



MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
January 22, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Sarah Motsch, Chairperson, Alternate, Fairfax County
2. Howard Gibbs, Vice-Chairperson, Principal, District of Columbia
3. Christopher Herrington, Principal, Fairfax County
4. Richard Jackson, Principal, District of Columbia
5. Amy Stevens, Alternate Board Member, Montgomery County

DC WATER STAFF PRESENT

1. David Gadis, Chief Executive Officer and General Manager
2. Matthew Brown, Chief Operating Officer and EVP
3. Michelle Rhodd, Secretary to the Board
4. Barbara Mitchell, Director and Associate General Counsel
5. Kirsten Williams, Chief Administrative Officer and EVP
6. Amber Jackson, Chief People Officer and Interim Chief Legal Officer
7. Lola Oyeyemi, Interim Chief Officer and EVP of Finance and Procurement

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 11:00 AM. The meeting was held via Microsoft Teams. Michelle Rhodd, Secretary to the Board called the roll.

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for December 2025, treating an average daily flow of 242 million gallons (MGD) with a peak flow of 358 MGD recorded on December 2, 2025. For the month of December, 1.8 inches of rain was recorded and 23 MGs were captured in the tunnel with zero overflows. Mr. Passarelli further reported that

on-site electrical generation accounted for approximately 27% of total power consumption at the facility. The Combined Heat and Power (CHP) system produced an average of 8.5 MW (Mega Watts), while the solar generation system contributed an average of 0.27 MW. As a result, power purchased from Pepco averaged just under 20 MW, reflecting a strong performance month for on-site generation.

In biosolids operations, Class A biosolids (“Bloom”) sales remained strong despite winter conditions. In December, 6,118 tons of Bloom were sold, bringing the fiscal year-to-date total to 14,516 tons, progressing toward annual sales target of 62,000 tons. During the month, 12,439 tons of biosolids were produced at Blue Plains, with 6,321 tons successfully sold as Bloom, representing a favorable outcome for a winter month.

II. 10-YEAR FY26 TO FY35 PROPOSED CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET

Matthew Brown, Chief Operating Officer and EVP, and Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers, presented an update on the proposed 10-year CIP, explaining that the discussion was intended to provide additional project-level detail beyond the budget workshop and to address questions as they arise, with more detailed follow-up provided in writing as needed. Mr. Brown highlighted DC Water’s risk-based approach to CIP prioritization, emphasizing regulatory compliance (including completion of the Clean Rivers Program by 2030 and advancement of Lead Free DC toward the 2037 deadline), support of operational needs through investments such as valve and hydrant work, continued investment in aging infrastructure, and acceleration of the AMI metering program. He noted that the planned ramp-up in capital spending to over \$1 billion annually in later years and stated that financial planning assumes approximately 90% of CIP funds will be spent, recognizing the variability of large capital programs.

Dr. Wone provided additional detail on how the approved \$9.7 billion CIP budget is being allocated using a risk-based framework, with priority given to high-consequence assets such as large sewers, transmission mains, and pump stations, while maintaining more modest replacement rates for lower-risk assets. He discussed Clean Rivers program status, Blue Plains critical infrastructure needs to maintain NPDES compliance, investments related to MS4 obligations, safety-driven renovations to non-process facilities, and capital equipment funding for process equipment, vehicles, IT, and water meters. During this discussion, Committee member Alexander McPhail asked about the reliability of the \$514 million Washington Aqueduct assumption, particularly if the District acquires the Aqueduct. Mr. Brown responded that Aqueduct needs likely exceed the amount shown but are not yet fully defined; he explained that DC Water expects to fund at least 75% of eligible Aqueduct costs, that prior funds on account have been used before

additional payments, and that staff will continue to monitor expenditures. Dr. McPhail noted his understanding.

As staff reviewed CIP reallocations, Committee member Christopher Herrington asked for clarification on the capital equipment increase, specifically the portion attributable to SBITA software costs versus the AMI metering acceleration. Lola Oyeyemi, Interim Chief Officer and EVP of Finance and Procurement responded that SBITA accounts for approximately \$7–\$8 million and AMI approximately \$9 million, noting that the AMI program is being accelerated through a 2026 reprogramming with funding over subsequent years. Mr. Herrington also asked whether CIP allocations were being reduced in some areas; Mr. Brown replied that the comparison chart reflects different 10-year periods and should not be over-interpreted, explaining that funding was rebalanced toward higher-risk assets. Mr. Herrington further asked whether the Washington Aqueduct submitted a CIP request; Ms. Oyeyemi confirmed the Aqueduct provided an estimated flat need of about \$48 million per year over 10 years, with DC Water responsible for roughly 75%, and noted that prior-year underspending was rolled forward.

During the discussion of program risks, Committee member Howard Gibbs, asked whether the DDOT public inconvenience fee would be recovered through customer bills. Mr. Brown confirmed the fee is included in the rate proposal, estimated at approximately \$120 million over 10 years and recovered through usage-based rates. Dr. McPhail expressed concern that recovering the fee through rates could reduce incentives to complete street work quickly and questioned why the cost was not handled within CIP, noting uncertainty in future costs. Mr. Brown clarified that DC Water recovers both capital and operating costs through rates, and Dr. Wone added that strict street-occupancy limits can significantly increase construction costs and claims, emphasizing the practical delivery impacts.

At the conclusion of the presentation, Committee member Amy Stevens asked whether the referenced wholesale customer briefing involved IMA customers and whether any concerns were raised. Mr. Brown confirmed the briefing related to wholesale customers, and Ms. Oyeyemi reported that no questions or feedback had been received to date.

III. ACTION ITEMS

The Committee reviewed and recommended approval of the two Joint Use Fact Sheets.

IV. ADJOURNMENT

The meeting adjourned at 12:07 pm.