



ANNUAL REPORT 2025



RESILIENCE IN WATER



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FROM THE CEO AND CHAIR



Water resilience was the defining theme of 2025.

Throughout the year, DC Water focused intently on fortifying the Authority against an evolving landscape of risks. Utilities across the nation are navigating a complex

convergence of challenges: financial stability, cybersecurity threats, aging infrastructure, and regulatory uncertainty. At DC Water, we view these not merely as obstacles, but as opportunities to demonstrate the strength and adaptability of our systems.

I am proud that DC Water continues to serve as a national model for utility management and innovation. We are advancing water resiliency on several fronts, but top among them is securing our future water supply.

We are currently spearheading a critical initiative to establish a second source of drinking water for the DMV. To move this forward, DC Water is leading a regional coalition of utilities and government stakeholders to implement a suite of solutions that ensure reliability for the entire metropolitan area.

A major milestone in this effort was the launch of Pure Water DC in November 2025. This forward-thinking initiative allows us to package purified, recycled water for sale and storage, diversifying our resources beyond the Potomac River.

Inside this Annual Report, you will find the roadmap of how our people and programs are protecting public health and securing our water supply. I invite you to explore how DC Water stays ahead of the curve in defining the future of water resiliency.

David L. Gadis
CEO and General Manager



Serving as Chair of the Board of Directors for the Authority is a responsibility I hold in the highest regard. It is a role that demands we look beyond the daily operations to ensure DC Water is built to endure—not just for the current fiscal year, but for the generations of

Washingtonians yet to come.

This year, the Board's oversight role was tested by a convergence of competing demands and challenges. We are charged with balancing the urgent need to modernize aging infrastructure against the imperative of affordability for our ratepayers. We must defend our digital networks against cybersecurity threats while simultaneously navigating a shifting regulatory environment. These are not abstract challenges; they are the complex realities of managing our precious water supply in the 21st century.

Through it all, the Board has remained steadfast in its commitment to water resilience. We recognize that relying on a single source of water for the entire National Capital Region is a strategic vulnerability we can no longer accept. That is why the Board has fully supported the Authority's pursuit of a second source of drinking water.

The launch of Pure Water DC represents more than an engineering feat; it is also a governance victory. It represents the Board's dedication to securing a resilient and sustainable water supply. By diversifying our water portfolio, we are fulfilling our ultimate duty: to guarantee that the District remains safe, healthy, and economically viable, regardless of what the future holds.

I want to thank my fellow Board members for their diligence and the entire DC Water workforce for their unwavering service. Together, we are ensuring that this Authority remains a pillar of stability for the communities we are honored to serve.

Dr. Unique Morris-Hughes
Chair, Board of Directors





RESILIENT DRINKING WATER



LEAD FREE DC: ADVANCING RESILIENCE THROUGH COMMUNITY AND INFRASTRUCTURE

In 2025, DC Water's Lead Free DC (LFDC) program continued to strengthen the resilience of the District's water system through one of the largest and most ambitious lead service line replacement efforts in the nation. This year marked several major achievements that reflect not only operational progress, but also the trust, participation, and partnership required to build a safer, more resilient future for every household we serve.

A defining milestone of 2025 was the completion of the program's 10,000th service line replacement—a landmark moment in LFDC's long-term strategy to eliminate lead from the District's drinking water infrastructure. Overall production increased by 50 percent compared to FY24, enabling the team to complete more than 3,000 replacements this year alone. These upgrades delivered over \$10 million in free and discounted private-side replacement work for DC residents, reaffirming the Authority's commitment to ensuring equitable access to safe, clean water.

This progress was made possible by strong community engagement. LFDC secured over 10,000 Right-of-Entry agreements, a testament to customer confidence in the program. Program staff completed more than 200,000 customer touchpoints, including 32,000 in-person engagements and participation in over 100 community events and presentations. LFDC also celebrated the graduation of its second Activator class,

expanding a network of trusted community partners who help residents navigate the replacement process.

Innovation also played a key role in advancing this work. LFDC completed a pilot study evaluating new technologies for identifying service line materials—an effort that could streamline future replacements and further strengthen system-wide resilience.

Through collaboration, innovation, and unwavering community partnership, Lead Free DC continues to demonstrate that resilience in water begins long before water reaches the tap. It begins with infrastructure that is safe, modern, and built to protect every family, every day.



PURE WATER DC: BUILDING WATER RESILIENCE FOR OUR FUTURE



Dr. Chaudhry announces the launch of Pure Water DC.

In 2025, DC Water took bold steps to strengthen the region's water supply and explore options for a second source of drinking water to ensure reliability for generations to come. The urgency for action became clear after the July 2024 Boil Water Advisory and underscored the vulnerability of a system entirely dependent on the Potomac River and the Washington Aqueduct.

The first major step came with the appointment of **Dr. Rabia Chaudhry** as DC Water's first Director of Water Supply Resilience; a role created to champion strategies that protect the water system from disruption.

By summer, DC Water convened the Water Resilience Task Force and engaged regional partners, local stakeholders, and federal agencies to explore solutions such as diversifying water sources, expanding storage, and advancing approaches such as water reuse. These discussions laid the foundation for transformative change.

The Board of Directors reinforced this commitment authorizing up to \$21 million in seed funding to pilot and scale resilience initiatives. The resolution for Approval of DC Water's Actions to Address Water Supply

Resilience empowers DC Water to lead a regional response and explore a highly purified reuse water system—leveraging Blue Plains, the world's largest advanced wastewater treatment plant, as a cornerstone for innovation.

These efforts culminated in the launch of Pure Water DC, a visionary program to transform treated wastewater into a safe, sustainable source of drinking water in combination with storage solutions and other resiliency efforts.

Looking ahead, Pure Water DC will move from vision to implementation in the next year. The next phase will explore highly purified reuse water approaches, leveraging Blue Plains as the foundation for innovation, and break ground on the Pure Water DC Discovery Center, an interactive hub to educate the public and evaluate cutting-edge technologies. Research from Pure Water DC will also complement the U.S. Army Corps of Engineers' Washington D.C. Metropolitan Area Backup Water Supply Feasibility Study and strengthen collaborations with our partners at all levels to strengthen water security for the region.

IMPROVED RESILIENCE THROUGH SMART INFRASTRUCTURE



As DC Water pursues water supply resilience for the nation's capital, the Authority is concurrently investigating AI, digital tools, and smart infrastructure to make more efficient use of the water we already have. As stewards of this precious resource, we cannot afford to lose water to leaks or waste it through inefficiency. Modern tools, such as smart meters, data analytics, and digital twinning, provide a powerful toolkit for optimizing our delivery system.

"Digital twinning creates an exact digital replica of the water distribution system and not only allows us to predict the future, but to rehearse it,"
-Alireza Parhami

Improved Sensors and the Internet of Things have revolutionized water asset management in recent years. DC Water now maintains a constant assessment of flow, pressure, water quality and leverages fine acoustics to pinpoint the smallest leaks within the system.

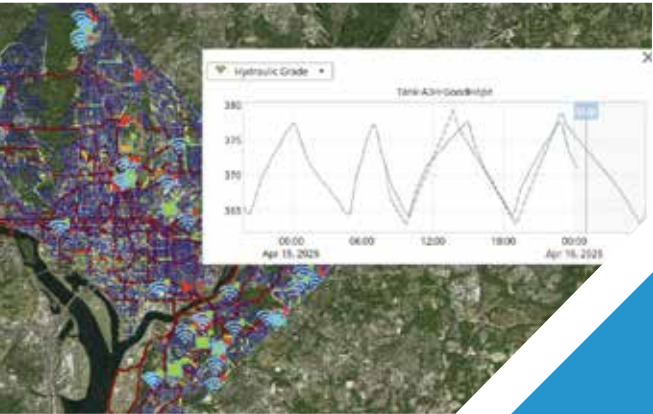
Smart meters provide real-time data on water consumption, something that benefits both the customer and the Authority. Through smart meters, DC Water receives accurate usage information, which reduces water loss.

Once the data is captured, the Authority feeds the stream of information into machine learning algorithms, and that allows us to move from being reactive to predictive. The digital analytics enable us to forecast demand, identify failing components before they break, optimize pumping schedules and energy consumption.

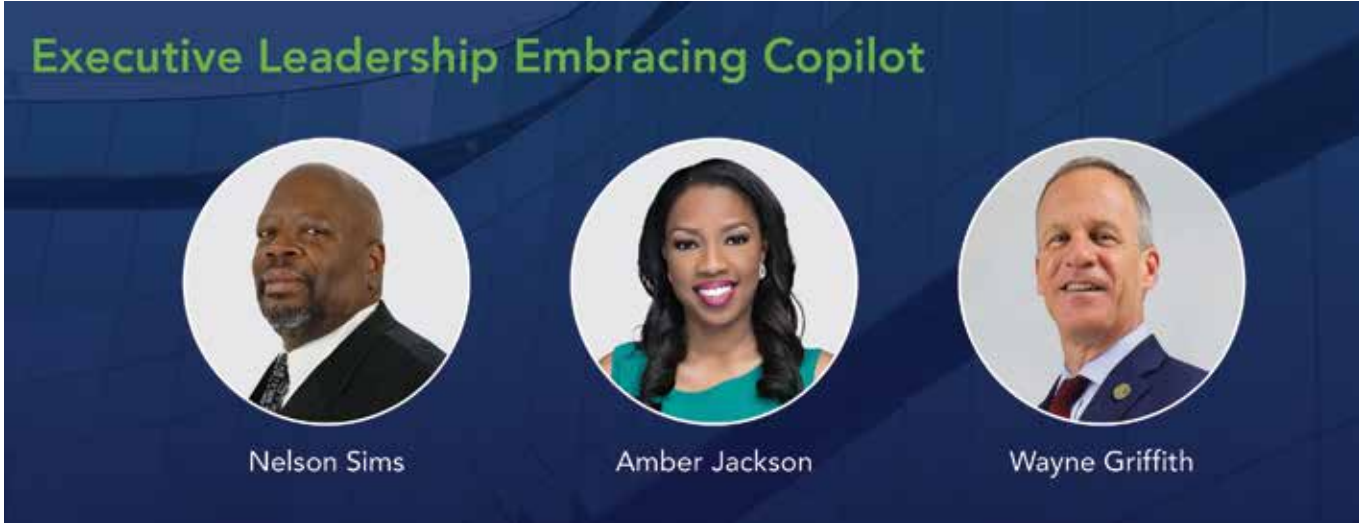
All of these tools bring important advancements, but they culminate in our digital twinning program, led by **Alireza Parhami (Director, Digital Transformation)**. This program represents the next leap in predictive asset management.

"Digital twinning creates an exact digital replica of the water distribution system and not only allows us to predict the future, but to rehearse it," said Parhami. "Instead of reacting to a broken water main, we can predict the likelihood of a break weeks, or months, in advance based on all of the data the twin provides."

This predictive power is more than just efficiency; it is the foundation of true, sustainable water resilience for the District.



WORKING SMARTER WITH MICROSOFT COPILOT: HOW DC WATER IS EMBRACING AI



Senior Executive Team members demonstrated how they use Copilot during a “show-and-tell” session.

Artificial intelligence is transforming workplaces everywhere and, at DC Water, Microsoft Copilot is helping employees work smarter. Integrated into familiar Office 365 applications such as Word, Excel, PowerPoint, and Outlook, Copilot introduced AI-powered features that help staff save time, analyze information faster, and focus on high-priority work.

“AI empowers us to be more productive and eliminates some of the tedious, manual work we often get stuck doing,”
-Dr. Robert Bornhofen

The rollout, led by **Dr. Robert Bornhofen** (Director, Innovation / Strategy and Performance), reflects DC Water’s forward-thinking approach to technology. “AI empowers us to be more productive and eliminates some of the tedious, manual work we often get stuck doing,” he explained. “It’s a low-risk tool that can significantly enhance our output”

DC Water’s journey with Copilot began more than two years ago when advancements in generative AI sparked internal

curiosity. What started with a small Lead and Learn session expecting a few dozen participants quickly grew into a movement. Nearly 200 employees attended the first event. That enthusiasm led to a community of practice, where staff from across the Authority began testing the tool, sharing feedback, and collaborating on real-world applications.

A 12-week Microsoft-funded training series evolved into ongoing, peer led “show-and-tell” sessions in which employees demonstrate how Copilot supports their daily work. More than two dozen employees now serve as internal Copilot champions, helping colleagues discover new ways to improve productivity.

Early successes are already visible. One team reduced time to create leadership presentations from a full day to about an hour using Copilot for PowerPoint. Pilot groups across our Engineering, Operations, and Finance departments continue to explore how AI can enhance data analysis, reporting, and communication.

For DC Water, AI is about more than just technology. It represents a growing culture of innovation, collaboration and continuous improvement, ensuring the Authority remains a resilient, future-ready utility.



RESILIENT TO SHOCKS AND STRESSORS

RESILIENT IN A VOLATILE MARKET



The finance team performed heroically in FY25, bridging an unanticipated \$51 million budget cut midway through the fiscal year.

In a year marked by significant fiscal turbulence—including credit downgrades for the U.S. government and the State of Maryland—DC Water faced its own challenge. A mid-year federal mandate reverted the District’s budget to prior-year levels, creating a substantial financial gap that had to be closed by the end of the fiscal year.

In fact, the United States itself has had its credit downgraded one notch from all three firms, most recently dropping in Moody’s estimation from Aaa to AA1 ratings.

In this volatile environment, maintaining the Authority’s exceptional credit rating was paramount. The finance team, led by **Matt Brown (Chief Financial Officer)**, adopted a strategy of proactive transparency. The team initiated a new round of meetings with all three major ratings agencies.

highlighting the Authority’s history of successfully navigating financial disruptions, such as the COVID-19 pandemic and previous unexpected budget gaps.

The strategy was successful. DC Water maintained its strong credit ratings, a testament to its sound financial management and established contingency planning. This fiscal vigilance extends beyond ratings. The finance team continually monitors the market for favorable opportunities. That vigilance led to a significant debt refinancing transaction. By executing this plan, the team secured \$75 million in savings for the Authority—and its ratepayers—over the next 20 years.

“Our responsibility is to leave no stone unturned in our pursuit of increasing revenue and reducing expenditures,” explained Brown. “We know rates are going to rise, and I am proud of my team for every win that reduces the burden on our customers.”

During these meetings, the team, including **Ivan Boykin (Vice President of Finance)**, demonstrated DC Water’s proven resilience. They presented a clear and cohesive financial strategy,

STRENGTH BENEATH THE SURFACE: A YEAR OF RENEWAL FOR DC’S SEWER INFRASTRUCTURE



This year reminded us that resilience isn’t just a goal—it’s a commitment. Each repair and upgrade reflects a promise to protect public health, safeguard waterways, and prepare the District’s sewer system for future generations.

Earlier this year, crews completed a major repair on a 140-year-old tunnel at 22nd Street NW. Working around the clock, construction crews reinforced the pipeline with modern materials, while keeping stakeholders informed.

The high priority project originated with the discovery of a large void beneath the road at risk of collapse. Sewer operations teams and engineers worked quickly to address immediate needs, while also looking at next steps to advance longer-term rehabilitation that may be necessary.

Proactive monitoring is also critical to identifying vulnerabilities. In the spring, a 200-foot crack was found during inspection of the Rock Creek Main Interceptor (RCMI), a century-old pipeline carrying millions of gallons of wastewater daily through Rock Creek.

The discovery accelerated the rehabilitation of 3,000 feet of the RCMI. Construction is underway, including restoring gates to divert wastewater in key areas. Completion is expected in 2026.

In July, the Anacostia Force Main (AFM) suffered a catastrophic failure, creating a sinkhole and

releasing untreated wastewater in a Northeast DC neighborhood. Crews contained the spill, sanitized the area, and supported affected residents. The emergency repair involved a custom engineered solution, which was executed within weeks of the incident.

As part of DC Water’s 10-year, \$9.6 billion Capital Improvement Program, The AFM rehabilitation became more urgent. Today, planning is underway to address other vulnerable segments of the 6.25-mile pipeline and evaluate long-term options.

These projects highlight the risks of aging sewer infrastructure, and the need for investment. Efforts to rehabilitate the RCMI and AFM are moving forward – exploring options for additional redundancy such as building parallel pipelines, reinforcing large diameter sewer pipes to like new condition, or other alternatives to replace or rehabilitate the existing pipelines.

These efforts are more than repairs—they’re investments in a system that serves every home, business, and neighborhood in the District to ensure a resilient sewer system that can serve generations to come.



Repairs often require technicians to work in confined spaces.

TEAM BLUE WAVE BRINGS HOME THE GOLD



DC Water earned national recognition at the Water Environment Federation’s Technical Exhibition and Conference (WEFTEC) 2025 in Chicago, where its Team Blue Wave captured first place in the Collections Systems Event during the national Operations Challenge.

The Operations Challenge is one of the water industry’s most prestigious competitions, testing utility professionals from across the country on speed, skill, safety, and teamwork through simulated, real-world operational scenarios. Each scenario showcases the technical mastery, precision, and problem-solving skills required to keep essential water and wastewater systems running safely and efficiently.

Competing against some of the best utilities in the nation, DC Water’s team demonstrated the same commitment to excellence that defines the Authority’s workforce every day.

Formed under the leadership of **David L. Gadis** (CEO and General Manager), Team Blue Wave marks DC Water’s

renewed presence on the national stage. The team was reestablished after Gadis recognized the importance of showcasing the Authority’s operational talent at industry competitions and directed staff to rebuild a team capable of representing DC Water at the highest level.

The victory highlights DC Water’s commitment to developing a highly trained, safety-driven workforce capable of meeting the complex challenges of modern water and wastewater operations. Through hands-on training, employee development, and a focus on teamwork, DC Water continues to strengthen its operational resilience and leadership across the region and the nation.

Team Blue Wave’s success also reinforces DC Water’s reputation as a Utility of the Future – innovative, collaborative, and rooted in public service. Their achievement brings pride not only to the Authority, but to the entire District, demonstrating how dedication and technical excellence translate into national distinction.

DC WATER EARNS EMAP REACCREDITATION: STRENGTHENING RESILIENCE ACROSS THE AUTHORITY

In 2025, DC Water once again achieved full accreditation through the Emergency Management Accreditation Program (EMAP)—a rare and distinguished recognition that underscores the Authority’s leadership in preparedness, continuity, and resilience. First accredited in 2019, DC Water remains the first and only water utility ever to earn this designation, a standard typically reserved for state and local emergency management agencies.

Reaccreditation is not guaranteed; it requires demonstrating excellence across 73 rigorous standards, including planning, hazard mitigation, resource management, communications, training, and emergency response. Achieving it is a multi-year, multi-department endeavor that reflects the strength of DC Water’s enterprise-wide preparedness culture.

This year’s effort was led by **Adam Baron** (Program Manager, Hazard Mitigation), whose coordination brought together staff from across every cluster. Under the leadership of **Dusti Lowndes** (Director, Emergency Management), the Office of Emergency Management (OEM) guided departments through documentation, self-assessment, and a comprehensive peer review process conducted by EMAP evaluators.

The result is more than a certification—it is a validation of DC Water’s commitment to ensuring reliable service and protecting public health, even under the most challenging conditions. As EMAP noted in its national announcement, programs that achieve reaccreditation demonstrate accountability, collaboration, and a continuous drive toward improvement.

For DC Water, this recognition reinforces that resilience is not only about the systems that deliver water, but also about the structures that allow us to prevent, withstand, and recover from disruptions. Being held to the same national standards as major emergency management agencies reflects the maturity and strength of our program—and the dedication of the people behind it.

As risks and climate volatility evolve, EMAP reaccreditation affirms that DC Water’s emergency management program is vital to fulfilling our mission: delivering resilient, uninterrupted service to the communities we serve.



RESILIENT COMMUNITIES



BUILDING RESILIENCE BENEATH THE RIVER: ADVANCING THE POTOMAC RIVER TUNNEL AND CLEAN RIVERS PROJECT

In 2025, DC Water advanced one of the most ambitious clean water infrastructure efforts in the nation as construction accelerated on the Potomac River Tunnel (PRT)—a key component of the Clean Rivers Project designed to reduce combined sewer overflows and strengthen the resilience of the District's waterways. Work progressed across the city, with five project sites mobilized this year, each marking a critical step toward capturing storm-driven overflows before they reach the Potomac.

The year began with the mobilization of our first worksite in January, and steadily expanded through spring and summer. By November, two more locations had begun construction, marking significant progress across the system. At each location, crews began construction of diversion facilities—complex systems of diversion chambers, approach channels, drop shafts, and conveyance structures that will redirect stormwater and sewage into the PRT once operational. Together, these sites form the tunnel's vital connection points to neighborhoods from Rock Creek to Georgetown.

A major milestone for the year took place far from the District, at the Herrenknecht manufacturing facility in Schwanau, Germany here, factory acceptance tests were completed for both for both tunnel boring machines, Mary and Emily, named in honor of Mary and Emily Edmonson, who daringly escaped slavery

across the Potomac in 1848. [David L. Gadis](#) (CEO and General Manager) and project leadership witnessed the successful test of TBM Emily in October. Mary, the TBM-north, was delivered to West Potomac Park this fall and christened by Mayor Muriel Bowser on November 3, marking the official start of tunneling.

DC Water also began work on the Piney Branch Tunnel, which will reduce overflows to Rock Creek by 96 percent—a major boost for ecological resilience.

Meanwhile, the completed Anacostia River Tunnel continued its remarkable performance, capturing 19.5 billion gallons of combined sewage and stormwater and removing more than 12,265 tons of trash since 2018.

Collectively, this work brings the District closer to a future where its rivers are cleaner, healthier, and more resilient for generations to come.



RESILIENT STAKEHOLDERS AND COMMUNITIES



CAO Kirsten Williams leads a Stakeholder Alliance presentation

This year, our Office of Marketing and Communications expanded to include a Stakeholder Engagement team dedicated to strengthening relationships with internal and external stakeholders, including the DC Water Stakeholder Alliance.

In 2025, DC Water revived its Stakeholder Alliance with a full complement of members meeting quarterly throughout the year. Originally established in 2018 by **David Gadis (CEO and General Manager)**, the Stakeholder Alliance was created to strengthen collaboration between DC Water and the community it serves.

At the first meeting of the reestablished Alliance in January 2025, Mr. Gadis emphasized that, given the challenges facing the Authority in the years ahead, building trust through stakeholder engagement is more important than ever.

During each meeting, Alliance members receive presentations from DC Water staff on a range of topics and ongoing projects. Members are encouraged to share their insights and offer feedback and recommendations

that directly impact District residents and businesses. The goal is to ensure DC Water continues to advance its mission and vision in meaningful partnership with the community.

In 2025, discussions included updates on DC Water's Capital Improvement Plan, Clean Rivers Project, Lead Free DC, Hazard Mitigation Planning, and Water Supply Resilience initiatives.

Stakeholder Alliance members are volunteers recommended by D.C. Councilmembers and serve two-year terms. Members represent a wide range of constituencies, including community and environmental advocates, non-profit organizations, local businesses (both large and small), and faith-based organizations.

DC Water recognizes that hearing every voice is essential to the success of any utility and its stakeholder relationships. The Stakeholder Alliance remains a vital forum for dialogue—one that allows DC Water to listen, learn, and engage directly with customers about the issues that matter most to them.

BUILDING A STRONGER DISTRICT THROUGH PARTNERSHIP



The Lead Free DC Community Activators partnered with the District Department of Employment Services.

Partnership is at the center of how DC Water serves residents, reaching beyond infrastructure into the neighborhoods and institutions that make our city stronger. These collaborations grow local talent, support families, protect the environment, and connect communities to vital resources.

Our partnership with the DC Department of Employment Services (DOES) remains vital. Through the Lead Free DC Community Activators Program, canvassers reached households citywide to help families identify service line materials and register for free replacements. This work built trust and ensured residents had access to reliable information.

This collaboration also extends to workforce development through the Utility Systems Operator Apprenticeship Program. This apprenticeship prepares District residents for technical careers in water distribution and wastewater operations. Graduates advance into long-term roles that strengthen our capacity and help maintain a reliable water system.

We also partner with the DC Department of Energy and Environment and the Greater Washington Urban League to support families through DC Water Cares. These programs offer customer assistance to reduce monthly bills, ensuring essential services remain accessible for households experiencing economic hardship.

Collaboration with the business community is equally important. Events like our Procurement Fair connected local vendors and Certified Business Enterprises with opportunities across the Authority, keeping local dollars circulating and expanding possibilities for small businesses.

Environmental protection remains a shared priority. In partnership with the Potomac Conservancy, DC Water continues efforts to reduce pollution and improve aquatic health. Simultaneously, our Clean Rivers Program has significantly cut the amount of untreated stormwater and sewage entering the Anacostia River.

Finally, we strengthened cross-agency collaboration through rescue preparedness training with DC Fire and EMS, helping to protect our staff and the community.

Across every program, these partnerships reflect DC Water's commitment to service. Together, we are building a stronger, more resilient, and more connected District.



DC WATER IN THE COMMUNITY



Here at DC Water, we want our customers to know that we are not only their water and sewer utility, but also a community partner that cares! This year, we completed about 90 outreach events, 103 virtual and in-person community meetings and countless other touchpoints focusing on the following areas:

Promote customer programs – We have spent a lot of time engaging with eligible customers in various ways about our Lead Free DC and Customer Assistance programs to make them aware of the programs and bolster participation. This exhaustive list of measures includes telephone, email, media and social media campaigns; informational webinars; door-to-door canvassing; pop-up events; celebration of milestones such as our 10,000th lead service line replacement ceremony; countless presentations to Councilmembers, Advisory Neighborhood Commissions and civic associations; yard/bus signs and other promotional collateral; speaking before water industry partners such as AWWA; taking part in national initiatives including 'Imagine A Day Without Water'; and collaborating with utility and government partners on events like the Office of the People's Counsel's first annual Water Summit.

Volunteerism efforts – Our Office of Marketing and Communications has expanded this year to add a new position on the Community Affairs team whose duties include

looking at volunteerism opportunities and the role they can play in strengthening DC Water's community presence beyond our ongoing outreach programs. We have already begun to explore and execute partnership opportunities with local community organizations such as N Street Village and Miriam's Kitchen.

Education outreach/Blue Plains tours – While temporarily discontinued during the pandemic, we have resumed school and public tours of our Blue Plains Advanced Wastewater Treatment Plant, and the requests have been staggering! To ensure proper coordination, all tour requests are now being handled through our Education Outreach program and submitted via education@dcwater.com.

Construction outreach – The Outreach team provides impacted stakeholders with regular information and updates on our water main replacement and sewer rehabilitation projects and coordinates timely responses to community questions and concerns from project mobilization through restoration. This includes the recent completion of our Soapstone Valley Park Sewer Rehabilitation Project after nearly four years of construction.



ENGAGING EMPLOYEES TO SHAPE DC WATER'S FUTURE



Chief of Staff Wayne Griffith leads an Employee Town Hall, keeping staff informed.

Employee engagement remains a priority at DC Water, and this year's Employee Town Halls underscored the Authority's commitment to listening to staff and communicating openly about the organization's direction. Held under the theme **"Embracing Change: Building a Stronger Future Together,"** the sessions brought employees and leadership together for a transparent discussion about priorities, progress, and the path ahead.

A key part of each session was a look into the results of the Employee Pulse Survey – one of the Authority's most important tools for understanding how employees feel about communication, leadership, workplace culture, and opportunities for growth. The survey helps track what's working well and where employees are looking for more support and clarity.

During the Town Halls, **Amber Jackson** (Chief People Officer and EVP) shared an overview of this year's results. Employees noted improvements in areas like team communication and collaboration, while also identifying places where more consistency, information, and development opportunities would be helpful. Jackson emphasized that

the survey isn't just a temperature check; It directly informs People & Talent's priorities for the year ahead.

The Town Halls also included updates on recent leadership transitions, which were discussed openly to ensure employees remained informed and supported during periods of change. **David L. Gadis** (CEO and General Manager) highlighted these new assignments and reaffirmed DC Water's commitment to developing internal talent and maintaining continuity across the Authority. As he explained, "Change is not always easy, but it can be energizing when we face it together with clear purpose and shared values."

These discussions affirmed that meaningful engagement isn't just a priority at DC Water, but a driving force behind how the Authority grows and moves forward.

"Change is not always easy, but it can be energizing when we face it together with clear purpose and shared values."
-David Gadis

BUILDING THE NEXT GENERATION OF DC WATER LEADERS

At DC Water, delivering one of the region's most essential services requires more than just technical excellence, but strong leaders who can guide teams through an increasingly complex operating environment. With the relaunch of Leading Blue, DC Water's mid-level leadership development program, the Authority is strengthening its commitment to further develop the people who keep our organization moving.

Mid-level managers play a crucial role across the utility. They translate strategic goals into day-to-day operations, support frontline employees, uphold safety and regulatory standards, and ensure our values show up in every customer and community interaction. In a sector where technical expertise meets public service, these leaders are essential connectors. They bring together engineering, operations, customer care, compliance, and administrative functions to keep our systems running and our mission moving forward.

As the water sector faces challenges such as aging infrastructure, climate volatility, new technology, and a

shifting workforce, the need for adaptable and forward-thinking leaders is greater than ever. With many long-time employees approaching retirement, knowledge transfer and succession planning are more important than ever. Mid-level managers are uniquely positioned to mentor emerging talent, preserve institutional knowledge, and strengthen the culture of continuous learning that defines DC Water.

Leading Blue equips these leaders with practical skills in strategic thinking, change management, communication, and cross-functional collaboration. The program helps participants build high-performing teams, make data-driven decisions, and prepare for roles of increasing responsibility across the Authority. More than a training initiative, Leading Blue represents DC Water's commitment to cultivating a strong and sustainable leadership pipeline. By developing our internal talent, we ensure continuity, deepen organizational expertise, and strengthen our ability to meet the region's evolving water and wastewater needs.

Leading Blue prepares our best and brightest for greater roles, greater impact.



OUTREACH AMBASSADORS

Starting in 2018, DC Water’s Ambassador Program has proven to be a great addition to our outreach efforts as employees from all departments across the Authority have enthusiastically signed up to come out and assist during community events. The program continues to grow, with seven new members this year, bringing our current enrollment to 62 participants. Many of our Ambassadors enjoy the opportunity to get out in the community, engage with customers on all matters related to DC Water, and share their expertise in addressing questions.

While the Ambassador Program has been highly successful and supported by our Board of Directors and

Senior Executive Team, it is worth mentioning that we have been relying on the support of some departments since the beginning of our outreach program in 2010. We love the community, and it shows in all that we do!



SAFETY DAY 2025: RESILIENCE IN ACTION

At DC Water, resilience runs deeper than our infrastructure—it’s part of our culture. That commitment was front and center at Safety Day 2025, held May 21 by the Department of Occupational Health and Safety.

With the theme “Change 1 Thing,” the event encouraged employees to take one intentional step each day to improve safety for themselves and their colleagues. The day featured vendor exhibits, live demonstrations, toolbox talks, and hands-on activities, all aimed at reinforcing DC Water’s proactive approach to workplace safety.

A standout feature was the Women of Water table, which showcased personal protective equipment designed specifically for women. “Wearing the wrong gear and sizes can be a safety risk in itself,” said **Dustin Rawls** (Executive Assistant I, Safety / Administrative). “It was important to educate staff, especially our women in the field, on the resources they have access to.”

Behind the scenes, the planning team—**Ecudemio Gutierrez** (Director, Safety / Administration), **Ashley Wynes** (Manager, Safety Operations / Administration), and Rawls—embodied the theme of resilience. When budget

cuts threatened the event, they worked with **Toymeika Dingle** (Senior Program Manager, Business Analysis / Administration) to secure sponsorships that covered nearly all costs. Days before the event, a rain forecast prompted a last-minute pivot: tents were secured within 48 hours, ensuring vendors and attendees could still participate comfortably.

Despite the obstacles, nearly 375 employees attended. A new QR code linking to safety resources—from uniform ordering to evacuation maps—extended the event’s impact long after the day ended. “Safety Day is just one day,” said Rawls, “but it’s a reminder that we have the tools and support we need year-round. It only takes one small change to make a big difference.”

Through teamwork, adaptability, and care for one another, Safety Day 2025 proved that resilience in water begins with resilience in people.



RESILIENCE BY THE NUMBERS





The District of Columbia Water and Sewer Authority (DCWASA) was established under District law in 1996—with approval from the United States Congress—as an independent authority with a separate legal existence. The authority rebranded as DC Water in 2010.



WATER AND SEWER SERVICE

DC Water provides retail water and wastewater (sewer) service to more than **700,000 residents** and **25.95 million annual visitors** in the District of Columbia.



SERVICE AREA

Across a service area of about **725 square miles**, DC Water also treats wastewater for approximately **1.8 million people** in neighboring jurisdictions.



BLUE PLAINS

The Blue Plains Advanced Wastewater Treatment Plant, located at the southernmost tip of the District, covers more than **150 acres** along the Potomac River.



WASTEWATER TREATMENT

Blue Plains treats an annual average of **294 million gallons per day** (MGD) and has a design capacity of **384 MGD**.



PUMPED WATER

In Fiscal Year 2025, DC Water pumped an average of **100.706 million gallons of water per day** from **four** pumping stations.

WATER DISTRIBUTION SYSTEM

Drinking water is delivered through roughly **1,300 miles** of interconnected pipes, **four** pumping stations, **four** reservoirs, **three** elevated water tanks, nearly **44,000** valves, and more than **9,500** fire hydrants.



TREATED WATER STORAGE

DC Water stores **52 million gallons** of treated water across its seven reservoirs and tanks.*



The Washington Aqueduct stores an additional **49 million gallons** at its **three** reservoirs, and its **two** clearwells store another **63 million gallons** of finished water.

** Note: Fort Stanton Reservoir No. 2 has been decommissioned.*

SEWER SYSTEM

Wastewater and stormwater are conveyed through approximately **2,000 miles** of combined, separate, and stormwater sewers; **50,000** manholes; **25,000** catch basins; **nine** wastewater pumping stations; and **16** stormwater pumping stations.



FINANCIAL PERFORMANCE

FISCAL YEAR 2025 HIGHLIGHTS

DC Water ended fiscal year 2025 in a strong financial position. Results include a strong liquidity position and positive budget to actual results from management actions to operate within the budget while meeting customer needs. The Authority met or exceeded all financial targets and complied with Board policies and bond covenants.

Operating **revenues increased** by **\$26.3 million** to \$1.0 billion or **2.7%**, primarily due to the retail water rate increase of 8.0% and offset by a 2.8% decrease in the Clean Rivers Impervious Area Charge (CRIAC) rate.

Operating **expenses increased** by **\$25.2 million** to \$585.9 million, or **4.5%**, primarily due to increases in cost of personnel services, electricity, water purchases and depreciation.

Capital assets, **net of depreciation and amortization increased** by **\$461.2 million** to approximately \$9.0 billion, or **5.4%**, as a result of net capital additions of \$625.5 million, offset by depreciation and amortization of \$164.3 million. Capital additions incurred in 2025 were in line with the Authority's approved 10-year capital improvement program

Current **assets increased** by **\$47.2 million** to \$954.5 million or **5.2%** primarily due to increases of \$41.2 million in cash and cash equivalents, investments and increase of \$6.8 million in inventory.

The Authority's **net position increased** by **\$345.9 million** to \$3.8 billion, or **10.0%**, as a result of the current year operations and capital contributions.

In August 2025, the Authority issued three series of subordinate lien **revenue bonds** with a total face **value of \$392,060**, consisting of Series 2025A (\$55,495), Series 2025B (\$160,615), and Series 2025C (\$175,950). Bond proceeds were

used to **partially refund \$18.8 million** of the Series 2015A bonds, **fully refund \$59.2 million** of the Series 2015B bonds, and to finance the Clean Rivers Project and other capital construction projects. The refunding resulted in an **economic gain of \$7.5 million**.

Long Term Credit ratings of Aa1/AAA/AA+ and **Short-Term Credit Ratings of P-1/ A-1+/- F1+** were **reaffirmed** by Moody's, S&P, and Fitch rating agencies in 2025. Strong credit ratings enable the Authority to issue debt at lower borrowing costs, which reduces costs to rate payers.

The Government Finance Officers Association (GFOA) **awarded** DC Water with a **Certificate of Achievement for Excellence in Financial Reporting** and the **Distinguished Budget Presentation Award**. In addition, DC Water **received**, for the third time, the **Popular Annual Financial Reporting Award (PAFR)** from GFOA for its fiscal year 2024 annual financial report.

DC Water **met all operational needs and key performance metrics** to ensure business continuity while complying with the continuing resolution that mandated spending at the FY 2024 budget levels.

DC Water **received** its **29th consecutive unmodified audit opinion** for the period ended September 30, 2025.

CONDENSED STATEMENTS OF NET POSITION

	(RESTATED) 2023	(RESTATED) 2024	2025
Current assets	\$847,979	\$907,260	\$954,492
Capital assets, net	8,185,753	8,560,058	9,021,279
Non-current assets	338,241	154,452	309,611
Deferred Outflows of resources	85,588	80,980	76,372
Total assets	\$9,457,561	\$9,702,750	\$10,361,754
Current liabilities	499,799	458,423	484,109
Long-term debt outstanding	3,876,155	3,758,742	4,012,046
Long-term liabilities	1,931,226	1,958,073	1,999,859
Deferred Inflows of resources	26,617	75,591	76,630
Total liabilities	\$6,333,797	\$6,259,567	\$6,572,644
Net investments in capital assets	2,622,251	2,875,021	3,189,837
Restricted:			
Capital Projects	7,958	13,005	13,177
Debt Service	76,260	73,727	77,719
Unrestricted	417,295	481,430	508,377
Total net position	\$3,123,764	\$3,443,183	\$ 3,789,110

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2023	2024	2025
Operating revenues	\$898,763	\$ 977,982	\$ 1,004,284
Operating expenses	545,310	560,698	585,919
Net nonoperating (expenses)	(125,515)	(133,698)	(119,021)
Change in net position before capital contributions	227,938	283,586	299,344
Capital contributions	29,519	35,831	46,583
Change in net position	257,457	319,417	345,927
Net position - beginning of year	2,866,307	3,132,766	3,443,183
Net position - end of year	\$3,123,764	\$3,443,183	\$ 3,789,110

CONDENSED STATEMENT OF CASH FLOWS

	2023	2024	2025
Net cash provided by operating activities	\$460,857	\$511,498	\$529,116
Net cash used in capital and related financing activities	(549,502)	(681,327)	(353,091)
Net cash used in investing activities	(55,197)	295,362	(295,801)
Net increase (decrease) in cash and cash equivalents	(143,842)	125,533	(119,776)
Cash and cash equivalents at beginning of year	611,542	467,700	593,233
Cash and cash equivalents at end of year	\$467,700	\$593,233	\$473,457

FY2025 AWARDS



ACEC-MW ENGINEERING INDUSTRY LEADERSHIP AWARD

Chief Executive Officer and General Manager **David L. Gadis** was honored by the American Council of Engineering Companies of Metropolitan Washington (ACEC-MW) with the 2024 Engineering Industry Leadership Award. This prestigious award recognizes public service professionals who collaborate effectively with the engineering industry and champion best practices, innovation, resilience, and community building.

2025 NATIONAL LEADERSHIP AWARD FROM THE NATIONAL FORUM FOR BLACK PUBLIC ADMINISTRATORS

Recognizing the tremendous work of and support of Team Blue, Chief Executive Officer and General Manager **David L. Gadis** accepted the 2025 Leadership Award from the National Forum for Black Public Administrators (NFBPA). This award is given to individuals whose vision and dedication create lasting community impact. DC Water's transformative Clean Rivers Project, pioneering green infrastructure, and workforce development programs were specifically highlighted in being selected for this honor.

MABA LIFETIME ACHIEVEMENT AWARD

Chris Peot, President of Blue Drop (Bloom) and Director of Resource Recovery, was honored by the Mid-Atlantic Biosolids Association for his visionary leadership in resource recovery and biosolids innovation. His work includes pioneering the first CAMBI system in North America and promoting biosolids as valuable resources. His advocacy and mentorship have shaped industry best practices and inspired future leaders.

GFOA TRIPLE CROWN WINNER

DC Water achieved the prestigious Triple Crown from the Government Finance Officers Association (GFOA), recognizing excellence in Budget, Financial Reporting, and Popular Annual Financial Reporting. This honor reflects outstanding performance and transparency, enhancing our financial profile with rating agencies and investors.

PARTNERSHIP FOR SAFE WATER 5-YEAR PRESIDENTS AWARD

DC Water earned the American Water Works Association's Partnership for Safe Water 5-Year Presidents Award at ACE25. This honor reflects sustained excellence in water quality through rigorous monitoring, data reporting, and system improvements since joining the program in 2015. It underscores our leadership in delivering safe, reliable drinking water.



EXCELLENCE IN FINANCIAL REPORTING

As one of the three categories for the GFOA Triple Crown, DC Water received the Government Finance Officers Association's Distinguished Budget Presentation Award for our Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2024. The award recognizes DC Water's budget document for meeting the highest standards in government accounting and financial reporting.

DISTINGUISHED BUDGET PRESENTATION AWARD

DC Water received the GFOA Distinguished Budget Presentation Award, another award in the Triple Crown, for the Board-adopted FY 2026 Budget for the fiscal year beginning October 1, 2025. This signifies DC Water's budget document meets the highest standards as a policy guide, financial plan, operations manual, and communication tool, reflecting best practices and clear, accessible information for stakeholders.

POPULAR ANNUAL FINANCIAL REPORTING AWARD

DC Water earned the GFOA Popular Annual Financial Reporting Award for our Annual Financial Report for the Fiscal Year Ended September 30, 2024. Part of the Triple Crown, the honor recognizes our success in creating a clear, accessible financial report for the public. This also highlights DC Water's commitment to transparency and accountability by transforming complex financial data into an easy-to-understand format, ensuring stakeholders and community members can readily assess the utility's financial health and performance.

GLOBAL WATER AWARDS – WASTEWATER PROJECT OF THE YEAR

DC Water received international recognition earning a distinction for the Northeast Boundary Tunnel at the Global Water Awards. The project is a cornerstone of the \$3 billion Clean Rivers initiative, eliminating 98% of combined sewer overflows into the Anacostia River and setting a benchmark for environmental stewardship.

EMAP REACCREDITATION

DC Water achieved reaccreditation from the Emergency Management Accreditation Program, remaining the first and only utility with this distinction. This recognition affirms our comprehensive preparedness and resilience across 73 emergency management standards.

WEX GLOBAL AWARDS: INNOVATION IN BUILDING HEALTHY WATERSHEDS AWARD

DC Water was honored by the Water and Energy Exchange at their Global Awards for our groundbreaking "Leading the Charge in Decarbonization" initiative. This transformative project combines nature-based solutions, advanced technology, and community collaboration to restore and protect the Anacostia watershed. The project delivered measurable improvements in water quality, biodiversity, and ecosystem resilience. The science-driven approach was recognized as a model for sustainable watershed management worldwide.

TRI-CON OPERATIONS CHALLENGE

Team Blue Wave delivered an outstanding performance at the Tri-Association Conference (Tricon), placing second in Collections and third place overall, ranking among the top competitors nationally. Their success demonstrates exceptional skill and teamwork under

WEFTEC OPERATIONS CHALLENGE

Team Blue Wave also celebrated success at the Water Environment Federation's Technical Exhibition and Conference (WEFTEC), competing against utilities nationwide and earning first place in the Collections competition among more than 30 Division III teams.



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District of Columbia
PE, Retired

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Christopher Herrington, Chair

Governance
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CEO and General Manager

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Chief Legal Officer and EVP
Government and Legal Affairs

Matthew T. Brown
Chief Financial Officer and EVP,
Acting Chief Operating Officer
Finance and Procurement

Wayne Griffith
Chief of Staff and EVP
Office of the CEO

Amber Jackson, Esq.
Chief People Officer and EVP
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Michelle Rhodd
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Board Operations

Nelson Sims
Acting Chief Information Officer
and EVP Information Technology

Kirsten B. Williams, Esq.
Chief Administrative Officer and
EVP Administration





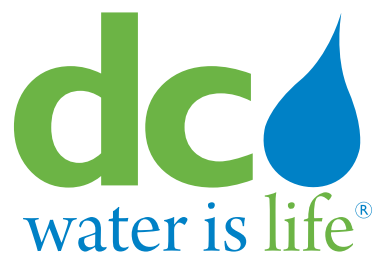
ONE BAND, ONE SOUND

TREAT OTHERS AS YOU WANT TO BE TREATED

PEOPLE, PLACE AND PAY

SHOW UP AS YOUR AUTHENTIC SELF





DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY

1385 CANAL STREET SE, WASHINGTON, DC 20003

