National Capital Planning Commission (NCPC), State Historic Preservation Office (SHPO), Department of Environment and Energy (DOEE), District Department of Transportation (DDOT))

DEPARTMENT: CLEAN RIVERS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Continue construction of the Potomac River Tunnel (PRT)
- Continuing construction of Rock Creek Project C Green Infrastructure (GI)
- Begin Construction phase of the Piney Branch Tunnel
- Perform planning and design for Rock Creek Project D Green Infrastructure
- Continuing application of the National Green Infrastructure Certification Program (NGICP) on relevant green infrastructure projects
- Continuing deployment of Clean Rivers assets into DC Water's enterprise asset management system
- Continue the coordination of preventive maintenance of Clean Rivers assets
- Continuing the maintenance of GI facilities
- Regulatory requirements compliance

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Operations and Maintenance costs of Green Infrastructure in Rock Creek sewershed will increase as additional facilities are brought online



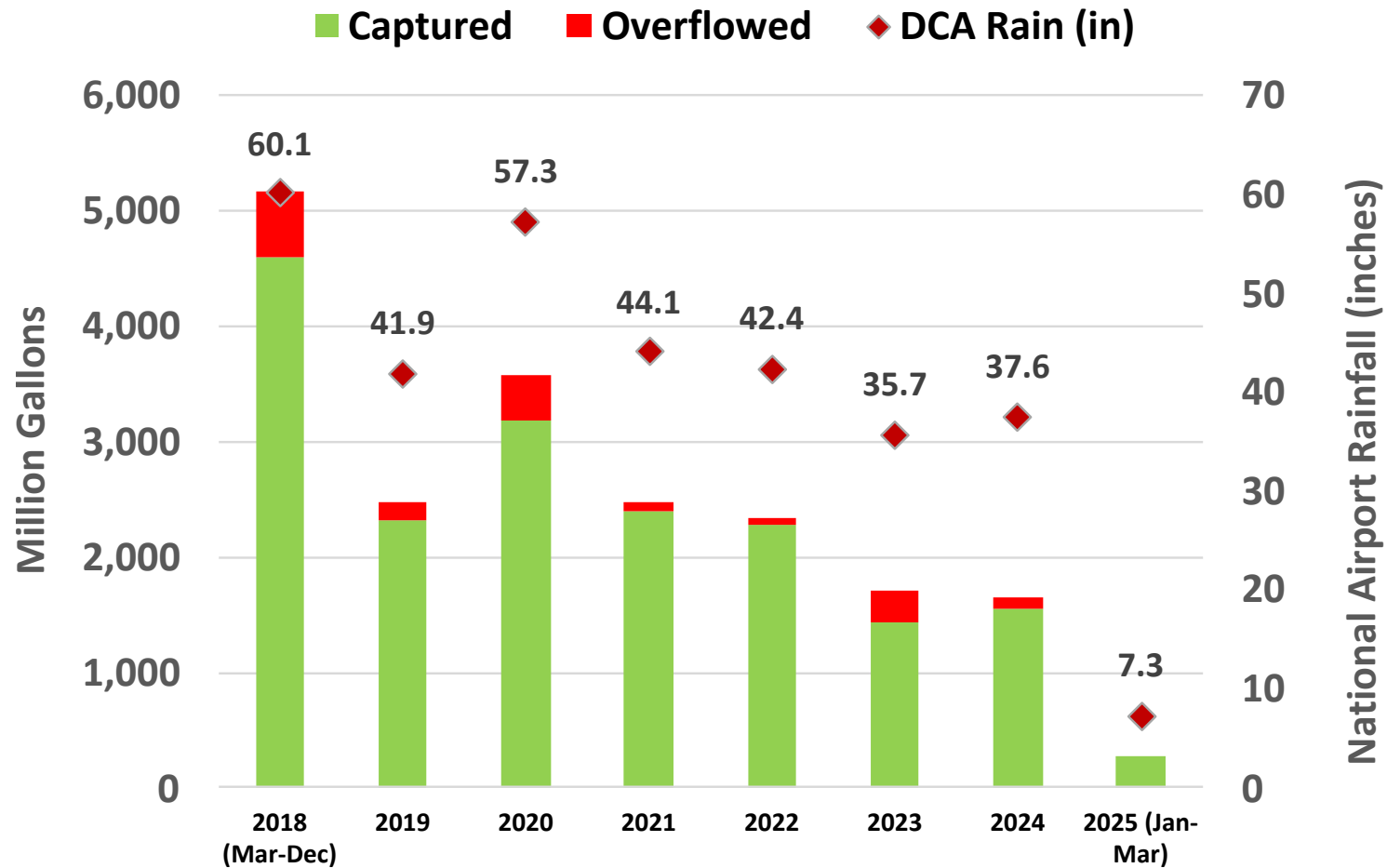
Tunnel boring machine (TBM), Chris

CLEAN RIVERS TUNNEL PERFORMANCE

Tunnel Capture Volume (MG)

(FY 2018 – FY 2025)

Anacostia Tunnel System Performance



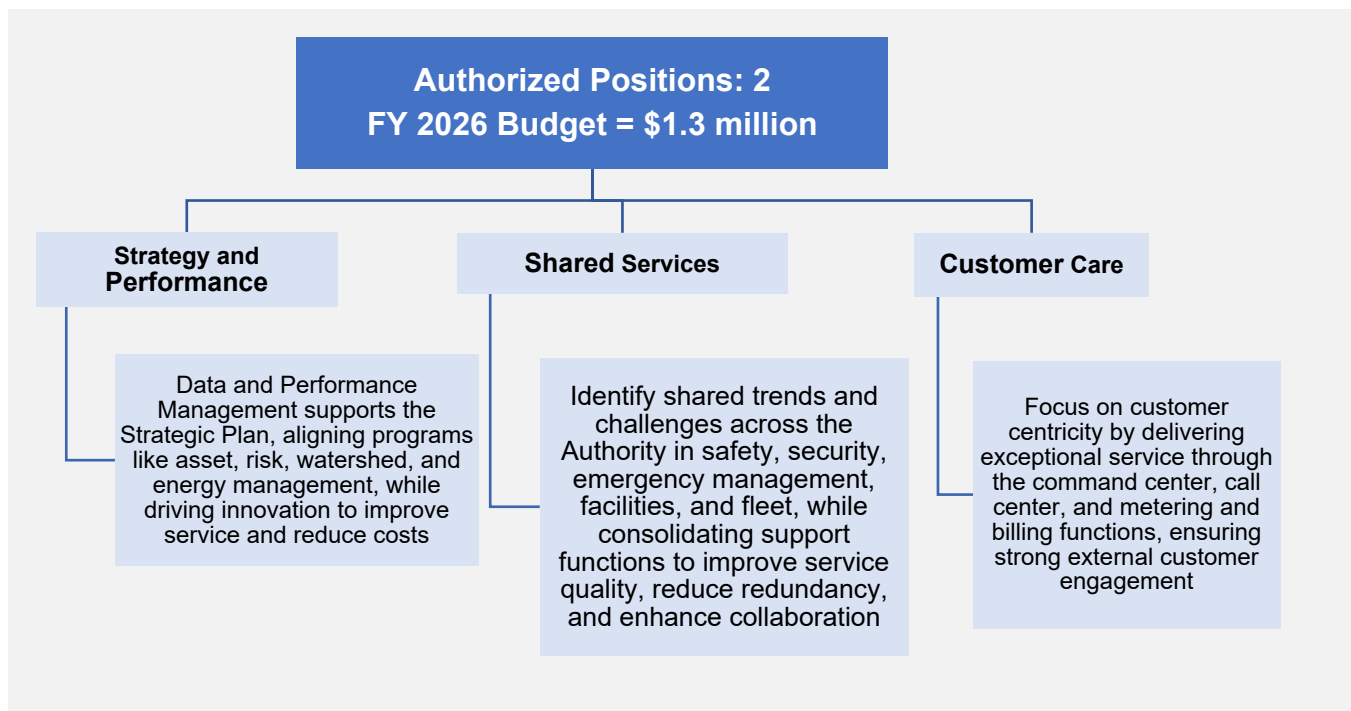
CLUSTER: ADMINISTRATION

DEPARTMENT: OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER (CAO)

Purpose: The Administration Cluster is focused on partnering with DC Water stakeholders to advance enterprise-wide initiatives, programs & projects as well as performance standards in alignment with Blueprint 2.0 to meet community needs

Mission: To enable the Senior Executive Team to effectively develop, manage, monitor, and execute the Authority's strategy, Blueprint 2.0, and to effectively deliver service in support of the core business in the functional areas of Shared Services, and Customer Care

Organization Structure



DEPARTMENT: OFFICE OF THE CHIEF ADMINISTRATION OFFICER (CAO)

FY 2026 Operating Budget Overview

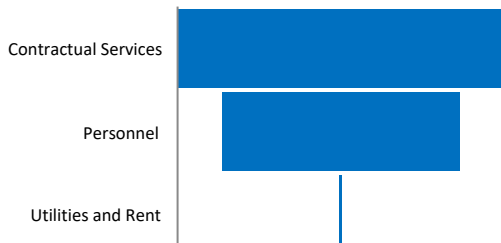
Personnel Services: Is relatively flat

Non-Personnel Services: Decreased due to reduced contractor reliance

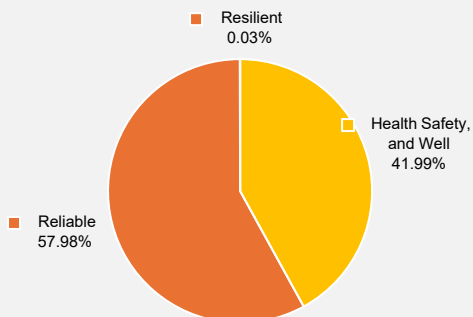
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	-	2	2	2	0	0%
Personnel Services	-	\$ 412	\$ 566	\$ 557	\$ 10	2%
Contractual Services	-	79	900	765	135	15%
Utilities and Rent	-	-	-	3	(3)	-
Non Personnel Services	-	79	900	769	131	15%
Total O&M Expenditures	-	\$ 491	\$ 1,466	\$ 1,325	\$ 141	10%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Key planned activities include improving AMI transmission rates, enhancing strategic management with Blueprint 2.0, implementing the CAO performance dashboard, and realigning CAO functions for better service delivery

ACCOMPLISHMENTS

- Successful integration of AI tool (chatbot) for Customer Care
- Successfully launched the CAO performance dashboard emphasizing financial outcomes, managing external stakeholders, and fostering partnerships and support from authorities

GOALS

- Implementation and use of the CAO dashboard
- Continuously explore leveraging AI to gain greater efficiency within the Authority

CHALLENGES

- Fluctuating costs resulting from volatility in markets

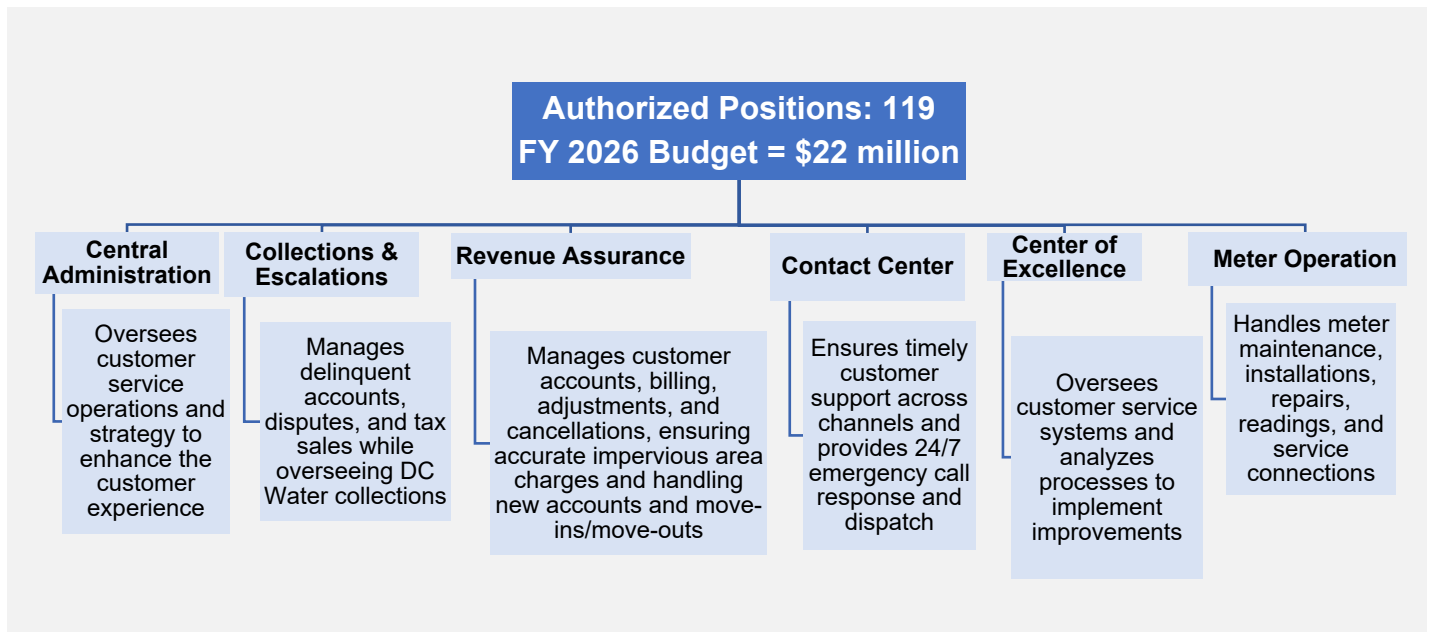


CLUSTER: ADMINISTRATION
DEPARTMENT: CUSTOMER CARE

Purpose: To ensure that DC Water delivers a satisfying experience for customers by providing timely and accurate billing, appropriate meter replacement and maintenance, as well as responding to customer inquiries through multiple channels in compliance with District of Columbia laws and regulations

Mission: To provide excellent service to our customers through equitable and responsive customer interactions with the diverse community we serve

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Bills issued on time (w/in 5 days)	97%	98%	97%	98%	Reliable
Estimated bills as a percent of meters read	4.2%	4.3%	4%	4%	Reliable
Unbilled at the end of the month	1.5%	1.4%	1.5%	2%	Reliable

DEPARTMENT: CUSTOMER CARE

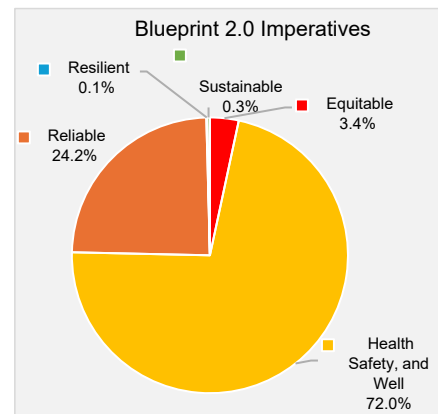
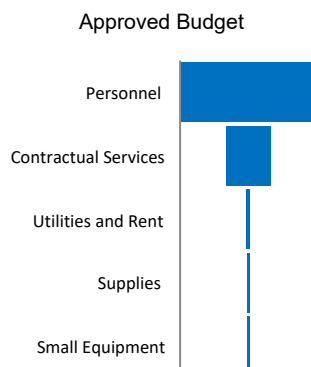
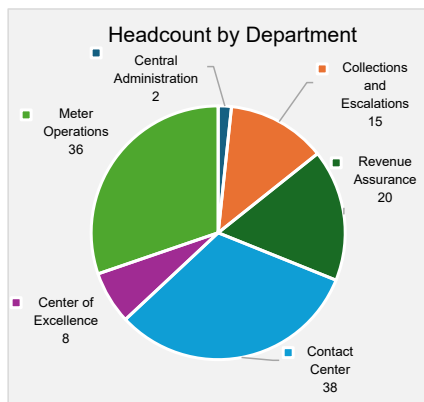
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects personnel readjustment for salaries, benefits and overtime, partly offset by one vacant position reduction

Non-personnel Services: Relatively flat

Capital Equipment: Covers various ongoing metering programs, including large and small line installations, plumbing, equipment, meters, and Meter Transmission Units (MTUs). It also includes the Advanced Metering Infrastructure (AMI) small line installation program and large meter program management support.

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	120	120	120	119	1	1%
Personnel Services	\$ 13,542	\$ 13,997	\$ 15,264	\$ 16,168	\$ (905)	(6)%
Contractual Services	5,020	4,881	5,431	5,304	127	2%
Chemicals and Supplies	126	63	105	112	(7)	(6)%
Utilities and Rent	489	307	314	382	(68)	(22)%
Small Equipment	1	1	3	3	1	17%
Non Personnel Services	5,635	5,251	5,853	5,801	53	1%
Total O&M Expenditures	\$ 19,177	\$ 19,248	\$ 21,117	\$ 21,969	\$ (852)	(4)%
Capital Equipment	\$ 2,383	\$ 702	\$ 3,854	\$ 3,080	\$ 774	20%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Launched the Payment Plan Incentive Program, helping 470 residents pay off outstanding balances Met 100% compliance with response time requirements and exceeded emergency dispatch goals, achieving a 100% rate within 10 minutes (goal: 92%) Promoted over 42% of hires internally in FY24 Expanded customer assistance with CAP+ for financially vulnerable customers and a Leak Assessment and Repair Program, both launching in FY2025 	<ul style="list-style-type: none"> Improve customer experience through policy updates, training, and succession planning Expand AI tools like chatbots and automated phone support for personalized service Maintain and enhance customer assistance programs such as Customer Assistance Program (CAP), Serving People by Lending A Supporting Hand (SPLASH), Leak Assessment and Repair Assistance Programs (RLAAP & RLRAP) Reduce printing and postage costs by promoting online billing and the account management portal 	<ul style="list-style-type: none"> Managing post-pandemic impacts and government layoffs affecting usage and delinquencies Encouraging customers to use self-service options Increasing participation in assistance programs Promoting online bill management to reduce mailing costs Securing specialized training to boost employee performance and customer satisfaction

DEPARTMENT: CUSTOMER CARE

MAJOR PLANNED ACTIVITIES AND CHANGES

- Advance the implementation of the Leak Assessment and Repair Program in partnership with the District
- Expanding Online Services - Serving People by Lending A Supporting Hand (SPLASH) Donation Campaign
- Bill Redesign
- Paperless Billing Campaign
- System upgrades include the Vertex One (V1) Customer Advantage and the Field Management System
- Activate Informational Webpage Chatbot AI on dcwater.com Customer Center page
- AI Phase 3 (Transactional AI/chatbot interactions)
- Field Testing and Mars Test Bench Data Integration into V1
- Call Translation Technology
- Data Clean-Up for Customer Information System (CIS) Database
- Continued efforts to find new avenues to communicate with Customers by expanding into Texting
- Enterprise-Wide Customer Service Training - Customer Care Videos
- Increase Customer Assistance Enrollment



IMPACT/EXPECTED OUTCOME

- Leak Assessment and Repair Program (Helps CAP customers detect and repair leaks, improving water conservation and affordability)
- Vertex One (V1) Customer Advantage Upgrade (Enhances customer service and system capabilities)
- AI Phase 3 (Transactional AI/chatbot interactions) (Improves customer experience and reduces manual workload)
- Call Translation Technology (Improves service accessibility for non-English speaking customers)
- Increase Customer Assistance Enrollment (Helps more customers access assistance programs)
- Bill Redesign (Improves billing transparency and customer understanding)



IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Annual maintenance and support fees for new/upgraded software systems
- Meter management and distribution for Ongoing Meter replacement, Lead Free DC (LFDC), and Small Diameter Water Main (SDWM) replacement projects

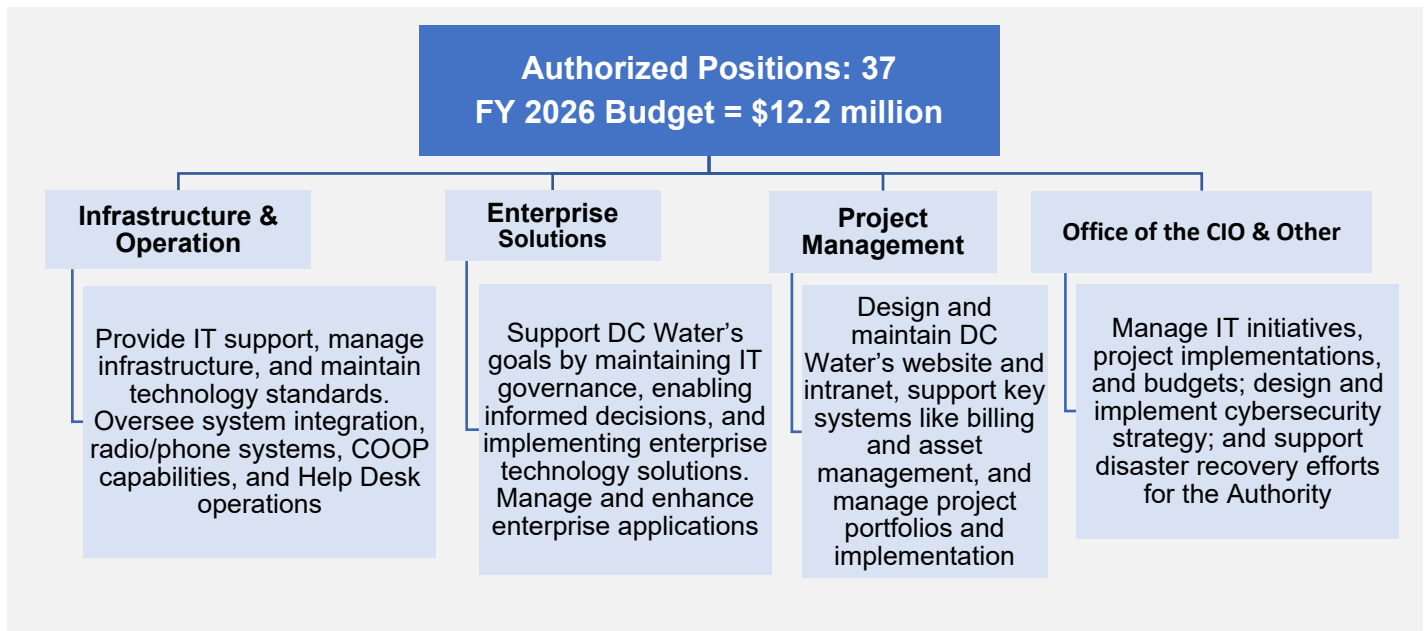
CLUSTER: INFORMATION TECHNOLOGY

DEPARTMENT: INFORMATION TECHNOLOGY

Purpose: To identify, define, develop, and support an integrated set of solutions that leverages people, process, and technology to improve reliability, increase efficiency, reduce cost, drive innovation, and improve the employee and customer experience

Mission: To provide a safe and reliable state-of-the-art information technology platform capable of adapting to the changing needs of our internal and external customers. To ensure that the Authority's mission is supported by state-of-the-art technology with an infrastructure capable of accommodating all traffic and connectivity demands, and a computing environment that encourages the development of efficient business

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
98% Network uptime round the clock	99%	99%	99%	99%	Reliable
96% of high priority tickets completed within 4 hours	98%	98.8%	98%	98%	Reliable
60% Tickets closed by Tier 1 support	97%	70%	65%	65%	Reliable
50% of Projects Completed on-time	90%	91%	90%	90%	Reliable
98% Network uptime during peak hours	99%	98.49%	99%	99%	Reliable

DEPARTMENT: INFORMATION TECHNOLOGY

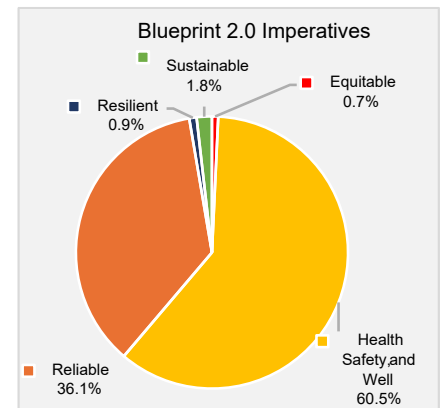
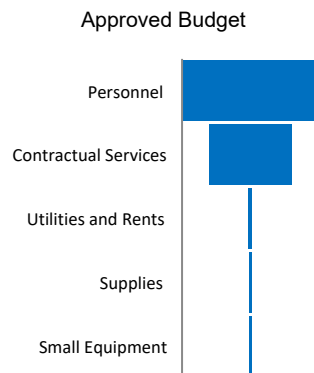
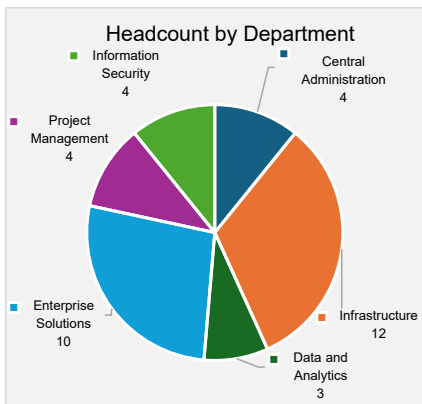
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to adjustments for salaries and benefits

Non-personnel Services: Increased due to contractual services for network and data communication services, infrastructure support, and business data analytics maintenance, supplies and utilities

Capital Equipment: Covers cabling supplies, IT infrastructure upgrades, supplies, utilities, centrally managed IT infrastructure, telephony, computer and laptop replacements, and the IT Executive Steering Committee (ESC)/ Local Steering Committee (LSC) SharePoint migration

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	37	37	37	37	0	0%
Personnel Services	\$ 6,399	\$ 6,347	\$ 6,679	\$ 7,430	\$ (751)	(11)%
Contractual Services	4,333	4,514	4,156	4,517	(361)	(9)%
Chemicals and Supplies	5	(20)	5	16	(11)	(218)%
Utilities and Rent	188	189	154	180	(27)	(17)%
Small Equipment	36	7	13	11	2	16%
Non Personnel Services	4,562	4,690	4,328	4,725	(397)	(9)%
Total O&M Expenditures	\$ 10,960	\$ 11,037	\$ 11,006	\$ 12,155	\$ (1,149)	(10)%
Capital Equipment	\$ 8,291	\$ 4,363	\$ 5,107	\$ 6,165	\$ (1,058)	(21)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Upgraded customer service with Genesys PureCloud and Paymentus Enhanced security with AlertUs, underground Wi-Fi, and video access Launched new DCWater.com with improved reporting and event management Strengthened integration security with Microsoft API Management Upgraded technology: Windows 11, iPhones, and a new ticketing system Developed AWACS to detect water loss and ensure accurate billing 	<ul style="list-style-type: none"> Implement Enterprise Data Strategy Keep IT projects on time and within budget (>90%) Establish IT AI Governance group. Expand data warehouse, AI, and predictive analytics Conduct annual Disaster Recovery (DR) exercise Strengthening data protection and sharing policies 	<ul style="list-style-type: none"> We are getting YoY (Year on Year) operating budget cuts while the number of projects and demands continues to rise DC Water IT Policy enforcements (e.g. Shadow IT) The organization supports planning and resource allocations (projects post-go-live) and prioritization initiatives

DEPARTMENT: INFORMATION TECHNOLOGY

MAJOR PLANNED ACTIVITIES AND CHANGES

- Customer Service Artificial Intelligence (AI): Ongoing enhancements (Informational Chatbot, Personal Chatbot, Transactional AI)
- Replacements: Kona replacement, IT Project Management Office (PMO) Tool, OpenText to SharePoint Migration
- Systems Enhancements: 3PP SaaS, Field Testing & Mars Testbench Data Integration, Website & Mobile App Enhancements, AlertUs, Impervious Area System, SharePoint Migration
- Systems Upgrades: Oracle Enterprise Resource Planning (ERP), Nintex Automation Cloud, MS SQL 2019, Board Room Audio-Visual (AV), Impervious Area Toolset, Network Infrastructure, Tunnel Wi-Fi
- Advancing system implementations such as the Custom Read Portal, SharePoint Forms, and PIMS (Permits Information System), along with other initiatives like Power Apps, MS Co-Pilot, and Qualtrics implementation

IMPACT/ EXPECTED OUTCOME

- Efficiency & Automation: AI chatbots improve customer service and reduce manual workload
- System Modernization: Upgrades enhance performance, security, and compliance
- Operational Improvements: Enhancements streamline data integration, communication, and infrastructure reliability
- Increased Accessibility: Mobile & website improvements enhance user experience

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Migrating Oracle databases to MS SQL or Oracle Cloud will cut hardware and software maintenance costs
- Moving OpenText to SharePoint will reduce software operational costs
- Optimizing telecom circuits will lower costs
- Upgrading Genesys to the Cloud will save on IT customer service costs
- The addition of the mobile apps, Enterprise Management System (EMS), and the Advanced Water Accounting Computing System (AWACS), as well as the increased usage of Microsoft technology, has significantly increased costs for FY 2025



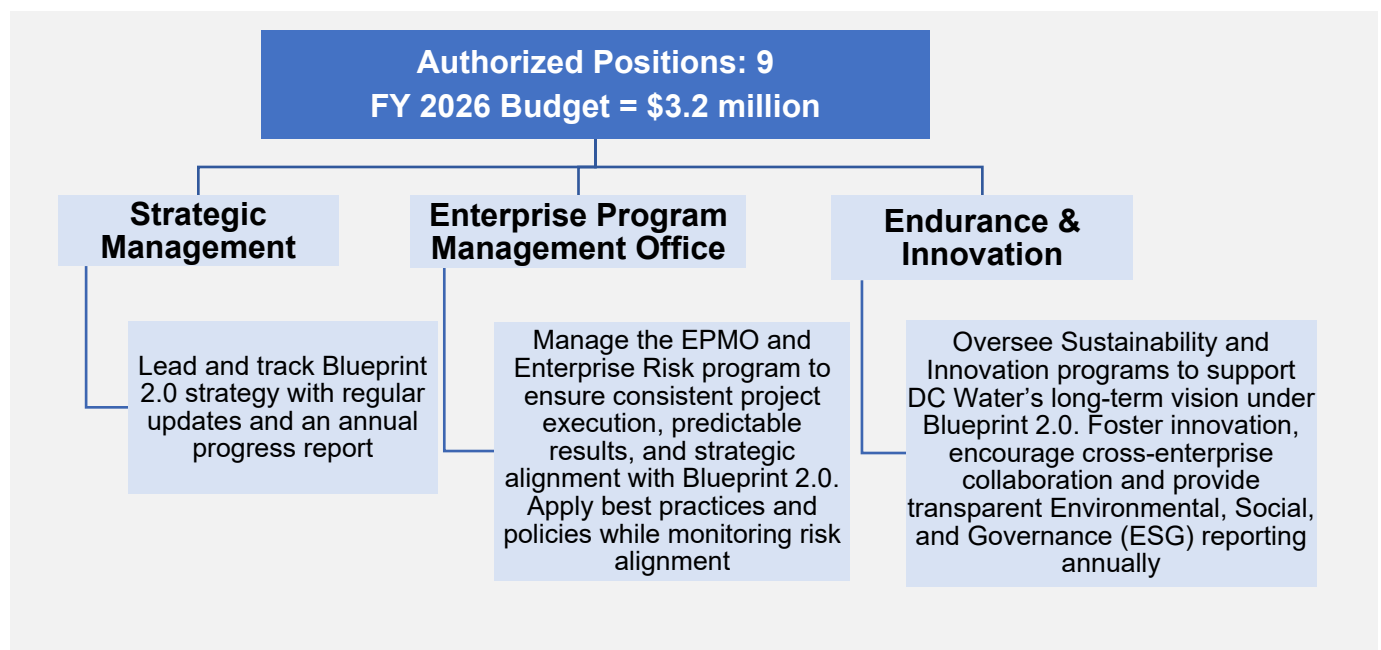
CLUSTER: STRATEGY AND PERFORMANCE

DEPARTMENT: STRATEGY AND PERFORMANCE

Purpose: Provide the framework for the development and execution of the Blueprint 2.0 which includes Strategic Management, Enterprise Program Management, Sustainability, Innovation, and Enterprise Risk Management

Mission: To enable the Senior Leadership Team to effectively develop, manage, monitor, and execute the Authority's strategy, Blueprint 2.0

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	
	Results	Results	Targets	Targets	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES					
Develop and implement Strategic Management (maturity scale 1-5)	2.6	2.9	3.2	3.4	Reliable
Publication of DC Water's Environmental, Social, Governance Report	1	1	1	1	Reliable
Extent of Enterprise Risk Management implement and maturity (scale 1-5)	3	3	3	3	Reliable

DEPARTMENT: STRATEGY AND PERFORMANCE

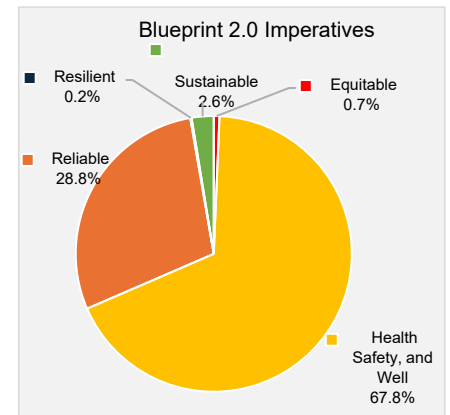
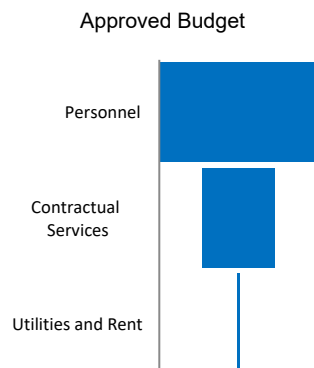
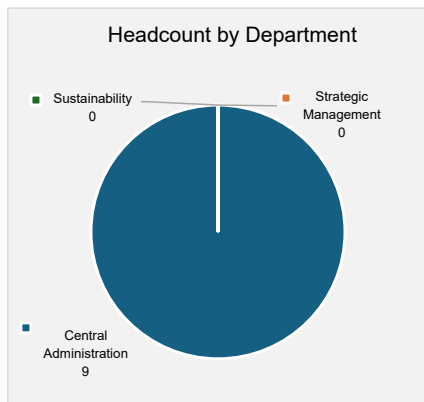
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to salaries and benefits adjustments

Non-Personnel Services: Increased slightly due to contractual services

Capital Equipment: No activity

\$'000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	9	9	9	9	0	0%
Personnel Services	\$ 1,978	\$ 1,624	\$ 1,745	\$ 2,222	\$ (476)	(27)%
Contractual Services	1,007	1,299	983	1,020	(36)	(4)%
Chemicals and Supplies	6	0	6	-	6	100%
Utilities and Rent	-	-	3	2	1	27%
Small Equipment	-	2	-	-	-	-
Non Personnel Services	1,013	1,301	992	1,022	(30)	(3)%
Total O&M Expenditures	\$ 2,991	\$ 2,925	\$ 2,738	\$ 3,244	\$ (506)	(18)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS

- Established a Strategic Management framework, achieving a maturity scale of 2.9
- Published DC Water's Environmental, Social, and Governance Report for the year

GOALS

- Improve the Strategic Management framework, aiming for a maturity scale of 3.5
- Enhance the impact and reach of DC Water's Environmental, Social, and Governance Report in future publications

CHALLENGES

- Increasing costs of consultants

DEPARTMENT: STRATEGY AND PERFORMANCE

MAJOR PLANNED ACTIVITIES AND CHANGES

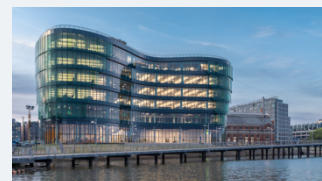
- Provide biannual updates on Blueprint 2.0 progress to the Board
- Convene quarterly status updates on Blueprint 2.0
- Refine Blueprint 2.0 goals and workstreams
- Advance the Enterprise Program Management Office to ensure program delivery
- Develop and promote the Program Management Office Center of Excellence
- Monitor the enterprise executive dashboard
- Refine indices for monitoring innovation and sustainability
- Advance the Generative AI Community of Practice
- Leverage ESG Governance and publish FY 2022, FY 2023 & FY 2024 ESG Reports
- Baseline Task Force on Climate-Related Financial Disclosures (TCFD) framework assessment
- Continue Environmental, Social, and Governance (ESG) Governance initiatives

IMPACT OF OPERATING PROGRAMS

- Deliver mission-critical enterprise programs efficiently
- Strengthen enterprise compliance and internal audit functions
- Improve enterprise risk management through Risk Register and Deep Dives
- Enhance organizational transparency through ESG reporting
- Promote innovation and sustainability to align with Blueprint 2.0
- Break down silos and foster cross-enterprise collaboration

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No major items identified



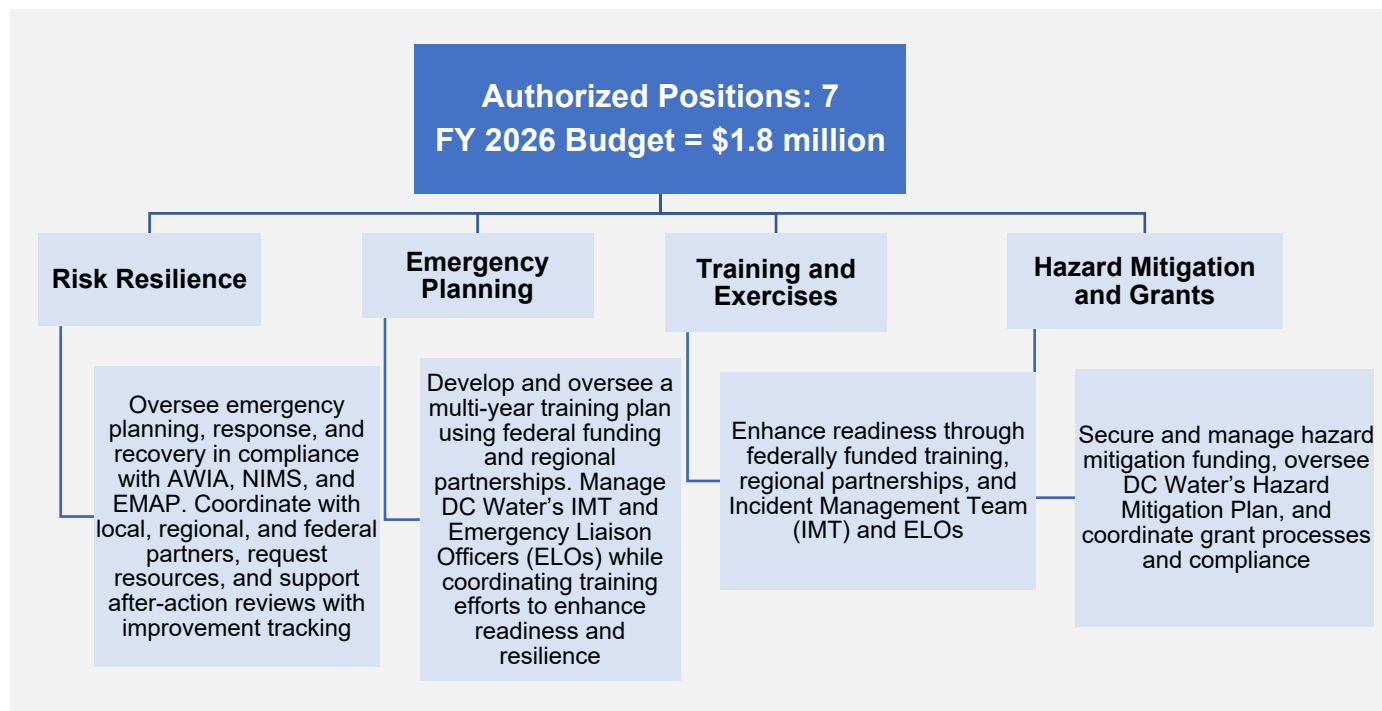
CLUSTER: SHARED SERVICES

DEPARTMENT: OFFICE OF EMERGENCY MANAGEMENT

Purpose: To provide planning and operational support to the entire Authority in preparing for and during emergencies while ensuring DC Water's resilience and compliance with the American Water Infrastructure Act (AWIA) and Emergency Management Accreditation Program (EMAP)

Mission: To facilitate the development and implementation of emergency preparedness and response, to include all-hazard risk reduction and management for disaster resilient water and wastewater utility

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Maintain compliance in American's Water Infrastructure act every 5 yrs 100%	100%	100%	100%	100%	Resilient
Maintain Emergency Management Accreditation. Provide yearly measures report	100%	100%	100%	100%	Resilient

DEPARTMENT OFFICE OF EMERGENCY MANAGEMENT

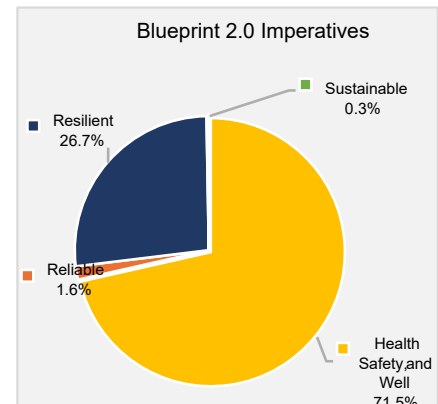
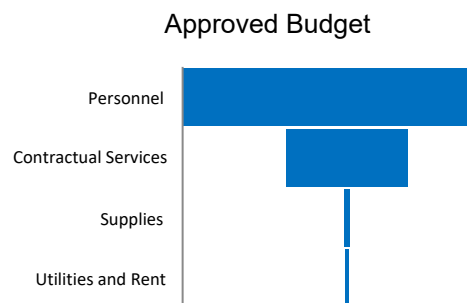
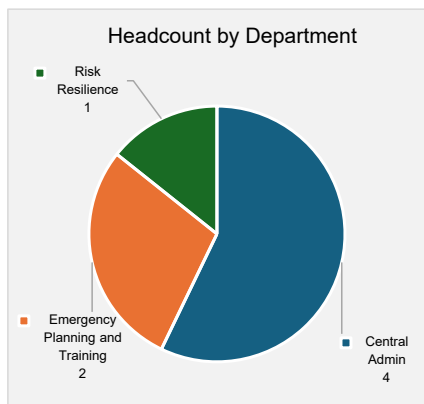
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects one additional FTE (Emergency Management Assistant) as well as increase for salaries and benefits

Non-personnel Services: Relatively flat

Capital Equipment: Increase for vehicle upgrades

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	6	6	6	7	(1)	(17)%
Personnel Services	\$ 985	\$ 1,085	\$ 1,146	\$ 1,287	\$ (141)	(12)%
Contractual Services	578	438	517	479	39	8%
Chemicals and Supplies	6	17	6	21	(14)	(223)%
Utilities and Rent	12	15	12	14	(3)	(23)%
Small Equipment	23	6	-	-	-	-
Non Personnel Services	619	475	536	514	22	4%
Total O&M Expenditures	\$ 1,605	\$ 1,560	\$ 1,682	\$ 1,801	\$ (119)	(7)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Developed new Cyber Incident Response Playbook with IT and Operations Deployed DC Water Alerts and assisted with Everbridge platform efforts - quarterly tests, EMPO efforts for management changes, 4 internal user trainings, and further quality assurance within database of platform 	<ul style="list-style-type: none"> Establish comprehensive measures to track and address identified risks and capability gaps 	<ul style="list-style-type: none"> Planning for and implementing staffing changes including recruitment and onboarding

DEPARTMENT OFFICE OF EMERGENCY MANAGEMENT

MAJOR PLANNED ACTIVITIES AND CHANGES PLANNED

- Implement: an entry level position to allow for department succession planning and support emergency management inventory supplies and logistic needs
- Establish: Incident Management Team (IMT) management and documentation software and virtual solution for quicker emergency notifications, tasks, documentation, and plan references
- Facilitate: finish the revision efforts for Authority wide Hazard Mitigation Plan, Emergency Management Plan, and Sewer Emergency Containment Plan
- Continue: compliance with America's Water Infrastructure Act and Emergency Management Accreditation Program

ACCOMPLISHMENTS

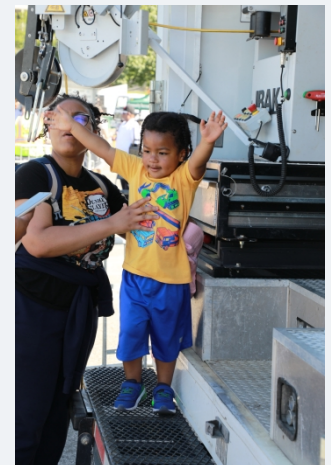
- DC Water was awarded 2 grants for the continued construction of Blue Plains Floodwall and revision of the Hazard Mitigation Plan
- Coordinated 5 full Incident Management Team activations
- Compiled and finalized 13 after action reports for emergency response and exercises with 104 identified improvement items
- Facilitated 68 trainings and exercises for 1579 DC Water employees

GOALS

- To maintain a high performing network of systems and assets critical to reliability and use real-time monitoring to inform better decision making

CHALLENGES

- A significant increase in the number of incidents and events, thus additional after-action reports that require OEM support and coordination
- Emergency Management Accreditation Program (EMAP) reaccreditation demands



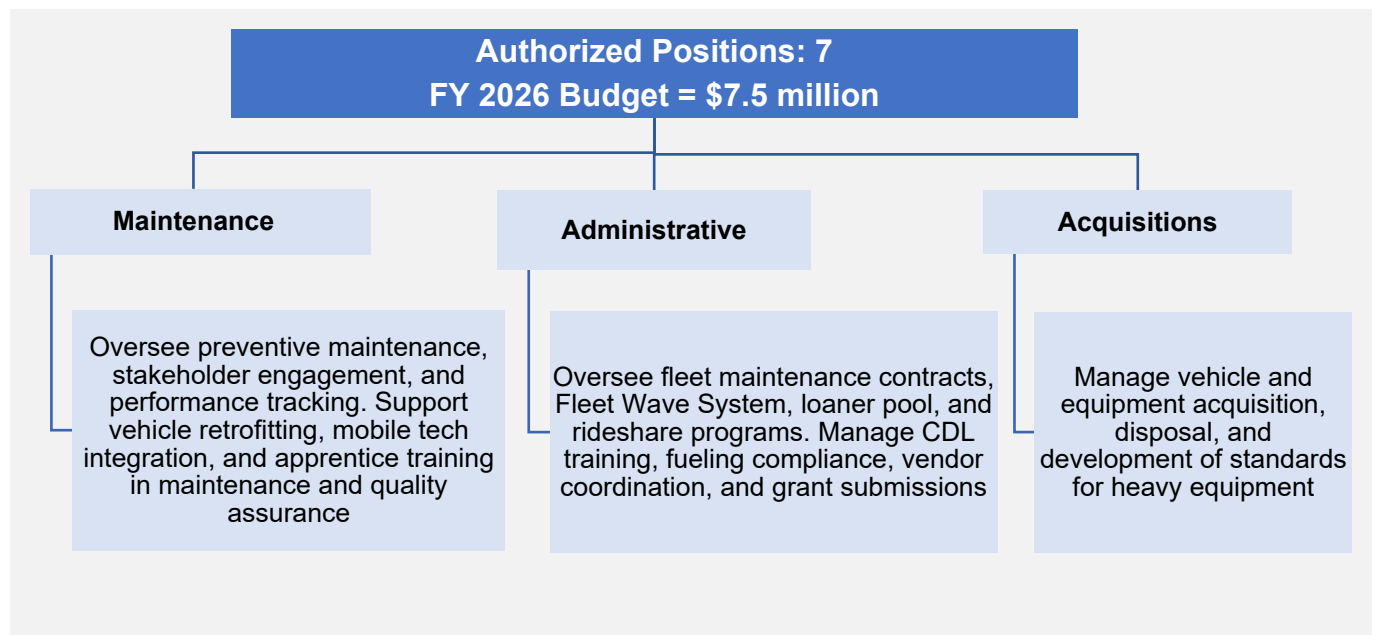
CLUSTER: SHARED SERVICES

DEPARTMENT: FLEET MANAGEMENT

Purpose: Ensure DC Water’s fleet and equipment are safe and functioning to meet the operational needs of the Authority

Mission: To provide safe, reliable, and cost-effective vehicles and equipment to DC Water for use by all departments in performance of their missions

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Preventative Maintenance Completed on Schedule	86%	85%	81%	81%	Reliable
Priority #1 Vehicles available for use	80%	84%	50-90%	50-90%	Reliable

DEPARTMENT: FLEET MANAGEMENT

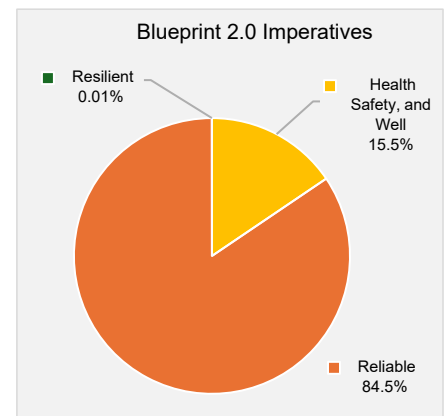
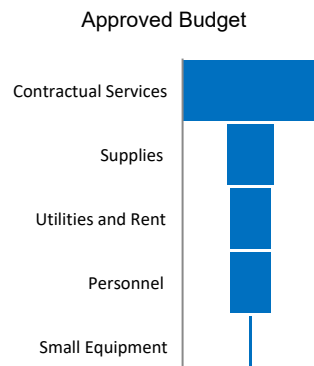
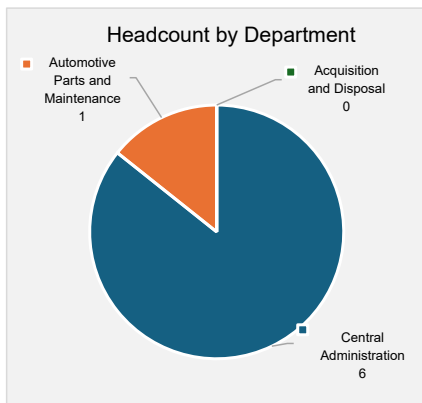
FY 2026 OPERATING BUDGET OVERVIEW

Personnel services: Decreased slightly due to elimination of one vacant FTE, offset in part by increased salary adjustments

Non-personnel services: Increased in contractual services to support fleet vehicle maintenance, including parts and supplies

Capital Equipment: Covers purchase of the Authority's fleet vehicles and other major heavy-duty equipment

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	8	8	8	7	1	13%
Personnel Services	\$ 1,273	\$ 1,099	\$ 1,213	\$ 1,160	\$ 54	4%
Contractual Services	3,773	4,496	3,303	3,864	(562)	(17)%
Chemicals and Supplies	300	752	1,317	1,333	(16)	(1)%
Utilities and Rent	1,140	1,136	1,283	1,161	122	9%
Small Equipment	111	31	75	25	50	67%
Non Personnel Services	5,323	6,416	5,978	6,383	(406)	(7)%
Total O&M Expenditures	\$ 6,596	\$ 7,515	\$ 7,191	\$ 7,543	\$ (352)	(5)%
Capital Equipment	\$ 9,202	\$ 8,361	\$ 4,000	\$ 4,001	\$ (1)	0%



ACCOMPLISHMENTS

- Streamline decommissioning and disposal of units and equipment to benefit from auctions and scrapping. This increased actions on Auctioning and disposing of Fleets units, tripling revenue from auctions the previous year
- Created a Performance based Metric for the Repair and Maintenance Contract
- Downsized Fleet by 10% as a result of underutilized vehicles

GOALS

- Leverage performance-based metrics and associated penalties in repair and maintenance contracts to improve Fleet operations
- Streamline decommissioning and disposal of units and equipment to benefit from auctions and scrapping

CHALLENGES

- Ensure adequate Staffing and resources to accomplish the operational effectiveness

DEPARTMENT: FLEET MANAGEMENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

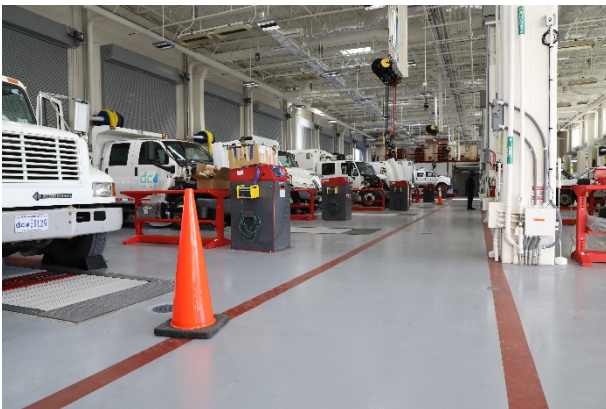
- Implement performance-based metrics for maintenance and repair contracts
- Upgrade Field Services Mobile Support Programs
- Utilize grants and collaborations for alternative fuel vehicle purchases
- Train and certify Fleet personnel

IMPACT OF OPERATIONAL PROGRAMS

- Management and continuous improvement of metrics through performance-based maintenance and repair contract
- Continue efforts to optimize fleet utilization as well as reduce the carbon footprint and the re-issuance of underutilized units
- Continue the reassessment of the Priority Equipment and major changeouts according to Departmental Programs and Critical Service Levels

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Enhanced new facility allows operations and serviceability of vehicles in a climate-controlled environment
- Ability to perform certain tasks will be greatly enhanced and our vehicle downtimes will decrease under the services of a performance-based maintenance contract



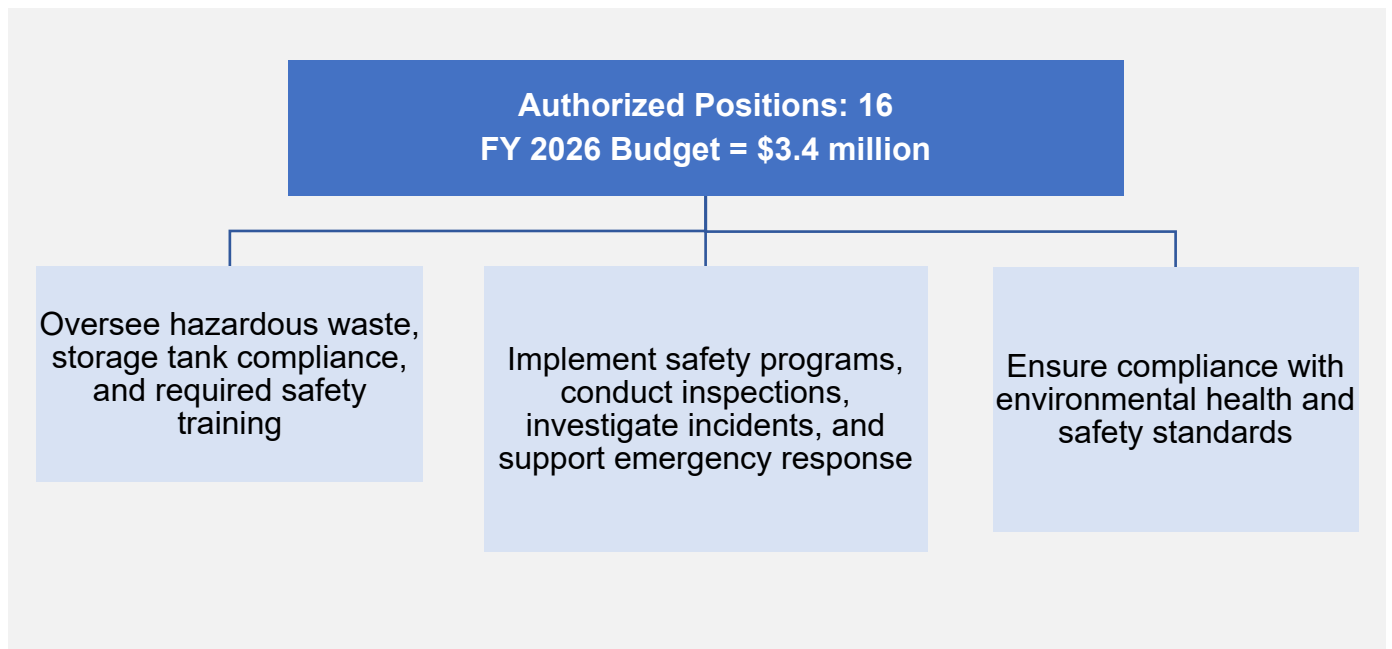
CLUSTER: SHARED SERVICES

DEPARTMENT: OCCUPATIONAL SAFETY AND HEALTH

Purpose: Oversight of the Authority’s Comprehensive Health and Safety Program, to accomplish a safe and healthy work environment, as well as compliance with environmental health and safety regulations

Mission: To support DC Water’s Blueprint Strategic Plan by effectively managing Department resources to accomplish a healthy work environment for all DC Water employees

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
DC Water Employee Recordable Incident Rate (RIR) (CY)	2.7	1.1	<4.9	<5.4	Healthy, Safe, and Well
DC Water Employee Lost Time Incident (LTI) (CY)	1.9	0.69	<1.7	<2.1	Healthy, Safe, and Well
Contractor/ROCIP Recordable Incident Rate (RIR) (CY)	2.4	0.68	<2.5	<2.4	Healthy, Safe, and Well
Contractor/ROCIP Lost Time Incident (LTI) (CY)	0.3	0.16	<1.1	<1.0	Healthy, Safe, and Well

* CY = Calendar Year

DEPARTMENT: OCCUPATIONAL SAFETY AND HEALTH

FY 2026 Operating Budget Overview

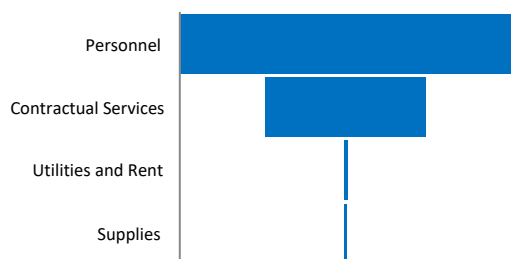
Personnel Services: Decrease reflects transfer of two positions to support other functions within the Administration cluster, offset in part by salary adjustments

Non-Personnel Services: Increase is for the Fire Life Safety function previously housed in the Security department

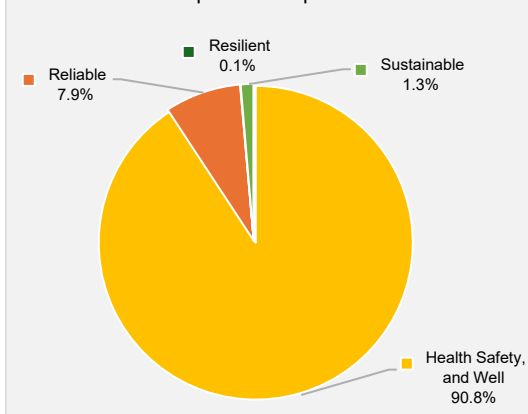
Capital Equipment: Funding for Fire Suppression activities

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	16	18	18	16	2	11%
Personnel Services	\$ 1,817	\$ 2,086	\$ 2,359	\$ 2,246	\$ 113	5%
Contractual Services	377	490	465	1,087	(622)	(134)%
Chemicals and Supplies	33	26	4	15	(11)	(255)%
Utilities and Rent	29	40	29	22	7	23%
Small Equipment	4	6	1	-	1	100%
Non Personnel Services	442	562	500	1,124	(625)	(125)%
Total O&M Expenditures	\$ 2,259	\$ 2,647	\$ 2,859	\$ 3,370	\$ (512)	(18)%
Capital Equipment	-	-	-	\$ 150	\$ (150)	

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Develop and implement safety goals under Blueprint 2.0's Healthy Safe and Well Imperative
- Support the Rolling Owner Controlled Insurance Program (ROCIP) and Workers' Compensation Program
- Upgrade safety risk systems, including Origami and personal gas monitoring
- Enhance hazardous waste, fire, and life safety programs
- Recruit and onboard key staff positions
- Align DC Water's Occupational Health and Safety System with ISO-45001
- Improve safety and health training programs
- Strengthen safety communications with OMAC

ACCOMPLISHMENTS

- Strengthened workplace safety and reduced accidents
- Improved compliance with health and safety standards
- Increased efficiency in risk management and safety monitoring
- Enhanced emergency preparedness and response
- Improved workforce training and engagement in safety initiatives

GOALS

- Continue Recruitment and Onboarding of Key Staff Positions
- Increase Employee and Department Engagement by Enhancing Safety & Health Program Initiatives for Hazardous Waste, Fire and Life Safety, and Occupational Hygiene Management

CHALLENGES

- Delays in system upgrades and policy implementation
- Challenges in staff recruitment and retention
- Compliance risks if safety policies and programs are not effectively executed
- Potential gaps in safety communication and employee awareness

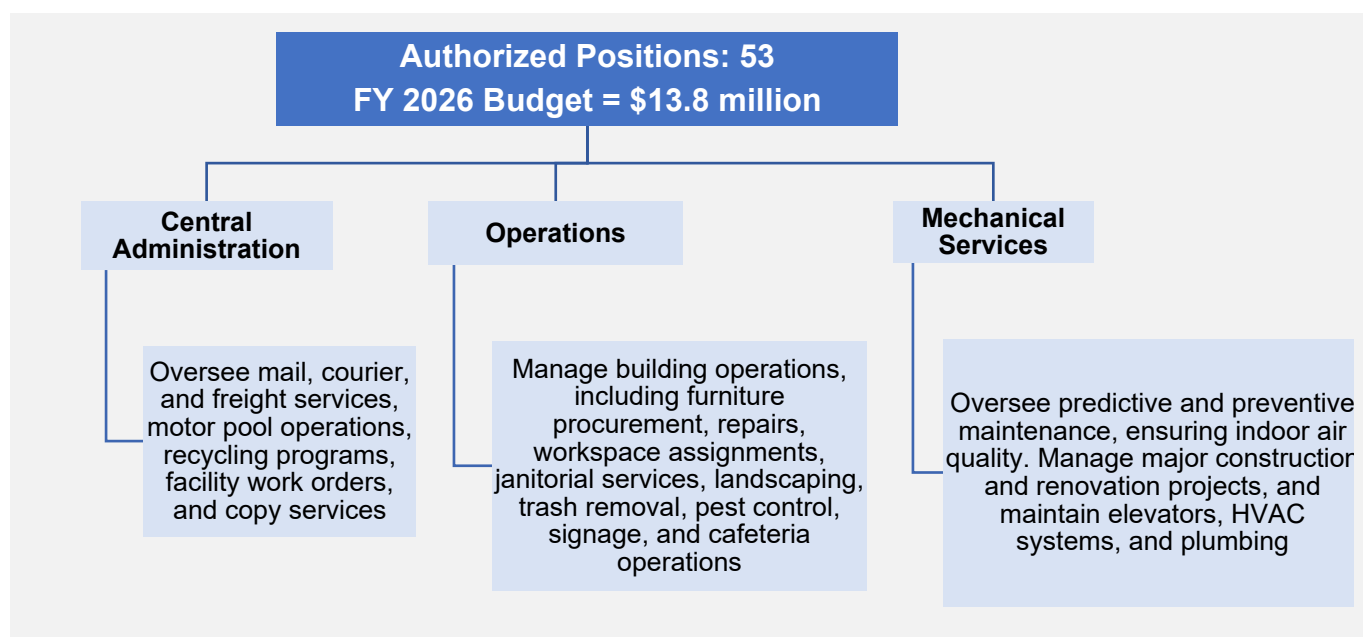
CLUSTER: SHARED SERVICES

DEPARTMENT: FACILITIES MANAGEMENT

Purpose: Administers programs for operation, maintenance, construction and continuous improvement of the Authority's physical infrastructure and building services

Mission: To support the operation of the Authority through routine maintenance, custodial services, repair and improvement of its facilities, buildings, grounds, and roadways for DC Water's operations

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Facilities Service requests completed within 30 days	54%	77%	90%	90%	Reliable
Preventative Maintenance Completed on Schedule	51%	76%	90%	90%	Reliable

DEPARTMENT: FACILITIES MANAGEMENT

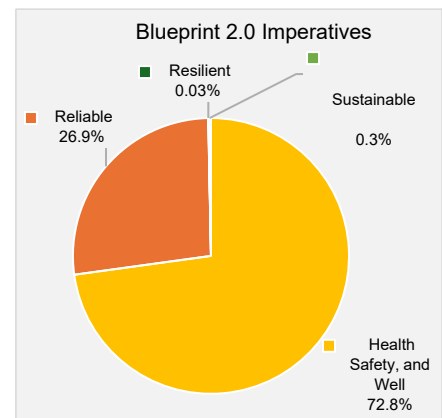
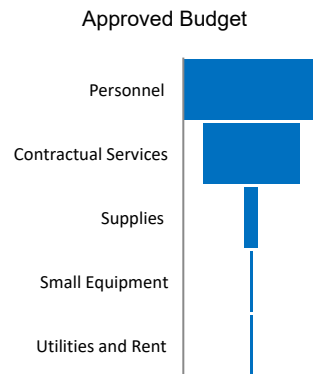
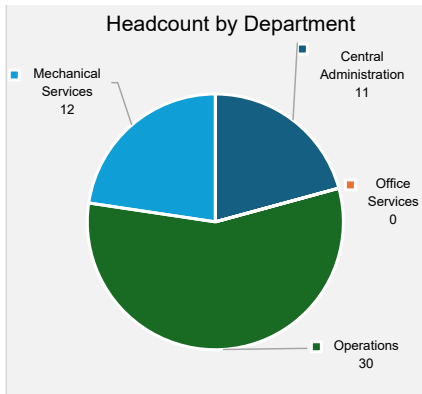
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to adjustments for salaries, benefits, and the addition of one FTE

Non-personnel Services: Increased in contractual services to cover the higher cost of the industrial cleaning contract, supplies, utilities, and small equipment

Capital Equipment: Increase for HVAC system replacements

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	50	52	52	53	(1)	(2)%
Personnel Services	\$ 5,816	\$ 6,655	\$ 6,759	\$ 7,508	\$ (749)	(11)%
Contractual Services	2,940	3,794	3,785	5,337	(1,552)	(41)%
Chemicals and Supplies	794	723	106	763	(657)	(620)%
Utilities and Rent	85	86	77	96	(19)	(25)%
Small Equipment	57	27	50	103	(53)	(105)%
Non Personnel Services	3,876	4,630	4,018	6,299	(2,280)	(57)%
Total O&M Expenditures	\$ 9,691	\$ 11,285	\$ 10,778	\$ 13,807	\$ (3,029)	(28)%
Capital Equipment	\$ 233	\$ (6)	\$ 1,692	\$ 1,985	\$ (293)	(17)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Achieved LEED Gold certification for HQO building operations & maintenance Supported Department moves and upgrades, completed roof repairs, mold remediation office restoration at Bryant Street Pump Station, completed office renovations at 4th, 5th and 6th floors of HQO 	<ul style="list-style-type: none"> Implement eco-friendly practices, while operational efficiency is pursued through streamlined processes and the adoption of modern technologies Prioritizing infrastructure resilience 	<ul style="list-style-type: none"> Optimizing resource allocation, integrating new technologies Addressing the impacts of climate change

DEPARTMENT: FACILITIES MANAGEMENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Continue implementing Building Automation Program for HVAC systems, integrating sensor data, optimizing energy efficiency
- Continue to develop and manage proactive non-process facilities preventive and corrective maintenance program
- Support Matrix contributors with office furniture and work area updates
- Continue to provide grounds keeping, carpentry, painting, HVAC and plumbing services throughout DC Water campuses
- Continue to implement new industry innovations to support sustainable operations and efficient management of buildings
- Provide stakeholder support/coordination for building renovation by Non-Process Facilities Program

IMPACT OF OPERATIONAL PROGRAMS

- Improved energy efficiency and system performance through HVAC automation
- Enhanced facility maintenance, reducing downtime and improving operational efficiency
- Ongoing renovations will modernize DC Water facilities and support future growth
- Increased sustainability and cost savings from new innovations and proactive maintenance
- Improved facility operations and employee workspace through support for renovations

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continued improvement of DC Water non-process facilities and mechanical systems will reduce the overall maintenance efforts and ultimately expenditures



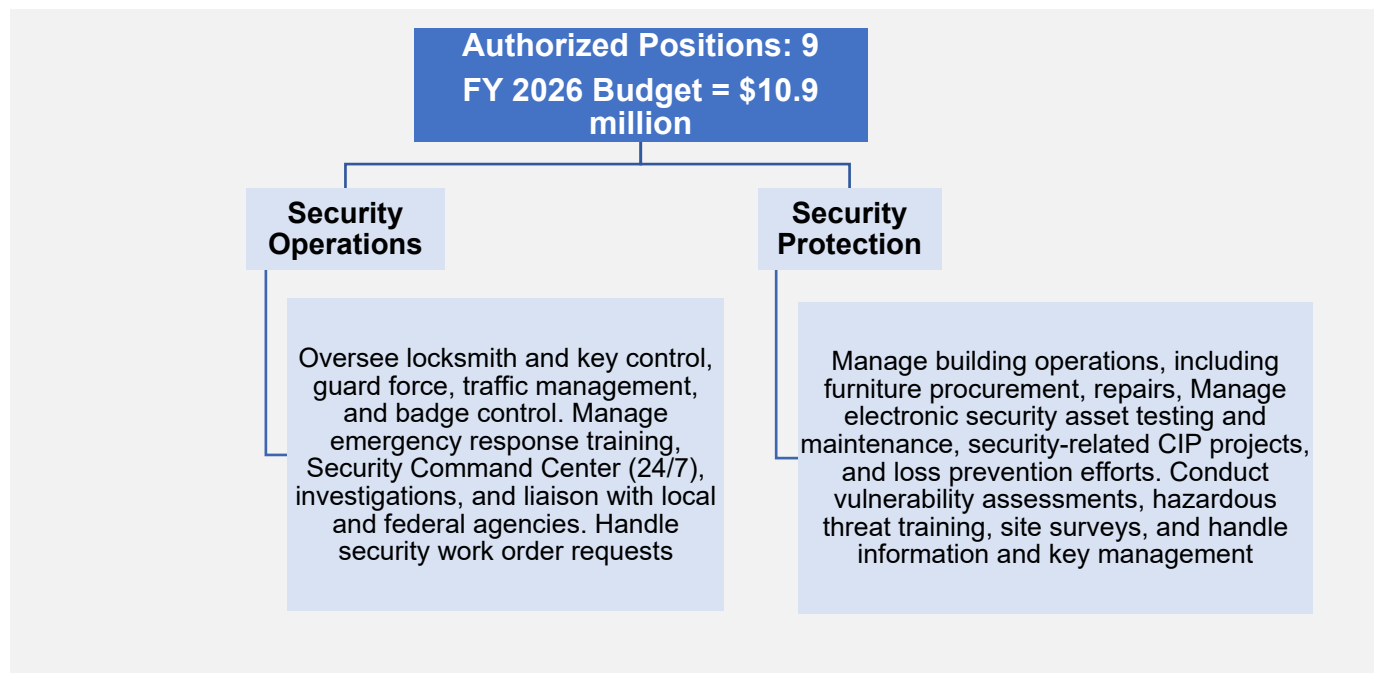
CLUSTER: SHARED SERVICES

DEPARTMENT: SECURITY

Purpose: To deliver best-in-practice security services that safeguard and protect DC Water's mission-critical resources and employees in meeting the enterprise commitment to our communities and the environment

Mission: To protect DC Water's people, assets, and brand; provide for public safety and maintain order during normal and emergency operations; inform and assist DC Water staff and visitors; and serve as ambassadors for the organization

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percent of security investigations completed within 21 days	100%	100%	95%	95%	Resilient
Security Camera operational uptime (cannot go below 90%)	96%	96%	90%	90%	Resilient
Smart card readers operational uptime (cannot go below 90%)	97%	97%	90%	90%	Resilient

DEPARTMENT: SECURITY

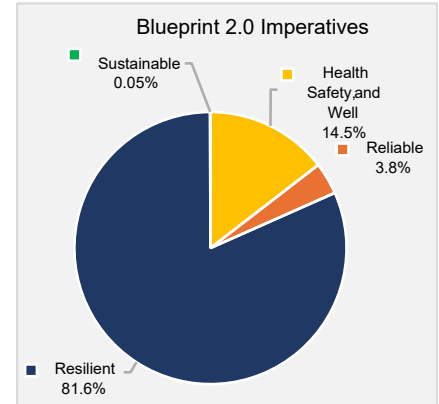
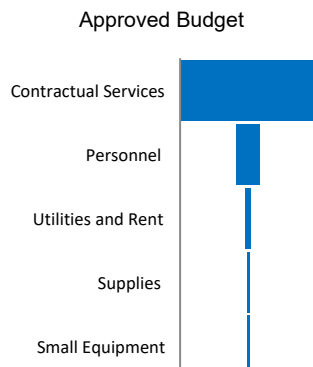
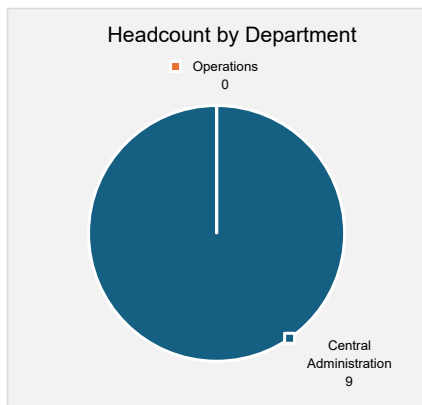
FY 2026 OPERATING BUDGET OVERVIEW

Personnel services: Increase for adjustments in salaries and benefits, including one additional FTE

Non-personnel: Decrease reflects the fund transfer of the Fire Safety function to the Occupational Safety and Health department

Capital Equipment: Allocation supports electronic security equipment

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	7	7	8	9	(1)	(13)%
Personnel Services	\$ 986	\$ 1,183	\$ 1,401	\$ 1,548	\$ (147)	(10)%
Contractual Services	8,323	8,591	9,211	8,877	335	4%
Chemicals and Supplies	45	35	32	44	(12)	(39)%
Utilities and Rent	324	342	393	387	6	1%
Small Equipment	7	6	20	10	10	50%
Non Personnel Services	8,699	8,974	9,656	9,318	338	3%
Total O&M Expenditures	\$ 9,686	\$ 10,157	\$ 11,057	\$ 10,866	\$ 191	2%
Capital Equipment	\$ 0	\$ 74	\$ 600	\$ 600	\$ 0	0%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Established two new positions, Security Investigator and Security Specialist Operations, to support our objectives and goals Successfully launched the security incident report in Origami for internal use 	<ul style="list-style-type: none"> Completed the Physical Security Assessment, Hazard Mitigation Plan, and Certified Information Systems Auditor (CISA) Infrastructure Survey Conducted penetration tests to identify and address security vulnerabilities, mitigating potential threats effectively 	<ul style="list-style-type: none"> Provide security for DC Water events including Blue Drop coordinated events Unplanned/Unfunded costs related to Field Security for Crews

DEPARTMENT: SECURITY

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Implement improvements based on the Physical Security Assessment/Hazard Mitigation Plan and CISA Security & Resilience Report
- Continue security enhancements at various DC Water locations
- Upgrade Blue Plains Operations cameras and integrate additional cameras at non-Blue Plains locations
- Develop and implement a training curriculum for Safety, Security & Emergency Management
- Analyze areas throughout the Authority for potential additional security or electronic improvements
- Integrate more departments into the asset protection program

IMPACT OF OPERATIONAL PROGRAMS

- Enhanced security and resilience across DC Water locations
- Improved surveillance capabilities at key facilities
- Strengthened safety and security training for employees
- Better protection through expanded security improvements and asset protection programs

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Continuous security system improvements will reduce maintenance, enhance response times, and lower threat levels
- Mega-projects will need major security upgrades and more staff to support them fully



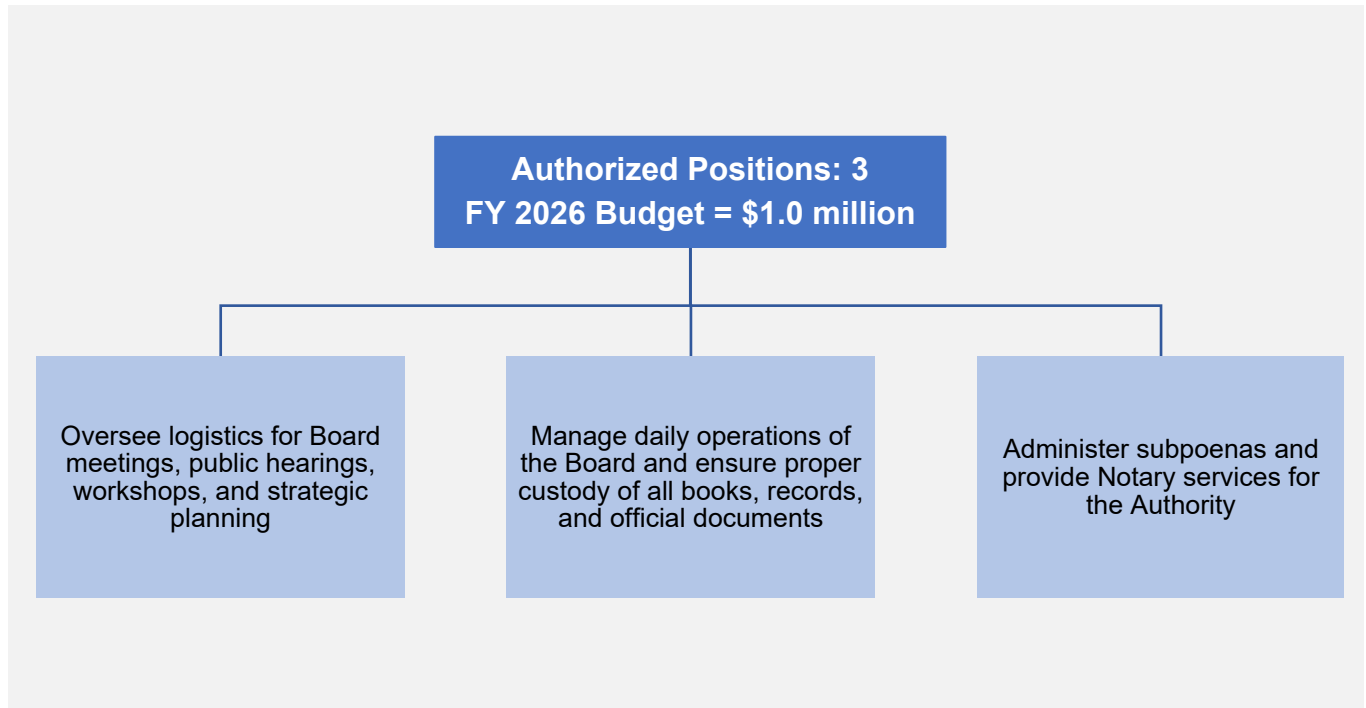
CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: SECRETARY TO THE BOARD

Purpose: Serves as the Authority’s executive level business entity that manages the day-to-day activities of the Board of Directors

Mission: To support DC Water’s Blueprint/Strategic Plan by effectively managing assigned resources to accomplish the duties of the Office of the Secretary (Board)

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Provide timely and accurate Board and Committee agendas, reports and minutes	100%	100%	100%	100%	Sustainable
Follow-up and complete Board actions	100%	100%	100%	100%	Sustainable

DEPARTMENT: SECRETARY TO THE BOARD

FY 2026 Operating Budget Overview

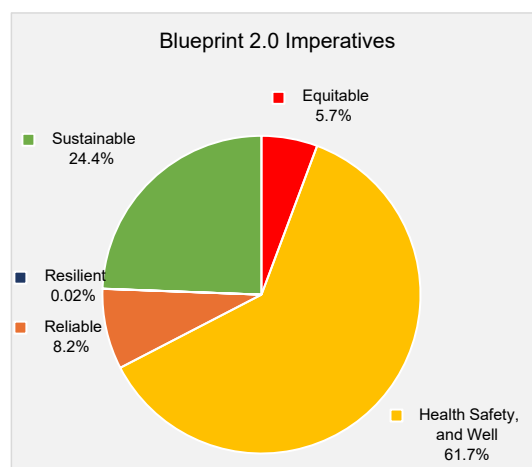
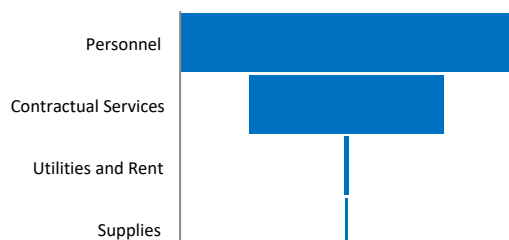
Personnel Services: Increases reflect adjustments for salaries and benefits

Non-Personnel Services: Increases are driven by administrative and office expenses

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	3	3	3	3	0	0%
Personnel Services	\$ 212	-	\$ 532	\$ 644	\$ (112)	(21)%
Contractual Services	167	4	333	377	(44)	(13)%
Chemicals and Supplies	1	-	8	3	6	69%
Utilities and Rent	5	-	2	9	(7)	(327)%
Non Personnel Services	173	4	343	388	(45)	(13)%
Total O&M Expenditures	\$ 385	\$ 4	\$ 875	\$ 1,033	\$ (158)	(18)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



MAJOR PLANNED ACTIVITIES AND CHANGES

- Draft and submit notices, agendas, and materials for Board meetings and public hearings per the Open Meetings Act
- Publish Board and Committee agendas, materials, and minutes on DC Water's website
- Coordinate logistics for the Board's Strategic Planning Session
- Manage the process for filling expired/vacant Board appointments
- Monitor follow-up requests from the Board for timely responses
- Enhance data dissemination using advanced technology to support the Board's Strategic Plan
- Manage recordkeeping to ensure accuracy and maintenance of Board documents
- Collaborate with IT to improve recording of Board meetings
- Continue enhancing processes and duties as needed

ACCOMPLISHMENTS

- Onboarded five new board members
- Facilitated governance training for board members and Senior Executive Team (SET)

GOALS

- Facilitate a training for staff on new board materials
- Implement Diligent Communities platform
- Work with the Mayor's Office of Talent and Acquisition to fill the six DC alternate vacant positions
- Partner with IT to upgrade Boardroom equipment

CHALLENGES

- Implementing Diligent Community platform
- Complying with Open Act mandates

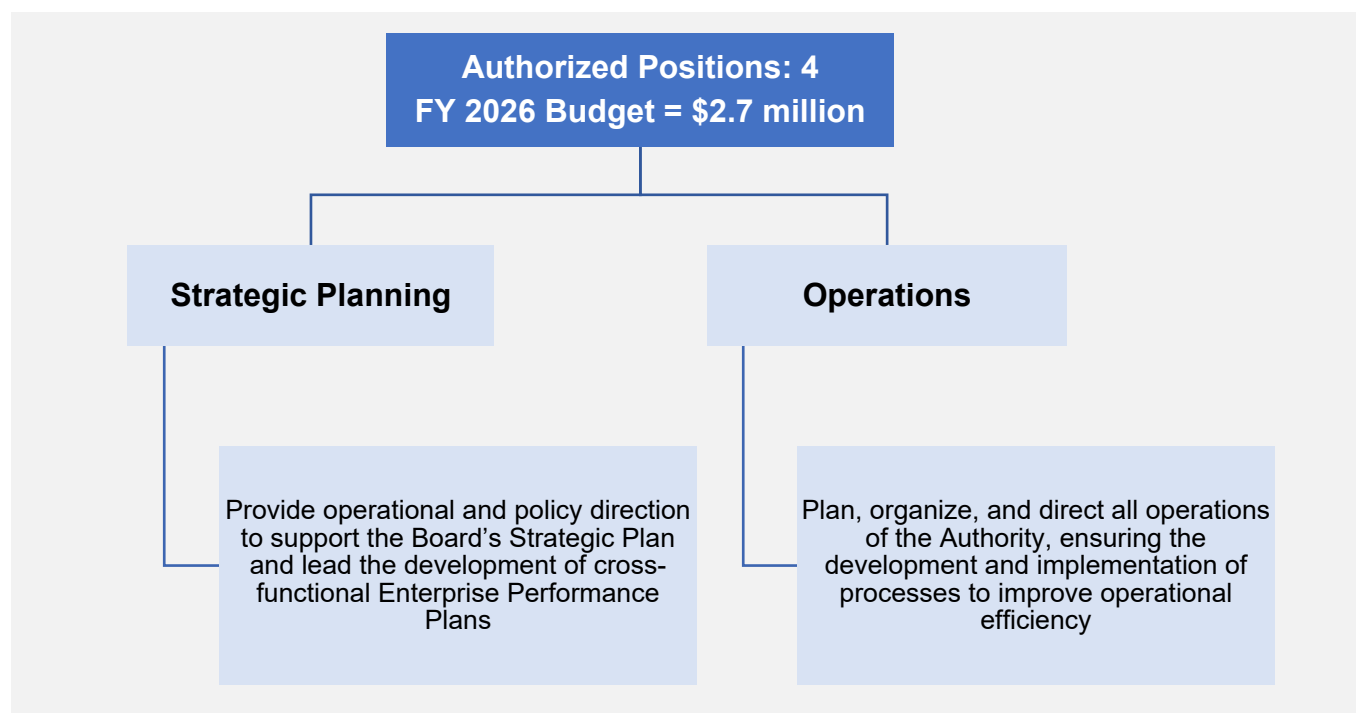
CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: OFFICE OF THE CHIEF EXECUTIVE OFFICER (CEO)

Purpose: The CEO/ General Manager's Office administers, plans, organizes, and directs the operations of DC Water

Mission: To provide DC Water customers with access to affordable, safe and reliable utility infrastructure and services

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Implement all policies and directives of the Board of Directors	100%	100%	100%	100%	Equitable

DEPARTMENT: OFFICE OF THE CHIEF EXECUTIVE OFFICER (CEO)

FY 2026 Operating Budget Overview

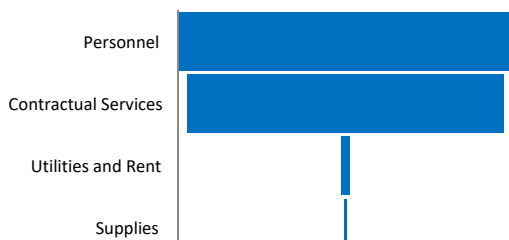
Personnel Services: Increases account for adjustments in salaries and benefits

Non-Personnel Services: The slight decrease is attributed to lower contractual services

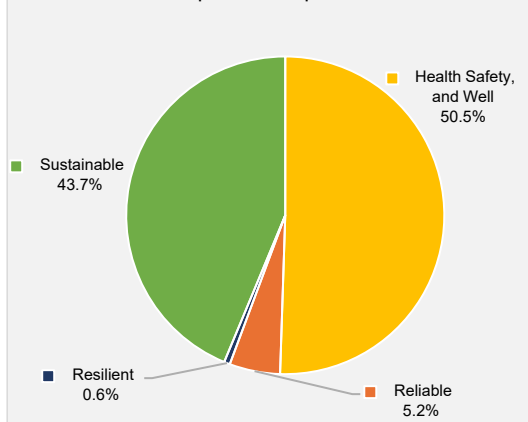
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	4	4	4	4	0	0%
Personnel Services	\$ 1,370	\$ 1,380	\$ 1,316	\$ 1,362	\$ (46)	(3)%
Contractual Services	1,769	1,449	1,369	1,292	77	6%
Chemicals and Supplies	8	3	9	7	2	22%
Utilities and Rent	30	34	17	35	(18)	(102)%
Non Personnel Services	1,807	1,487	1,395	1,334	61	4%
Total O&M Expenditures	\$ 3,177	\$ 2,866	\$ 2,712	\$ 2,696	\$ 16	1%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Develop and execute an efficient administrative system to support daily operations and data-driven decision-making across the Authority
- Continue improving labor management partnerships.
- Expand the Chief Executive's strategic direction by designing new support roles
- Support Board of Directors and Senior Executive Team (SET) relationships through joint engagement
- Continue watershed-based stakeholder engagement, including the Anacostia freshwater mussel project to improve water quality
- Support the planning of the annual national Women of Water event in the DC Region
- Engage with global industry leaders in the utility sector.
- Expand executive leadership and build a high-performing leadership team and culture
- Build a CEO forum for the African American CEO experience.
- Expand CEO and DC Water branding through an external marketing partner

ACCOMPLISHMENTS

- Deployed DC Water Alerts and assisted with Everbridge platform efforts - quarterly tests, EMPO efforts for management changes, 4 internal user trainings, and further quality assurance within database of platform

GOALS

- Commence construction on the Rock Creek Green Infrastructure Project in 2025, as part of the efforts to enhance the city's water management systems

CHALLENGES

- Maintaining high water quality standards and ensuring environmental compliance in a region heavily influenced by federal policies
- Need to secure a viable alternative water source for the District

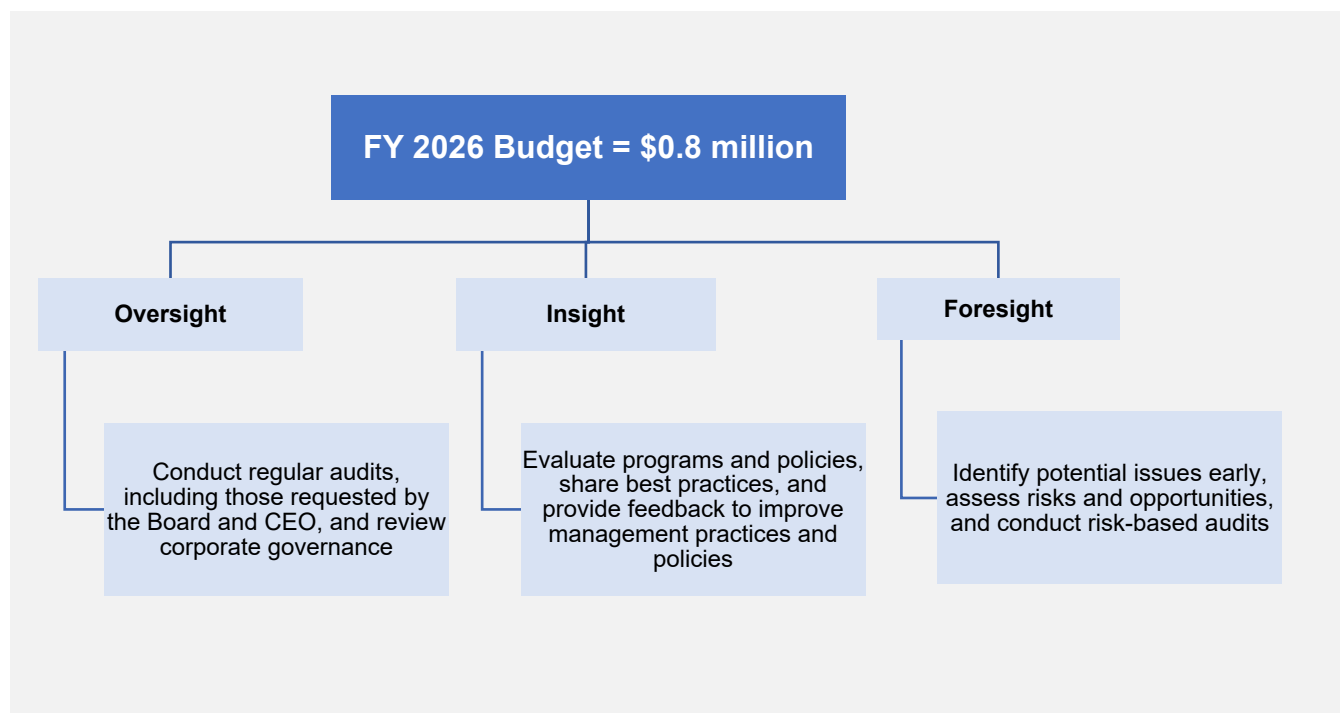
CLUSTER: INDEPENDENT OFFICES

DEPARTMENT: INTERNAL AUDIT

Purpose: Assists the Authority in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance processes

Mission: To provide independent, objective assurance and consulting activity that is guided by a philosophy of adding value to improve the operations of DC Water

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Internal Audit Work Planned	11	10	11	11	Resilient

DEPARTMENT: INTERNAL AUDIT

FY 2026 Operating Budget Overview

Non-Personnel Services: Cost reduction anticipated with the appointment of a new auditor in FY 2025

Capital Equipment: No activity

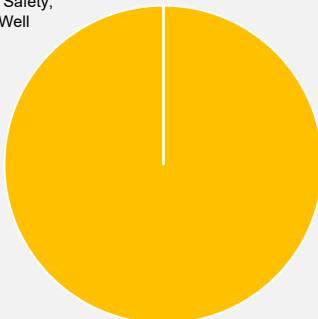
\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	0	0	0	-	0	-
Personnel Services	-	-	-	-	-	-
Contractual Services	780	815	839	818	22	3%
Non Personnel Services	780	815	839	818	22	3%
Total O&M Expenditures	\$ 780	\$ 815	\$ 839	\$ 818	\$ 22	3%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives

Health Safety, and Well



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Update risk assessment and audit plan for DC Water, considering current trends and strategic initiatives
- Implement approved audit plans and execute audits and management assessments
- Report audit findings, management action plans, and the status of prior findings to the Audit and Risk Committee quarterly
- Follow up on audit findings and management action plans
- Manage and enforce DC Water's hotline protocols
- Identify improvement opportunities during management assessments

ACCOMPLISHMENTS

- Completion of internal audit work planned for FY 2024

GOALS

- Successful completion of audit work planned for FY 2025

CHALLENGES

- None



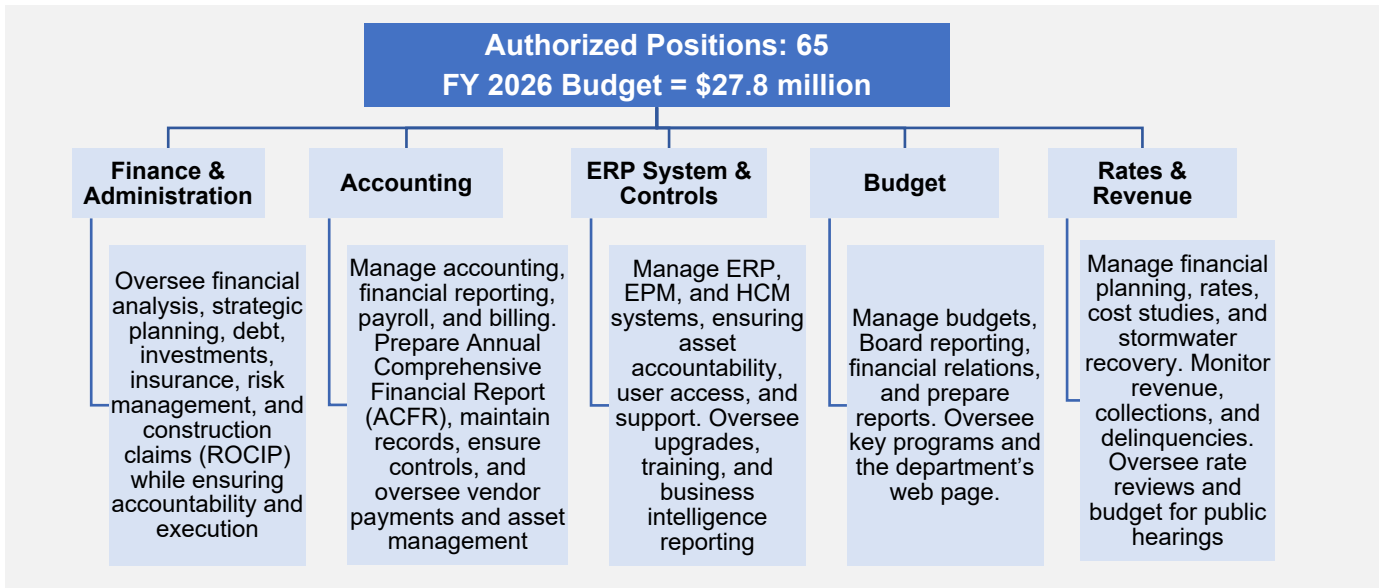
CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

DEPARTMENT: FINANCE

Purpose: Responsible for the financial integrity of the Authority's assets and liabilities, funds acquisition, budget execution, and management and planning of expenditures for all programs and initiatives

Mission: Stewardship of DC Water's financial activities to ensure financial integrity and ensure performance that meets the expectations of the Board of Directors, Stakeholders, and the broader financial community

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Ensure revenue projections and O&M expenditures are within budget	101/98%	103%/97%	99%/95%	95%/95%	Sustainable
Comply with the Board's investment policy and strategy	100%	100%	100%	100%	Sustainable
Short-Term Funds - ML 3 months US T-Bill Index and Core Funds - ML 1 - 3 year	309/431	395/400	426/398	376/380	Sustainable
Manage financial operations to ensure 160% combined debt service coverage	217%	241%	195%	204%	Sustainable
Meet or exceed 250 days operating & maintenance expenses per fiscal year	267 days	298 days	267 Days	269 days	Sustainable
Issue Annual Comprehensive Financial Report in accordance with GAAP	February	February	February	February	Sustainable
Pay 97% of all undisputed invoices within 30 days	97%	97%	97%	97%	Reliable
Publish Annual Budgets within 90 days of start of fiscal year	90 days	90 days	90 days	90 days	Sustainable

DEPARTMENT: FINANCE

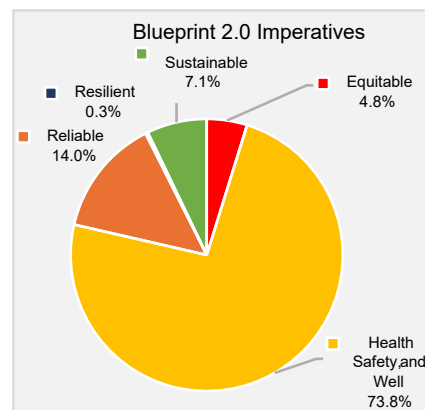
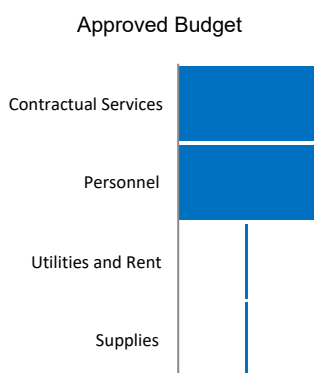
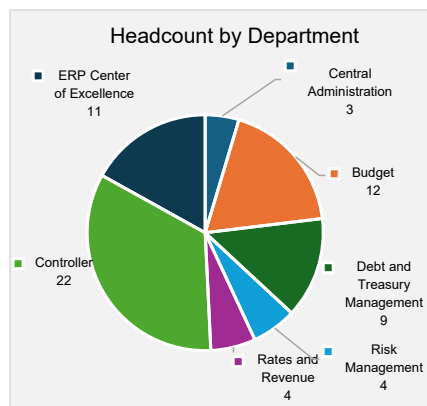
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increased for salaries, benefits, overtime, career advancement, and one position transferred from the CIP Infrastructure Management department to centralize grants management

Non-Personnel Services: Decreased mainly in contractual costs for strategic initiatives and temporary staffing

Capital Equipment: Increased for ERP Cloud Application improvements

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Proposed	(Increase)/Decrease Variance	%
Headcount: Authorized	60	64	65	65	0	0%
Personnel Services	\$ 9,785	\$ 11,164	\$ 12,012	\$ 13,781	\$ (1,769)	(15)%
Contractual Services	13,126	13,014	17,984	13,929	4,055	23%
Chemicals and Supplies	9	6	10	10	0	0%
Utilities and Rent	71	62	56	43	13	24%
Non Personnel Services	13,206	13,082	18,050	13,982	4,068	23%
Total O&M Expenditures	\$ 22,991	\$ 24,246	\$ 30,062	\$ 27,762	\$ 2,299	8%
Capital Equipment	-	\$ 7	\$ 4,700	\$ 6,065	\$ (1,365)	(29)%



ACCOMPLISHMENTS

- Succeeded in earning the coveted 'Triple Crown' award from Government Finance Officers Association (Certificate of Achievement for Excellence in Financial Reporting; Popular Annual Financial Report Award; Distinguished Budget Presentation Award)
- Successfully achieved favorable FY 2024 financial results
- Received the 26th consecutive unqualified audit opinion on financial statements

GOALS

- Maintained AAA, Aa1 and AA+ bond rating
- Continuously implement Cost of Service Studies to ensure proposed rates are equitable and that no cross subsidies exist between the various water and wastewater customer classes

CHALLENGES

- Balancing cost control with the need for investment in aging infrastructure
- Providing financial forecasts in an unpredictable economic environment

DEPARTMENT: FINANCE

MAJOR PLANNED ACTIVITIES AND CHANGES PLANNED

Finance

- Monitor cash reserves for liquidity
- Issue RFPs for financial services
- Implement Payment Gateway and ACH refunds
- Oversee debt compliance and Green Bond performance
- Manage insurance and track ESG metrics

Rates and Revenue

- Complete Cost of Service Studies for rates and reserves
- Implement multi-year rates for FY 2025-2026
- Work with consultants for rate and budget review

ERP Systems

- Support and enhance Enterprise Resource Planning (ERP), Enterprise Performance Management (EPM), and Human Capital Management (HCM) systems
- Automate processes and improve reporting

Accounting

- Coordinate audits and issue financial reports
- Minimize paper check payments

Budget

- Manage operating and CIP budgets (FY 2027 budget development and execution of the FY 2026 budgets)
- Streamline planning and improve budgeting systems

IMPACT

- Improved financial management and transparency
- Stable and predictable rates for customers
- Enhanced system functionality and efficiency
- Strong audit performance and financial compliance
- Better alignment of budgets with organizational goals

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Improved real-time performance data and financial analytics
- Improved reporting and data visibility



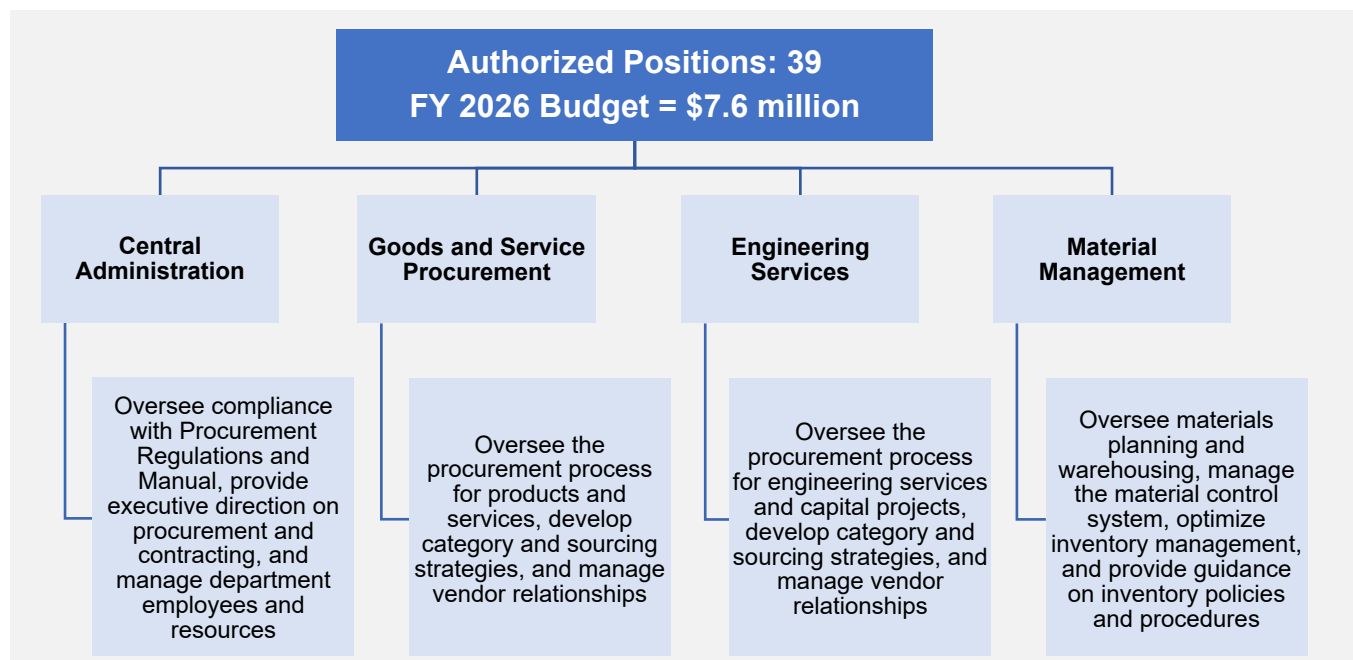
CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

DEPARTMENT: PROCUREMENT

Purpose: The department is responsible for the acquisition of goods and services in support of the Authority's business activities in accordance with approved procurement policies and guidelines

Mission: To procure the best value products and services, with the highest degree of procurement integrity, utilizing efficient and cost-effective procurement methods

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Timely processing of small purchases within 7 working days	100%	100%	95%	95%	Reliable
Issue Invitation for Bid and award contracts within 90 calendar days	95%	95%	95%	95%	Reliable
Issue Requests for Proposal and award contracts within 120 calendar days	95%	95%	95%	95%	Reliable
Issue Procurement request for inventory restock in one business day of approval	95%	95%	95%	95%	Reliable
System & physical issue of stock request within same day of authorized request	95%	95%	95%	95%	Reliable

DEPARTMENT: PROCUREMENT

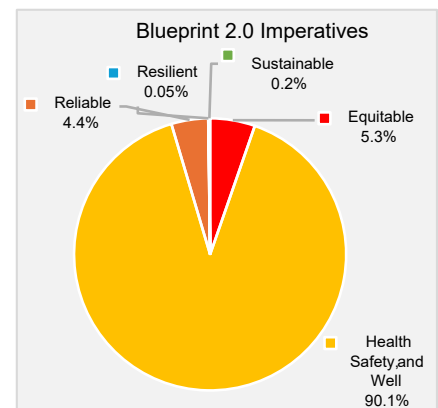
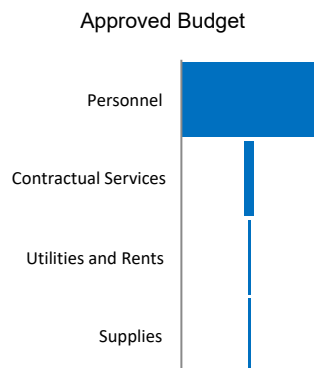
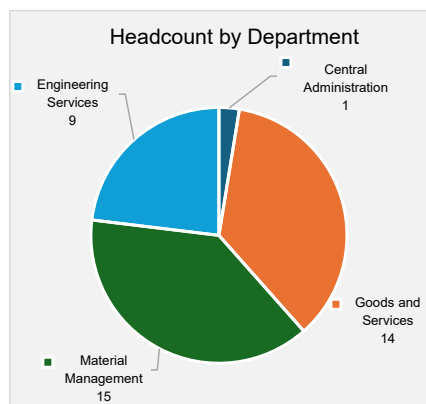
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: Increased for salaries, benefits, and overtime adjustments

Non-personnel Services: Decreased mainly from professional services cost adjustments in contractual services

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	35	35	39	39	0	0%
Personnel Services	\$ 6,063	\$ 5,703	\$ 6,903	\$ 7,092	\$ (189)	(3)%
Contractual Services	531	721	642	494	148	23%
Chemicals and Supplies	18	19	24	11	13	55%
Utilities and Rent	52	46	40	49	(9)	(22)%
Small Equipment	-	-	3	0	3	100%
Non Personnel Services	601	786	708	553	155	22%
Total O&M Expenditures	\$ 6,664	\$ 6,490	\$ 7,611	\$ 7,644	\$ (33)	0%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Purchased critical materials for Lead Free DC (LFDC) via the Integrated Supplier Service program, achieving 8% (\$25M) cost avoidance in FY 2024 Awarded 4 LFDC and 2 Small Diameter Water Main Replacement (SDWMR) projects in 90 days, saving \$64M+ through MSA Programs Recipient in the "Community Leadership Award" category at the 2024 National Association of Clean Water Agencies Winter Conference 	<ul style="list-style-type: none"> Continue to improve the newly launched Authority-wide Travel Program, new vendor scorecard program, and updated 440 Continuously expand the LFDC and SDWMR MSA pool of qualified contractors resulting in a competitive pool 	<ul style="list-style-type: none"> A lack of sufficient proposers for a good competitive procurement

DEPARTMENT: PROCUREMENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

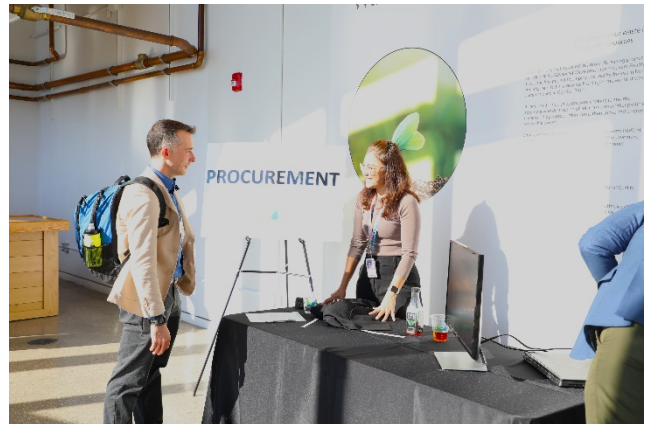
- Continue to update and implement advanced procurement methods like integrated supply chain management for capital projects and materials management
- Continue to conduct annual review of Procurement Regulations and Manual
- Continue to enhance efficiency and productivity of procurement process through improved utilization and automation using Oracle ERP
- Annually strive to enhance Procurement Regulations and Manual to improve procurement process, results, participation, integrity, compliance, fair competition, and transparency
- Increase capital procurement resources and enhance the capital procurement process
- Continue to provide continuous training of procurement staff to improve vendor relationships and performance

IMPACT OF OPERATIONAL PROGRAMS

- Generate cost savings and avoidance through competitive procurement and negotiation processes, and inventory optimization to prevent waste

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact



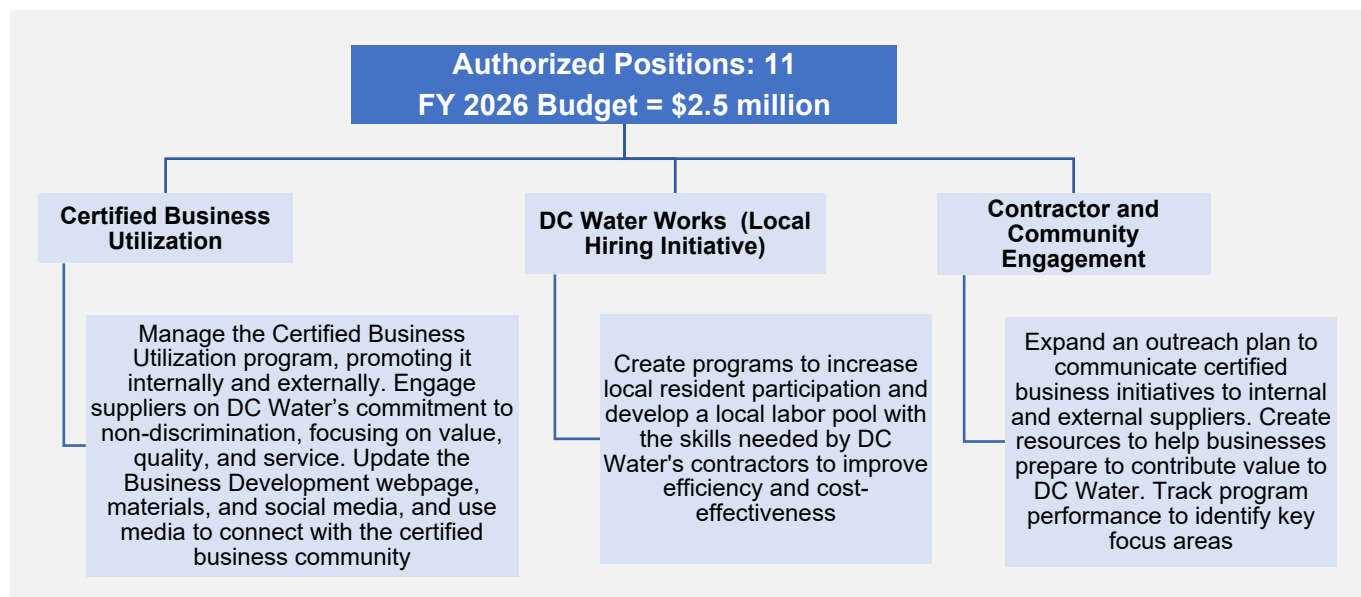
CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

DEPARTMENT: COMPLIANCE AND BUSINESS DEVELOPMENT

Purpose: Consistent with DC Water’s “Blueprint 2.0”, the Business Development Plan, the DC Water Works Plan, and applicable federal regulations, DC Water, through its Contract and Employment Compliance Department (the Department) remains committed to ensuring local residents and certified businesses have meaningful participation (jobs and contracts) on its goods, services, and construction projects

Mission: Actively pursue diverse businesses for contracting opportunities, monitor DC Water’s and project contractors’ “Good Faith Efforts”, ensure contractor’s prevailing wage and anti-discrimination compliance, and implement various educational and community engagement and workforce development activities with a continuing focus on procuring the best value products and services, with the highest degree of procurement integrity, utilizing efficient and cost-effective procurement

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Increase Proportion of certified firm participation	38% (Combined LSBE, CBE, DBE, WBE)	38.6	23% (Combined LSBE, CBE, DBE, WBE)	38	Equitable
Increase proportion of new jobs filled by local residents on DC Water projects	85%	85.7	80%	75	Equitable
Increase number of certified firm referrals that become successful contractors	2 Firms	2 Firms	6 Firms	6 Firms	Equitable
Increase percentage of trainees who successfully complete program to employment	80%	80%	85%	88%	Equitable

DEPARTMENT: COMPLIANCE AND BUSINESS DEVELOPMENT

FY 2026 Operating Budget Overview

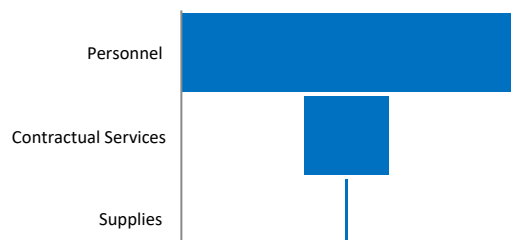
Personnel Services: Increased slightly due to salary adjustments

Non-Personnel Services: Increased mainly for community outreach programs and consulting services costs

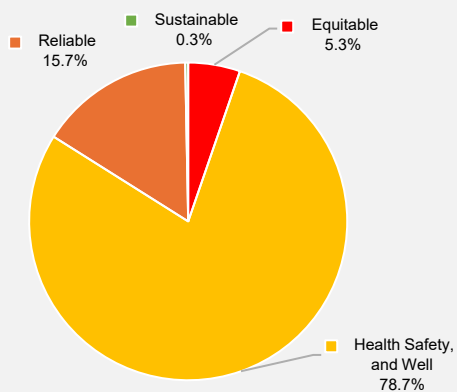
Capital Equipment: No activities

\$000's	FY 2023	FY 2024	FY 2025	FY 2026	(Increase)/Decrease	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	7	8	11	11	0	0%
Personnel Services	\$ 878	\$ 1,211	\$ 1,907	\$ 1,965	\$ (59)	(3)%
Contractual Services	245	472	397	502	(105)	(26)%
Chemicals and Supplies	18	4	9	10	(1)	(9)%
Utilities and Rent	-	-	5	0	5	100%
Non Personnel Services	263	476	411	512	(101)	(25)%
Total O&M Expenditures	\$ 1,141	\$ 1,687	\$ 2,318	\$ 2,477	\$ (159)	(7)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Design and implement new capacity building initiatives for the CIP
- Expand Certified Firms listing with capability and performance info
- Work with local banks to establish credit lines or loan-loss reserves for contractors
- Create a public outreach program for continuous feedback from Certified Firms
- Enhance compliance monitoring process using eComply (Online Compliance Database)
- Launch Collaborative Delivery Lunch & Learn Series
- Establish Contractor Award & Recognition Program
- Provide continuous training to staff and stakeholders to improve vendor relationships and performance

ACCOMPLISHMENTS

- In FY 2024, over 120 certified firms worked on DC Water A/E, Construction, and Service projects.
- 21 certified firms obtained their first contract/ subcontract with DC Water in FY 2024
- 10 certified firms were prime contractors with DC Water

GOALS

- Continue implementing a successful certified business utilization and local hiring program consistent with applicable laws and regulations

CHALLENGES

- Ensuring the certified business community is prepared and positioned to be successful with DC Water's procurement opportunities



CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

FUND: NON-RATEPAYER REVENUE FUND

Purpose: The Non-Ratepayer Revenue Fund (NRRF) was established as part of the Authority's total operating budget which started within the FY 2021 budget cycle. This fund is used to budget for additional operating funds in the Authority's appropriation that are not specifically budgeted or allocated to individual departments. This provides the flexibility for departments to undertake projects using new revenues to be generated from non-ratepayer sources. This includes rental of DC Water facilities, fleet equipment maintenance for non-DC Water agencies, etc.

Mission: NRRF is budgeted under contractual services and captured in a designated cost center under the Finance and Procurement Cluster. Funding from this account is reprogrammed to offset costs in other user departments once the specific requirements are met. The associated revenues must be realistic and obtainable from new non-ratepayer sources and are not factored into the development of the retail water and sewer rates.

FY 2026 Operating Budget Overview

Non-Personnel Services: Reduced based on historical spending

\$000's	FY 2023	FY 2024	FY 2025	FY 2026	(Increase)/Decrease	
Description	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	0	0	0	-	0	-
Personnel Services	-	-	-	-	-	-
Contractual Services	-	-	500	200	300	60%
Non Personnel Services	-	-	500	200	300	60%
Total O&M Expenditures	-	-	\$ 500	\$ 200	\$ 300	60%
Capital Equipment	-	-	-	-	-	-



Bloom Greenhouse at Blue Plains



Stoddert Elementary School Garden, grown with Bloom





Town Hall Meetings
Please join us!

let's

talk

- water rates
- clean rivers
- drinking water
- infrastructure

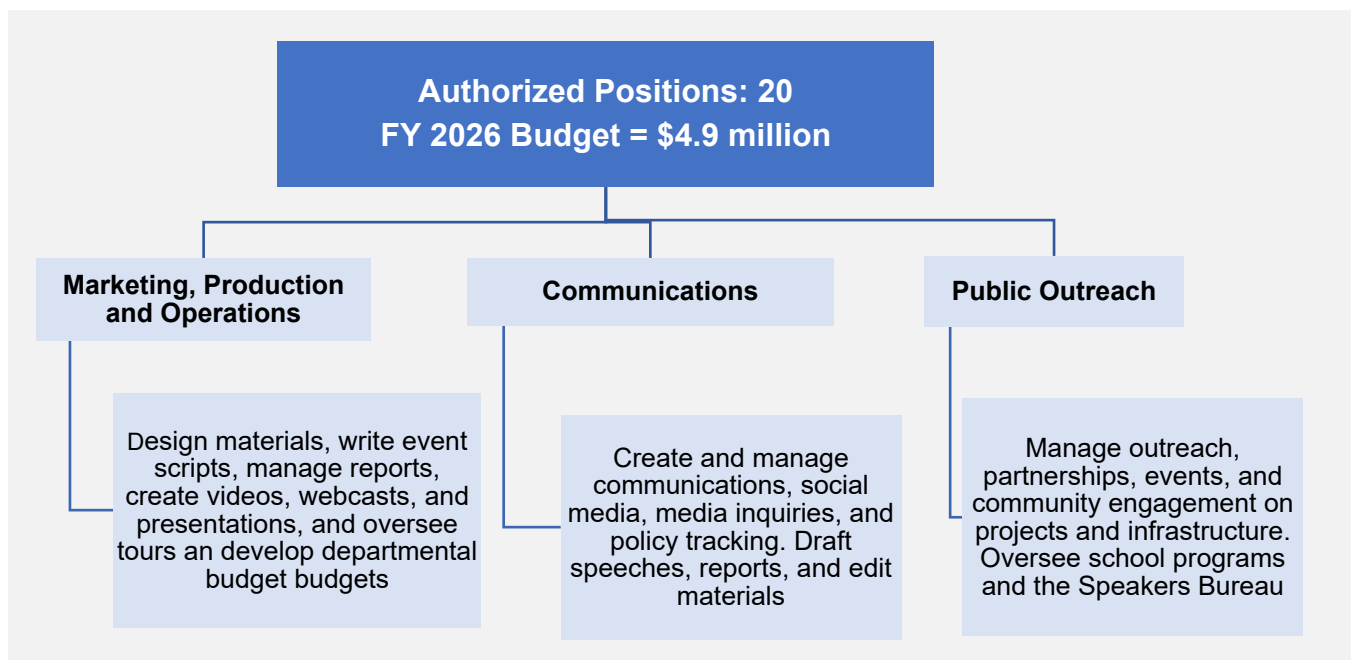
CLUSTER: MARKETING AND COMMUNICATIONS

DEPARTMENT: MARKETING AND COMMUNICATIONS

Purpose: To promote and enhance the value of our services by listening to and engaging with our customers

Mission: To inform and educate the public about DC Water’s services, programs, and initiatives, as well as to promote our commitment to sustainability, customer service, and community engagement. The office also works to build relationships with stakeholders to foster trust and collaboration in support of DC Water’s mission

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Publication of DC Water’s Annual Report	1	1	1	1	Healthy, Safe, and Well
Publication of Customer Newsletter	4	4	4	4	Reliable
Publication of Clean Rivers' Update	2	2	2	2	Sustainable
Publication of Employee Newsletter	11	11	6	6	Resilient
Publication of Water Quality Report	1	1	1	1	Healthy, Safe, and Well
Community meetings outreach re: lead, rates, CSO CIP projects, etc.	114	115	100	100	Reliable

DEPARTMENT: MARKETING AND COMMUNICATIONS

FY 2026 Operating Budget Overview

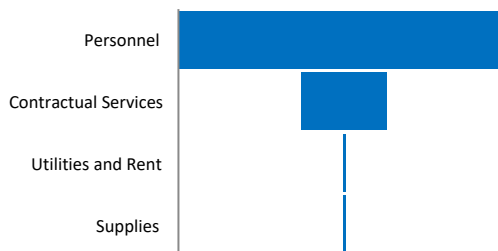
Personnel Services: Increase reflects adjustments to salaries and benefits

Non-Personnel Service: Remained relatively flat, with no significant changes

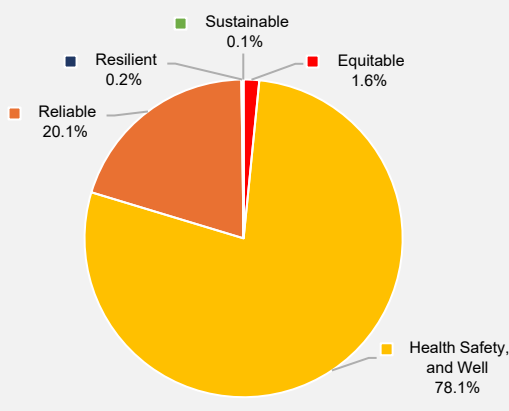
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	14	19	20	20	0	0%
Personnel Services	\$ 2,397	\$ 2,714	\$ 3,271	\$ 3,825	\$ (554)	(17)%
Contractual Services	668	1,146	1,044	988	57	5%
Chemicals and Supplies	6	6	8	7	1	13%
Utilities and Rent	32	24	17	30	(13)	(82)%
Small Equipment	-	-	9	-	9	100%
Non Personnel Services	705	1,176	1,078	1,025	53	5%
Total O&M Expenditures	\$ 3,102	\$ 3,891	\$ 4,349	\$ 4,850	\$ (501)	(12)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Continue to implement a Strategic Communications Plan to support Blueprint 2.0, DC Water's strategic plan
- Work with the DC Clean Rivers Project team to engage with residents, businesses, and commuters impacted by construction on the Northeast Boundary Tunnel Project
- Oversight of the Lead-Free DC program to remove lead from service lines in the District

ACCOMPLISHMENTS

- Hosted and/or attended approximately 184 outreach events and community meetings
Oversaw the extensive marketing and public engagement efforts to build awareness of the Lead Free DC program and boost participation
- Managed public outreach for high visibility construction projects including the Potomac Interceptor Rehabilitation Project and the Soapstone Valley Park Sewer Rehabilitation Project

GOALS

- Continue communications initiatives and programs in support of DC Water's Strategic Plan and Imperatives
- Tell our story to strengthen the DC Water brand by being transparent and proactive in our engagement with customers, while also working to improve communication internally and help boost employee engagement and satisfaction

CHALLENGES

- New regulatory requirements
- Staffing vacancies

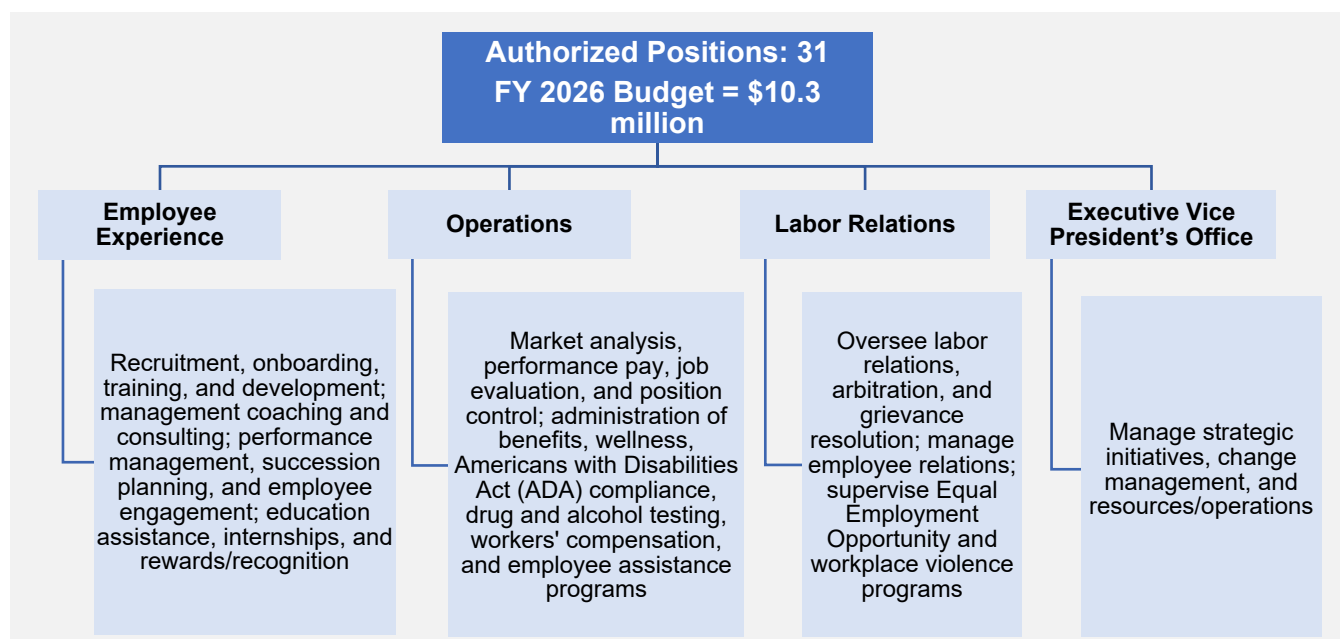
CLUSTER: PEOPLE AND TALENT

DEPARTMENT: PEOPLE AND TALENT

Purpose: Support the Authority and Executive Team by creating organizational alignment and line of sight; work collaboratively with all Departments to improve the employee experience; recruit talent who will embrace DC Water, and focus on employee strengths

Mission: To deliver high quality, innovative, valued and timely labor resources that are responsive to the needs of DC Water employees and departments, in order to help facilitate employees to achieve their individual and organizational goals

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
An average of 60 days from job posting to offer acceptance	58	75	60	60	Reliable
Under the CBA we have 45 days to initiate disciplinary action	97%	98%	95%	95%	Equitable
Number of FTE employees contributing to 457(b) retirement plan	926	936	976	976	Reliable
Number of employees contributing 5% or more to 457(b) retirement plan	738	748	788	788	Reliable
Average mandatory training hours per Non-union FTE	N/A	5	5	5	Sustainable
Average mandatory training hours per Union FTE	N/A	1.5	1.5	2	Sustainable
Average DC Water Non-Union Employee Compensation vs Mid-Point Range	104%	104.60%	100%	100%	Equitable

DEPARTMENT: PEOPLE AND TALENT

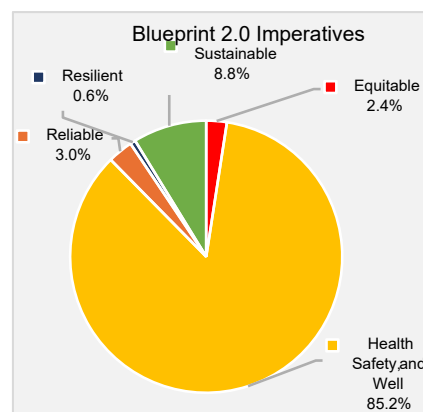
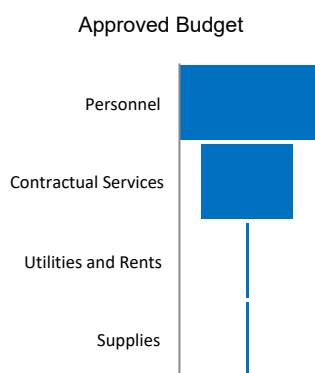
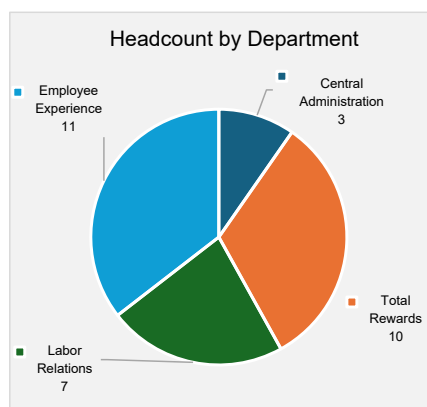
FY 2026 OPERATING BUDGET OVERVIEW

Personnel Services: The increase reflects salary and benefit adjustments, partly offset by the elimination of two vacant positions

Non-Personnel Service: Reductions in contractual services are primarily due to decreased reliance on external human resources consultants and service providers

Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	34	33	33	31	2	6%
Personnel Services	\$ 5,252	\$ 4,973	\$ 5,302	\$ 6,113	\$ (811)	(15)%
Contractual Services	2,885	4,792	4,354	4,112	243	6%
Chemicals and Supplies	2	333	4	5	(1)	(25)%
Utilities and Rent	30	30	24	32	(8)	(33)%
Non Personnel Services	2,917	5,155	4,383	4,149	234	5%
Total O&M Expenditures	\$ 8,169	\$ 10,128	\$ 9,685	\$ 10,262	\$ (577)	(6)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Finalized and executed Master Compensation Agreement with unions Implementation of new Performance Management Process 	<ul style="list-style-type: none"> Ensure adequate funding for employee salaries, health insurance, retirement plans, and bonuses Implement wellness programs aimed at reducing stress-related illnesses and absenteeism Ensure Legal Compliance by updating policies to reflect changes in legislation 	<ul style="list-style-type: none"> Adapting to business need due to sudden increases in hiring or the need for new programs Developing strategies to retain and engage employees require significant investment

DEPARTMENT: PEOPLE AND TALENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

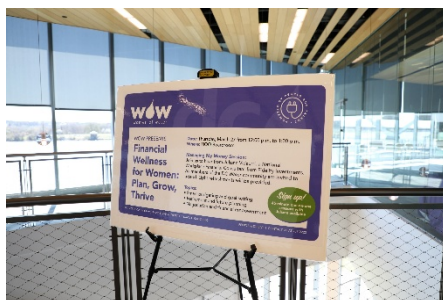
- Refining HCM Strategy Implementation of Performance Management System
- Expand DC Water's Career Ladder Program
- Streamline DC Water's position reclassification process
- Expand Non-Union Merit-Bonus program to also include Salary Equity Review
- Develop DC Water's Market Pricing Initiative
- Organize open season benefit fairs and site visits
- Continue negotiations with collective bargaining agreements
- Coordinate management and team-building trainings for DC Water employees
- Streamline Talent Acquisition processes
- Revamp the Compensation offer process for Non-Union hires
- Implement hiring manager surveys at the end of the Recruitment process
- Review and Update DC Water Policies and Procedures

IMPACT OF OPERATIONAL PROGRAMS

- Expand Wellness Programs focused on Healthy, Safe, and Well imperative

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact



DEPARTMENT: PEOPLE AND TALENT

FY 2025 AND FY 2026 LEARNING & DEVELOPMENT PLAN

LEARNING & DEVELOPMENT OVERVIEW

At DC Water, our talent is our people, Team Blue. Learning & Development consists of acquiring, training, and development strategies. We provide solutions and programs that motivate, engage, and educate our employees to cultivate a high performing workforce. Our ability to meet demands, realize our vision, and fulfill our mission relies on the character and competence of our talent.

The vision of DC Water states that "we will be known for superior service, ingenuity, and stewardship to advance the health and well-being of our diverse workforce and communities". The Talent Management Team supports this vision by leading the Healthy, Safe, and Well imperative of Blueprint 2.0. Our fundamental priority ensuring DC Water is safe for all – for our customers, our communities, our employees, and our contractors. To achieve this, we are connecting the strategies of leadership and employee development with tools and activities that build and support a culture of “coaching” based performance management. Effective coaching provides specific, timely, and actionable feedback to employees. We believe the role of the management team is much deeper than simply providing direction. We aim to provide our leaders with the tools that they need to achieve the following goals:

- Optimize the employee experience by consistently engaging the employee throughout their lifecycle at DC Water
- Improved individual performance through coaching and frequent check-ins
- Increased trust and accountability by creating new possibilities for team members
- Accountability for self and employees by removing obstacles in the way of success
- Leading the ongoing development of the employees under their supervision

At DC Water, our management team leads by managing performance. On-going coaching-based performance management unleashes the full array of talent and ingenuity our team possesses that would otherwise be untapped.

Other forms of talent development at DC Water include:

[In-house training](#) – classes and programs designed in-house. In-house training may focus on non-technical courses, skills development, or new processes.

[Walk in my shoes](#) – The principal goal of the Program is to provide a path for DC Water staff to develop new skills, receive basic cross training, and broaden the participant’s knowledge of DC Water operations, as well as identify possible career options.

[eLearning/on-demand training](#) – online courses housed within our learning management system (LMS), Cornerstone. The content for this site is developed in-house and by external vendors.

DEPARTMENT: PEOPLE AND TALENT

FY 2025 AND FY 2026 LEARNING & DEVELOPMENT PLAN

External Training – classes and programs developed by external vendors that support individual employee development needs and requirements. This is an effective means of providing highly specialized or special focus training to individuals or a small group of employees. DC Water's education assistance and tuition reimbursement program is included in this category.

Learning Events – conferences, retreats, and virtual programs. These events boost employee morale and help to increase productivity.

Engagement Activities – events held virtually or in-person, that allow DC Water employees the opportunity to get to know each other through collaboration and fun.

Offsite Leadership Retreats – used to enhance the culture and bring people together in a more relaxed environment. It's not about pen and paper but the experience to create a team and hold each other accountable while uplifting one another.

Leveraging the use of DC Water Business partners – the business partners are the eyes and ears of People and Talent. Assisting with performance practices, encouraging employees who desire training, or need general support.

DC Water Internship Program – Here at DC Water, we consider it part of our public service mission to support and encourage the educational goals of the next generation. Many of our interns in the past have become employees of DC Water in all capacities and grades.

FY 2024 ACCOMPLISHMENTS

In FY 2024, we continued to provide Learning, Development, and Engagement opportunities for the Authority.

Our Lead and Learn series continues to be a huge success while providing interactive leadership and career development opportunities. Sessions were facilitated to forge connections across the Authority, building essential career development skills for our employees with an average of 40 plus employees per session. The program created creative ways for different departments to inform, share, and educate employees across the authority.

We also coordinated/facilitated and provided communication assistance for multiple customized trainings to support specific departmental needs. In addition, as part of an annual requirement, we assigned, managed, and tracked Mandatory Compliance training for our Non-Union employees via the ERP Oracle. We had a 100% completion rate.

DEPARTMENT: PEOPLE AND TALENT

As we continue to build a pipeline for emerging leaders, we successfully delivered our Summer Internship program while providing a learning experience for 43 interns.

We continued identifying critical positions and potential successors to ensure we have the right people in place for now and in the future. Succession Plans were implemented utilizing assessments, focus groups and the 9-box tool. The scope of the Succession plan was for grade A-D. 82 critical positions were identified with 164 high performers on a succession plan that were identified as ready now, ready in 1-2 years or ready in 3-5 years. The goal is to continue to utilize the succession talent pool to fill new vacancies/acting assignments. As we continue to enhance succession plans, we look forward to building a succession planning process that is transparent, cultivates equity and trust in the process, and helps employees see potential career trajectories for their role.

The Authority continued to leverage college and university relationships through the Tuition Assistance Program. We built partnerships with universities to provide discounts and support as part of the TA/TR benefit. In FY 2024, our employees continued to pursue critical certifications in various areas such as Professional Engineering, Program Management, and other degree-seeking programs. Lastly, in FY 2024, a total of 160 employees participated in the Education and Tuition Assistance Reimbursement benefit program. DC Water provided \$352,370 to assist employees with their continued education programs.

FY 2025 AND FY 2026 LEARNING & DEVELOPMENT BUDGET

The approved FY 2026 training budget remains unchanged from FY 2025 at \$1.7 million. The Learning & Development branch of the People & Talent Department is positioned to help the Authority transform and will continue to focus on the need to develop our workforce beyond the initial job qualifications. In the future, we envision providing DC Water employees the ability to maximize training and development funding through one budget managed by the Learning & Development branch. Leading the charge in the creation of a high-performing organization.

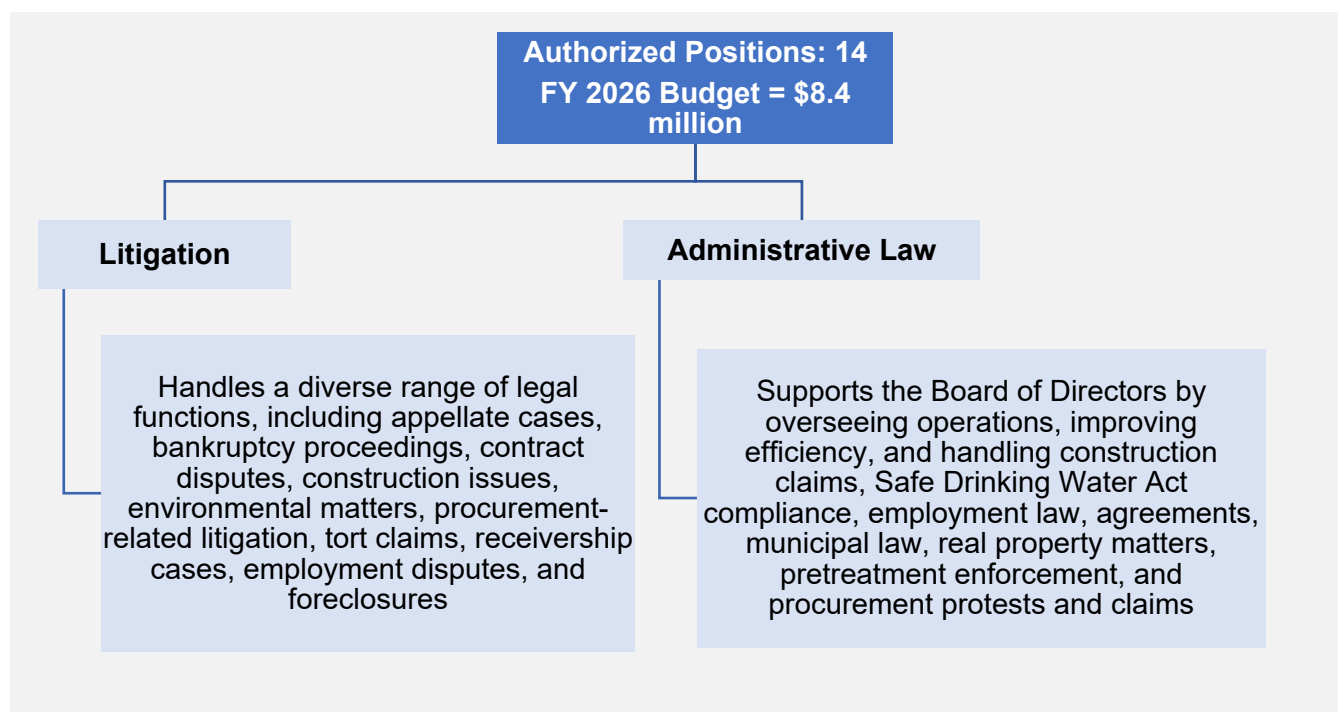
CLUSTER: GOVERNMENT AND LEGAL AFFAIRS

DEPARTMENT: GOVERNMENT AND LEGAL AFFAIRS

Purpose: The Government Affairs Department at DC Water ensures regulatory compliance, manages government relations, and monitors policy impacts. It supports key initiatives, fosters transparency, and strengthens partnerships to advance DC Water’s mission

Mission: To provide professional, timely, and useful legal advice and services, manage the services of outside counsel as needed, and to minimize liability exposure by recommending and implementing appropriate policies, practices, and procedures

Organization Structure



Key Performance Indicators (KPIs)

	FY 2023	FY 2024	FY 2025	FY 2026	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Hours of employee time spent on direct work 1,700	1700	1700	1700	1700	Equitable

DEPARTMENT: GOVERNMENT AND LEGAL AFFAIRS

FY 2026 Operating Budget Overview

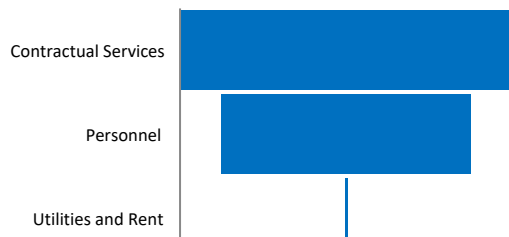
Personnel Services: Increase reflects salary and benefit adjustments

Non-Personnel Services: Reductions in contractual services expenditures are primarily attributable to decreased reliance on external legal counsel

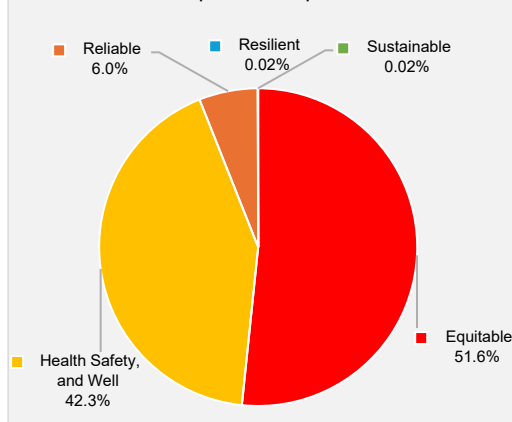
Capital Equipment: No activity

\$000's Description	FY 2023 Actual	FY 2024 Actual	FY 2025 Revised	FY 2026 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	14	14	14	14	0	0%
Personnel Services	\$ 3,231	\$ 3,207	\$ 3,264	\$ 3,580	\$ (315)	(10)%
Contractual Services	5,688	2,697	5,017	4,759	258	5%
Chemicals and Supplies	1	1	7	-	7	100%
Utilities and Rent	31	28	24	30	(6)	(26)%
Non Personnel Services	5,720	2,727	5,048	4,789	259	5%
Total O&M Expenditures	\$ 8,951	\$ 5,934	\$ 8,312	\$ 8,369	\$ (56)	(1)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Manage and support complex litigation matters
- Support Clean Rivers Project and other long-term Capital Improvement Program (CIP) projects
- Provide legal support for Green Infrastructure activities
- Support innovative initiatives
- Assist with environmental permits such as National Pollutant Discharge Elimination System (NPDES), Total Maximum Daily Load (TMDL), Municipal Separate Storm Sewer System (MS4)
- Review and revise regulations
- Support Anacostia Sediment litigation by applying Comprehensive Environmental Response, Compensation, and Liability Act, (CERCLA)
- Enforce actions to collect delinquent revenues
- Develop and strengthen internal and external Government Affairs teams
- Provide legal and strategic support for Per- and polyfluoroalkyl substances (PFAS) issues
- Maintain governance oversight on the DC Water Board

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Provide legal support for environmental and financial issues in DC Water projects
- Assist with litigation on the Long-Term Control Plan, Green Infrastructure, and Total Maximum Daily Load

ACCOMPLISHMENTS

- Meeting Environment Compliance

GOALS

- To mitigate legal and legislative risks and to support the achievement of the Authority's goals

CHALLENGES

- Complying with anticipated changes in Federal Regulations