



Approved FY 2027 Budgets

Section VII: FY 2027 Operating Expenditure

\$227M

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:

- \$158.1M** Core operational departments – 955 FTEs
- \$68.9M** Administration and support departments – 328 FTEs

\$16M

SUPPLIES AND SMALL EQUIPMENT

- \$11.7M** **Buy** replacement pipes, valves, pumps, meters, vehicle parts, and other equipment for routine maintenance and upkeep
- \$3.1M** **Purchase** of laboratory supplies, custodial supplies, office supplies, uniforms, personal protective equipment (PPE) and other consumables
- \$1.0M** **Rent** machinery, cranes, vehicles and other specialized equipment

\$100M

CONTRACTUAL SERVICES

- \$29.5M** **Provide** support for information technology, legal, security, engineering, financial advisory, strategic, research and temporary staffing services
- \$24.6M** **Maintain** buildings, electrical equipment, HVAC, elevators, vehicles, green infrastructure, fire systems, digesters, combined heat and power facility
- \$17.7M** **Pay** for hauling and disposal of hazardous materials and biosolids, odor control, janitorial, industrial cleaning, reservoir, wet well and catch basin cleaning services
- \$8.9M** **Leverage** cutting-edge software technology to optimize operations and business processes
- \$11.5M** **Meet** obligations for insurance premiums, audit, claims and litigation
- \$3.7M** **Invest** in education, professional development, conferences, memberships and support events for 1,283 employees
- \$2.2M** **Foster** stakeholder engagement, community outreach and regional programs
- \$2.0M** **Pay** for printing and postage of customer bills, advertisement of contract solicitations, promotional items, storage and material transportation charges

\$54M

WATER PURCHASES

- \$54.5M** **Purchase** drinking water from the Washington Aqueduct

\$88M

CHEMICALS AND UTILITIES

- \$83.6M** **Fund** chemicals, energy and water used for collection, distribution and treatment activities and buy fuel used in vehicles and heavy-duty equipment
- \$2.9M** **Connect** employees, customers and stakeholders through uninterrupted telecommunication services (telephone, cellphone and radios)
- \$1.1M** **Lease** office space for sewer operations and other storage services

\$359M

NON-OPERATIONS AND MAINTENANCE

- \$257.9M** **Fund** debt service costs to support the capital program
- \$76.8M** **Allocate** funding for paygo financing
- \$24.6M** **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 31 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 capital management, 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 services are delivered efficiently.

Structural Changes: During FY 2025, the Authority underwent the following reorganization that reassigned personnel and related budgets across multiple departments and clusters.

- The departments of Engineering & Technical Services and CIP Infrastructure Management were reorganized into a newly established departments of Water Program & Lead-Free DC and Shared Services & Asset Management. The Engineering cluster now comprises the departments of Clean Rivers, Permits Operations, Wastewater Engineering, Water Program & Lead-Free DC and Shared Services & Asset Management.
- The Strategy & Performance department was separated from the Administration cluster.
- The Meter Operations business unit under the Customer Care department was reassigned to Water Operations to improve operational efficiency.
- The Administration cluster was expanded to include the Office of Marketing and Communication, Shared Services departments (Fleet Management, Facilities, Security, Occupational Safety and Health, Office of Emergency Management), and Customer Care department.

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 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 Authority’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 protecting the environment and complying with regulatory requirements.

Reporting and Accountability:

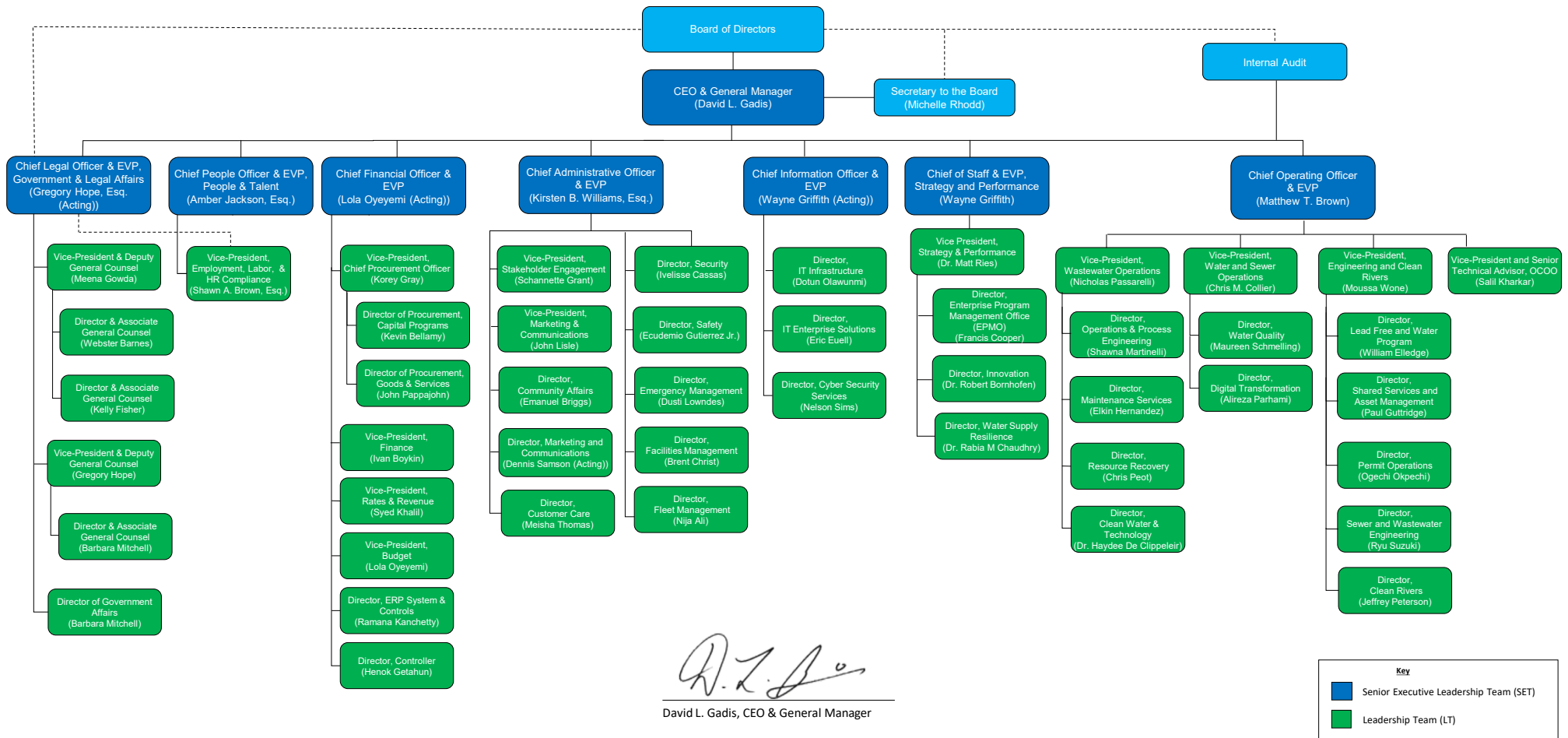
- The Senior Executive Team (SET) members overseeing each cluster are responsible for ensuring that their departments meet the organization’s service delivery standards and performance metrics. This structure promotes accountability and ensures that departments are aligned with DC Water’s overall mission 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)



DC WATER LEADERSHIP TEAM



Operating Expenditures Budget Linkage to Blueprint 2.0

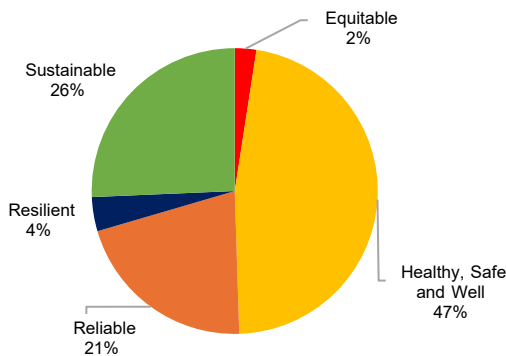
DC Water’s five-year strategic plan, called Blueprint 2.0, includes five interconnected imperatives and lays out defined outcomes essential to achieving the strategic goals over the next five years and beyond. Detailed information about the strategic plan is available online at www.dewater.com/strategic-plan.



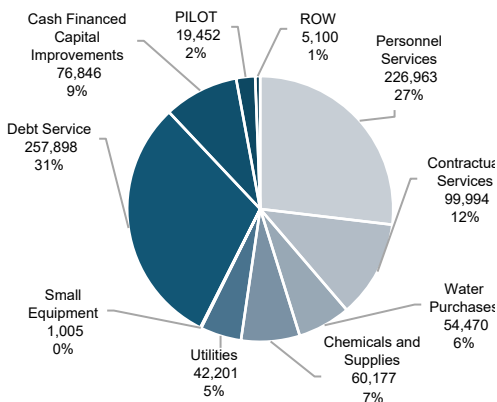
- Healthy, Safe and Well**
Is everybody we impact healthy, safe and well?
- Sustainable**
Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?
- Reliable**
Can we deliver our agreed service level in an efficient and effective manner?
- 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 2027 operating budget advances DC Water’s strategic plan and aligns it with the five imperatives of the Blueprint 2.0.

FY 2027 Operations & Maintenance Budget Breakdown by Blueprint 2.0



FY 2027 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

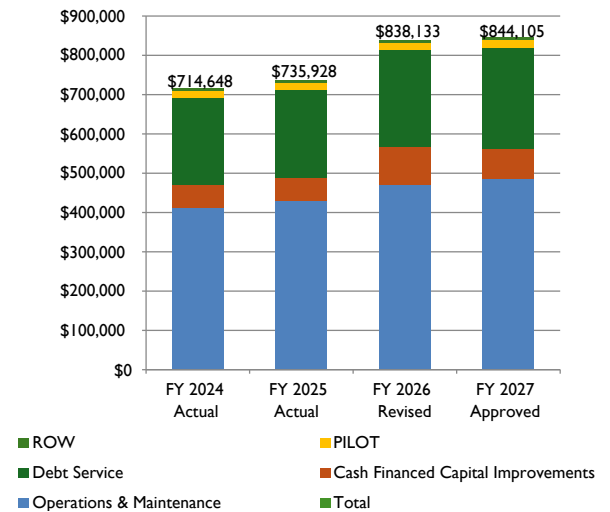
The Revised FY 2026 budget includes an amendment of \$24.0 million from debt service to the cash financed capital improvement fund due to the structure of new debt and refinancing. The overall operating expenditure budget for FY 2026 remains at the Board-adopted level.

The Approved FY 2027 operating budget is \$844.1 million, an increase of \$5.9 million or 0.7% compared to FY 2026 level.

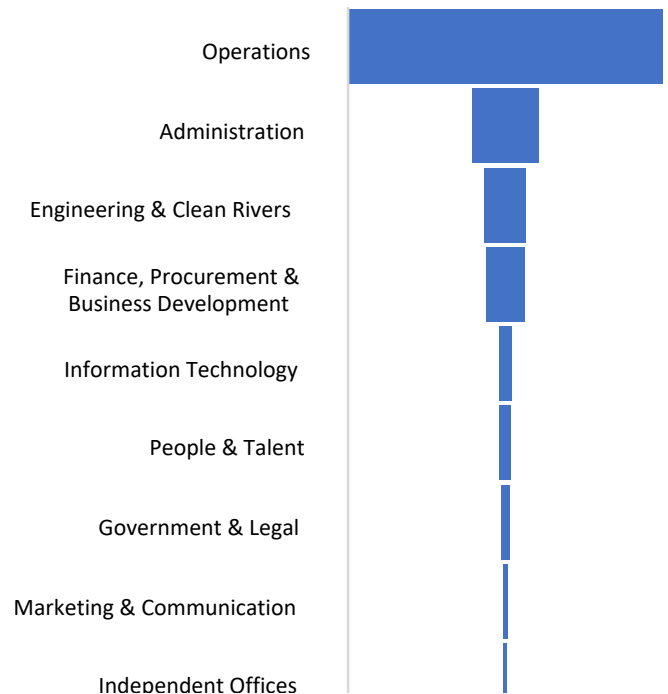
Approved FY 2027 Operating Budget Changes

- **Personnel Services** (\$9.5 million increase): reflects adjustments for salaries, increased overtime, and employee health benefits. The authorized headcount remains at 1283 FTEs and reflects the reallocation of existing vacancies to support key initiatives
- **Chemicals** (\$1.4 million increase): reflects projected unit price increases for major chemicals used at the plant and other odor control facilities throughout the Authority
- **Supplies** (\$1.2 million increase): reflects inflationary cost pressures for critical parts and custodial materials
- **Utilities** (\$0.5 million net increase): higher electricity costs offset by reduced water usage in treatment activities
- **Water Purchase** (\$6.3 million increase): driven by operating cost increases for the purchase of drinking water from the Washington Aqueduct
- **Contractual Services** (\$2.3 million decrease) reflects reallocation of Subscription-Based Information Technology Arrangement (SBITA) costs to capital equipment budget; offset by increase in various professional services
- **Small Equipment** (\$0.5 million decrease) reflects reduced rental of crane equipment at Blue Plains
- **Debt Service** (\$10.5 million increase): for planned debt coverage between the projected senior and subordinate bond series
- **Cash Financed Capital Improvements** (\$21.1 million decrease): PAYGO funding to reduce future borrowing costs
- **PILOT & ROW** (\$0.4 million increase): mainly for the PILOT payments to the District. ROW payment remains at the same level

Historical and Projected Operating Expenditures



FY 2027 Operations & Maintenance Budget by Cluster










Budget Breakdown by Service

The Approved FY 2027 O&M budget is strategically allocated to deliver safe, reliable, and sustainable water and wastewater services across 9 Essential Services.

The (O&M) budget: The budget is divided into three primary allocations:

- **Workforce Investment (47%):** The largest share is designated for salaries, benefits, and overtime compensation related to services provided by Team Blue, ensuring a skilled workforce maintains all operations.
- **Core Operational Resource (28%):** This covers fixed expenses critical to the treatment process, including Drinking Water Purchase, Chemical Acquisitions, and Energy and Water Usage.
- **Essential Support (25%):** This allocation is necessary for asset maintenance, critical parts and equipment, insurance coverage, claims, technology, and other vital support services.

Allocation Across 9 Essential Services: These O&M funds are deployed across the following nine services, representing a comprehensive investment in DC Water's mission and strategic priorities:

Services	FY 2026	FY 2027	Description
	\$150,613,459	\$153,751,546	Wastewater Treatment Services: Focused on high-quality and compliant wastewater processing
	\$130,845,601	\$145,883,125	Distribution & Collection Services: Dedicated to the efficient transport of water (inflow and outflow) across the Authority's network
	\$63,556,954	\$65,141,148	Infrastructure & Sustainability Services: Strategic investment in the long-term integrity and environmentally responsible modernization of assets
	\$38,083,836	\$37,435,531	Finance & Procurement Services: Ensures fiscal prudence and responsible management of resources
	\$26,818,830	\$20,326,799	Customer & Community Engagement Services: Supports transparent communication and responsiveness to the needs of customers and the District
	\$16,038,245	\$18,347,138	Preparedness & Protection Services: Builds and maintains robust safety, security, and emergency response capabilities
	\$17,484,717	\$17,963,814	Strategic & Governance Services: Drives long-term planning, performance oversight, and corporate compliance
	\$14,872,076	\$14,909,982	Technology & Digital Services: Modernizes and maintains the crucial digital infrastructure and systems supporting all operations
	\$10,262,203	\$11,050,760	Employee Support Services: Prioritizes workforce training, development, health, and well-being

The FY 2027 budget is a targeted investment that balances immediate operational requirements with strategic improvements across all nine foundational services, assuring continued excellence and stewardship of resources.

FY 2027 Approved Budget Overview by Services

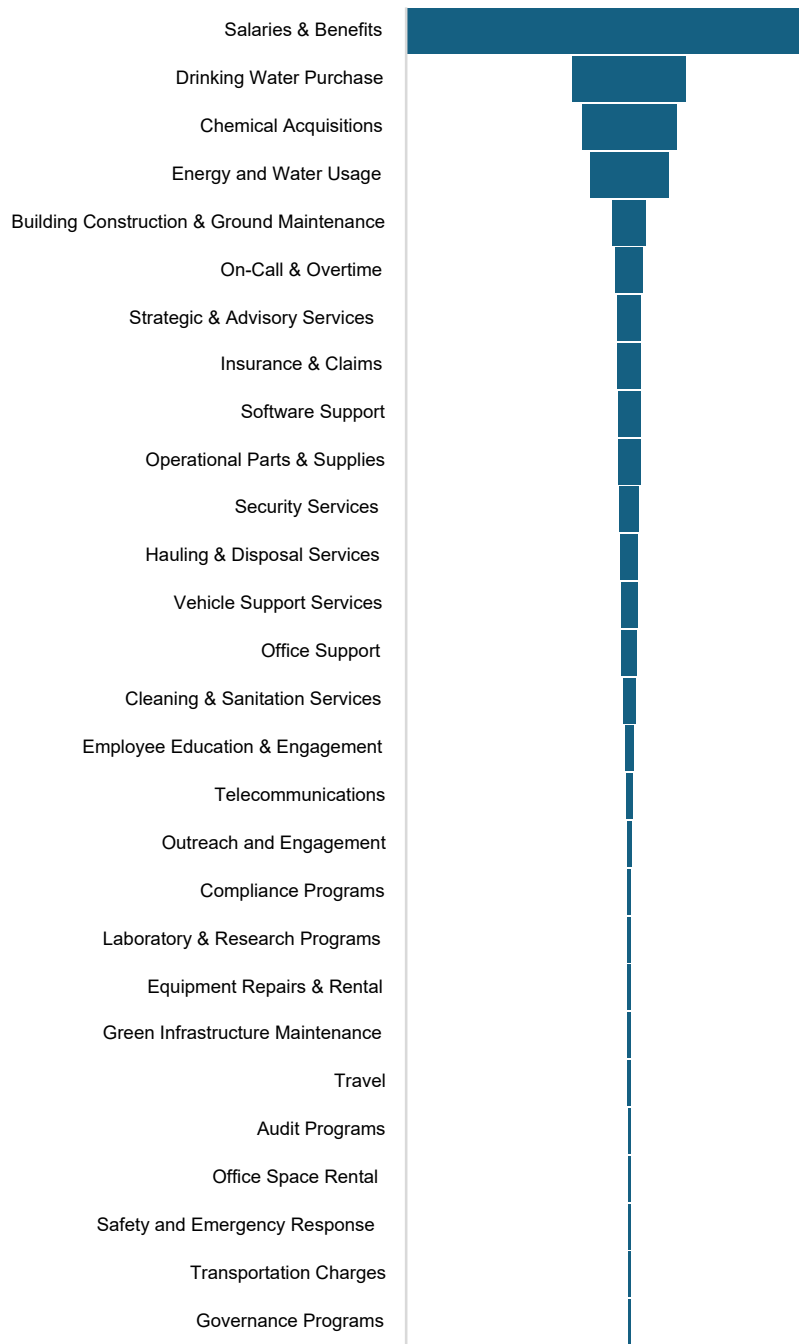
The Approved FY 2027 budget supports DC Water’s mission to deliver safe, reliable, and sustainable water and wastewater services while advancing strategic priorities under Blueprint 2.0. This budget funds a wide range of services and directs resources toward sustaining core operations while expanding capacity in critical areas.

DC Water’s core operations and maintenance budget comprises of various essential activities (depicted in the graph to the right) provided by all departments. These operational activities are grouped into nine (9) major services (depicted in the graph below) to better justify requests, allocate resources based on outcomes and guide decision-making.

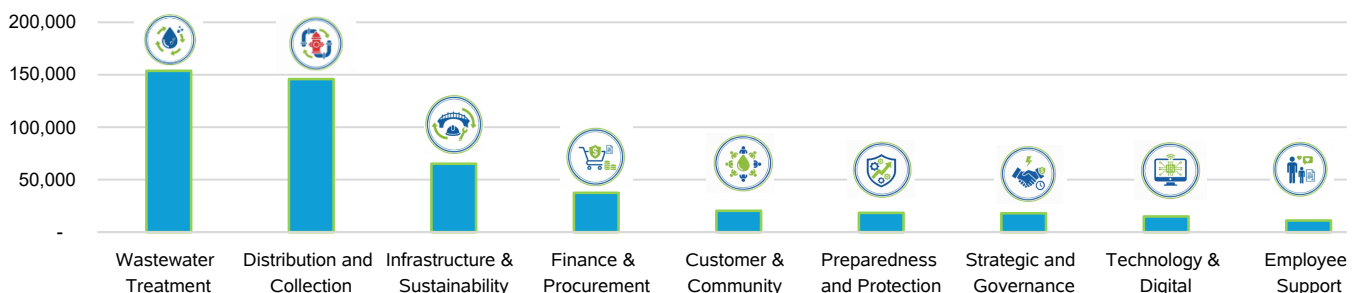
The largest share of the O&M budget, 47% for salaries, benefits and overtime, reflects the Authority’s commitment to maintaining a skilled workforce. Fixed expenses at 28% covers the purchase of drinking water, energy use and chemicals which are critical to daily water and wastewater operations. The remainder of 25% is necessary for asset maintenance, critical parts and equipment, insurance coverage, claims, technology, and other essential services. These include security, hauling & disposal, strategic & advisory services, office support, cleaning & sanitation, compliance, research, customer outreach, training, audits, safety and emergency response activities. These investments reinforce regulatory alignment, innovation, community trust, and resilience.

Overall, the FY 2027 budget balances immediate operational needs with strategic long-term priorities, ensuring continued service reliability and responsible stewardship of resources.

Breakdown of O&M Activities



FY 2027 O&M Breakdown of Services



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.

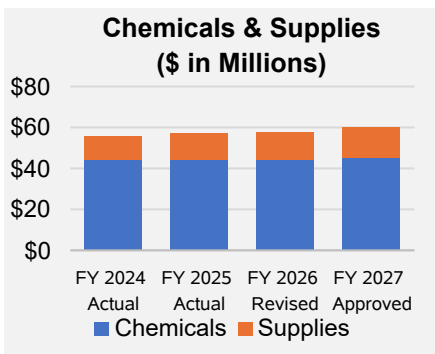
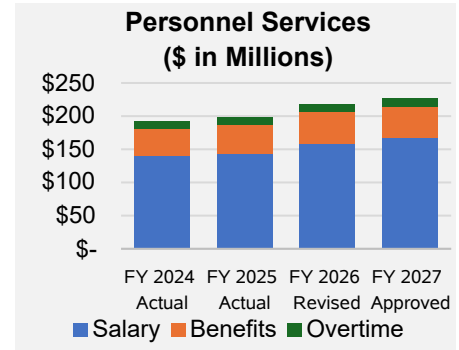
The Approved FY 2027 budget for Operations expenditures is \$844.1 million, which is an increase of 0.7% from the Revised FY 2026 budget. The operations and maintenance expenses are categorized into six major expenditure types: Personnel Services, Chemicals & Supplies, Contractual Services, Utilities & 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.

<i>\$ in thousands</i>	FY 2024 Year-End Actual	FY 2025 Year-End Actual	FY 2026 Revised Budget	Approved Budget	FY 2027 Change	% Budget
Personnel Services	\$ 192,994	\$ 197,802	\$ 217,462	\$ 226,963	\$ (9,501)	-4.4%
Chemicals & Supplies	55,596	56,834	57,491	60,177	(2,686)	-4.7%
Contractual Services	89,276	90,012	102,284	99,994	2,290	2.2%
Utilities and Rent	34,202	39,731	41,659	42,201	(542)	-1.3%
Water Purchases	38,904	43,498	48,149	54,470	(6,321)	-13.1%
Small Equipment	1,599	1,311	1,531	1,005	526	34.3%
Total O&M Expenditures	\$ 412,570	\$ 429,188	\$ 468,576	\$ 484,810	\$ (16,234)	-3.5%
Debt Service	220,073	224,506	247,448	257,898	(10,450)	-4.2%
Cash Financed Capital Improvements	58,576	58,438	97,938	76,846	21,092	21.5%
Payment in Lieu of Taxes	18,330	18,696	19,070	19,452	(381)	-2.0%
Right of Way Fees	5,100	5,100	5,100	5,100	-	0.0%
Total Operating Expenditures	\$ 714,648	\$ 735,928	\$ 838,133	\$ 844,105	\$ (5,973)	-0.7%
Personnel Services Charged to Capital Projects	(26,699)	(25,789)	(30,907)	(31,360)	454	-1.5%
Net Operating	\$ 687,949	\$ 710,140	\$ 807,226	\$ 812,745	\$ (5,519)	-0.7%

PERSONNEL SERVICES

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

Total costs for FY 2027 are estimated at \$227.0 million, or 21.2% of total operating budget and reflect a \$9.5 million or 4.4% increase from prior year. The increase in employee salaries and benefits is designed to enhance workforce retention amid a highly competitive labor market



CHEMICALS & SUPPLIES

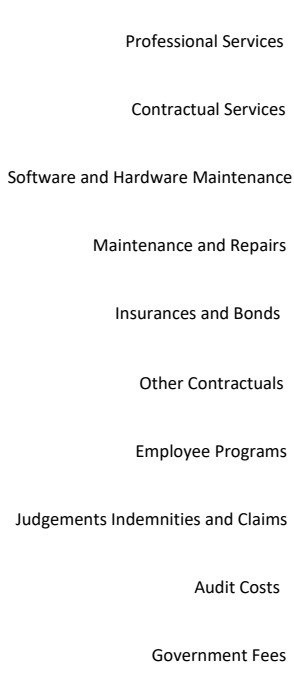
These include the various chemicals (Methanol, Polymer, Ferric Chloride, Etc.) used in the treatment processes, office supplies, custodial supplies including spare parts for maintaining critical assets, uniforms for operational and technical employees, etc.

The Approved FY 2027 budget is estimated at \$60.2 million, or 5.6% of total operating budget and reflect a 4.7% increase from prior year budget. The \$2.7 million increase is mainly due to higher costs for chemicals and supplies

FY 2027 Contractual Services



CONTRACTUAL SERVICES



The Approved FY 2027 contractual services budget is \$100 million, representing 9.4% of the total operating budget and reflects a 2.2% net decrease compared to the prior year.

MAJOR CONTRACTUAL SERVICES

- **Professional Services:** Provides support for security and traffic services, legal contingency and general litigation, Combined Heat & Power (CHP) facility, consulting, strategic, legal, financial advisory, temporary staffing, research and development
- **Contractual Services:** Supports Hauling and disposal of waste materials, industrial cleaning, odor control, janitorial, fire systems, reservoir, fats, rags, oil and grease (FROG) management and root foaming
- **Software and Hardware Maintenance:** a portion of the Software subscriptions costs are reallocated to the capital budget based on new reporting requirement, and technical support
- **Maintenance and Repairs:** Electrical, vehicles, heavy-duty equipment, HVAC, elevator systems, green infrastructure
- **Employee Programs:** These includes tuition assistance, training, and conferences
- **Insurance Services:** These are premiums for liability and property coverage
- **Other Contracts:** Storage, printing, advertising, material transportation, and regional services



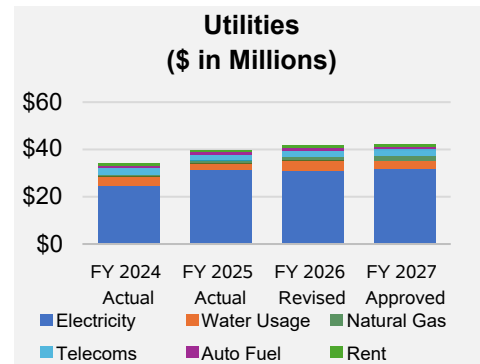
UTILITIES



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

Total utilities for FY 2027 are \$42.2 million, or 4.0% of total operating budget, and reflect a 1.3% increase from prior year budget

Electricity – A projected \$0.9 million increase is based on anticipated increase in capacity charges. Energy is used for various treatment activities at Blue Plains, Pump Stations and various facilities. Onsite 7MW generation from the Combined Heat & Power Facility and solar energy mitigates cost growth and reduces reliance on the power grid

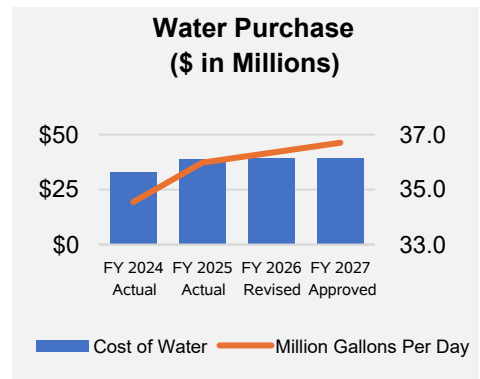


WATER PURCHASE



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 budget for FY 2027 is \$54.5 million, or 11.2% of the total in operating budget and reflect a 13.1% increase from prior year budget. The \$6.1 million increase is driven by an increase in the Washington Aqueduct's budget

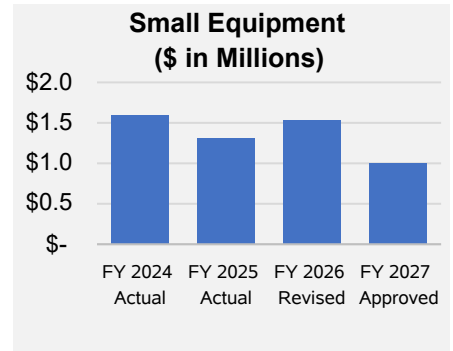




SMALL EQUIPMENT Healthy, Safe and Well Reliable Resilient

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

Total costs for FY 2027 are estimated at \$1 million, with approximately \$0.5 million decrease due to reduced reliance on rental equipment at Blue Plains



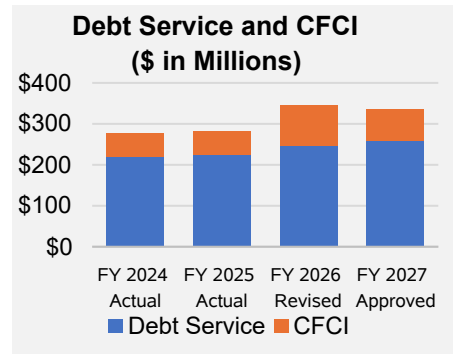
DEBT SERVICE & CFCI Healthy, Safe and Well Reliable Resilient

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. The total debt service is planned at \$247.5 million in FY 2026 and \$257.9 million in FY 2027

The FY 2026 revised budget reflects reprogramming of \$24.0 million from debt service to CFCI for paygo to reduce future borrowing costs

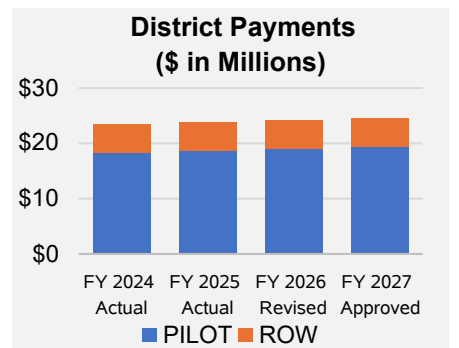
CFCI serves dual purpose as an Operations and Maintenance budget contingency, and provides sufficient debt service coverage/paygo



DISTRICT PAYMENTS Healthy, Safe and Well Reliable Resilient

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)

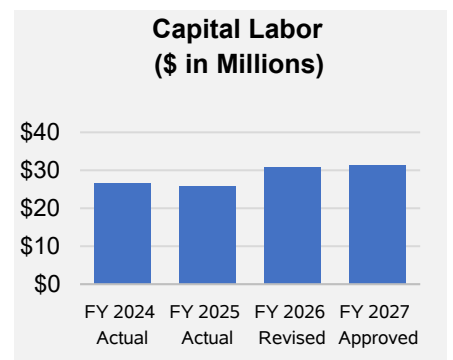
The PILOT is for \$19.4 million and increased by 2%, and the ROW fee is \$5.1 million, no change from the prior year



CAPITAL LABOR Healthy, Safe and Well Reliable Resilient

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

The Approved FY 2027 budget is \$31.3 million, an increase of \$0.4 million mainly due to increase in our capital improvement program



Operating Expenditures by Department and Cluster

(\$ in thousands)

Departments & Clusters	FY 2024 ACTUAL	FY 2025 ACTUAL	FY 2026 REVISED	FY 2027 APPROVED
OPERATIONS	\$ 255,976	\$ 273,526	\$ 291,074	\$ 303,550
Office of the Chief Operating Officer	1,585	2,759	2,059	1,350
Wastewater Treatment Operations	92,889	99,532	101,362	104,331
Process Engineering	6,432	7,776	8,468	9,118
Maintenance Services	24,233	23,230	26,945	26,914
Clean Water and Technology	3,878	3,871	5,486	5,063
Resource Recovery	6,833	7,570	8,354	8,325
Water Operations	78,534	84,646	92,346	101,798
Pumping and Sewer Operations	41,593	44,142	46,056	46,651
ENGINEERING	\$ 37,204	\$ 35,422	\$ 40,148	\$ 40,416
Engineering & Technical Services	23,128	16,905	21,382	
CIP Infrastructure Management	1,514	827	4,530	
Wastewater Engineering	4,202	5,251	4,862	8,960
Permit Operations	4,946	5,878	5,399	8,902
Clean Rivers	3,415	3,551	3,974	4,118
Shared Services and Asset Management		2,733		15,075
Water Program and Lead Free DC		277		3,361
ADMINISTRATION	\$ 52,453	\$ 55,154	\$ 60,694	\$ 64,692
Office of the Chief Administration Officer	491	794	1,325	2,644
Customer Care	14,908	15,771	17,130	15,071
Marketing and Communication	3,891	4,354	4,850	5,255
Office of Emergency Management	1,560	1,677	1,801	1,976
Fleet Management	7,515	7,033	7,543	9,891
Occupational Safety & Health	2,647	3,528	3,370	3,435
Facilities Management	11,285	11,412	13,807	13,484
Security	10,157	10,585	10,866	12,936
INFORMATION TECHNOLOGY	\$ 11,037	\$ 11,232	\$ 12,155	\$ 12,345
Information Technology	11,037	11,232	12,155	12,345
INDEPENDENT OFFICES	\$ 4,490	\$ 4,308	\$ 4,547	\$ 3,231
Secretary to the Board	808	845	1,033	1,055
Office of the Chief Executive Officer	2,866	2,690	2,696	1,311
Internal Audit (outsourced)	815	772	818	864
FINANCE & PROCUREMENT	\$ 32,423	\$ 30,901	\$ 38,084	\$ 37,436
Finance	24,246	22,944	27,762	26,981
Procurement	6,490	6,654	7,644	8,086
Compliance and Business Development	1,687	1,304	2,477	2,169
Non-Ratepayer Revenue Fund	-	-	200	200
STRATEGY AND PERFORMANCE	\$ 2,925	\$ 2,755	\$ 3,244	\$ 4,044
Strategy and Performance	2,925	2,755	3,244	4,044
PEOPLE AND TALENT	\$ 10,128	\$ 9,124	\$ 10,262	\$ 11,051
People and Talent	10,128	9,124	10,262	11,051
GOVERNMENT AND LEGAL AFFAIRS	\$ 5,934	\$ 6,765	\$ 8,369	\$ 8,045
Government and Legal Affairs	5,934	6,765	8,369	8,045
Subtotal O & M Expenditures	\$ 412,570	\$ 429,188	\$ 468,576	\$ 484,810
Debt Service	220,073	224,506	247,448	257,898
Cash Financed Capital Improvements	58,576	58,438	97,938	76,846
Payment in Lieu of Taxes	18,330	18,696	19,070	19,452
Right of Way Fees	5,100	5,100	5,100	5,100
Total Operating Expenditures	\$ 714,648	\$ 735,928	\$ 838,133	\$ 844,105
Personnel Services charged to Capital Projects	(26,699)	(25,789)	(30,907)	(31,360)
Total Net Operating Expenditures	\$ 687,949	\$ 710,140	\$ 807,226	\$ 812,745

FY 2026 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	105	11,780	3,930	1,538	17,249	346	43,955		11,180	-	-	74	84,113	101,362
812ZZZ-Process Engineering	36	4,772	1,498	28	6,298	579	-		1,558	-	-	-	2,169	8,468
811ZZZ-Maintenance Services	94	10,644	3,168	906	14,718	5,919	-		5,152	-	-	1,010	12,227	26,945
813ZZZ-Water Operations	251	25,440	8,007	3,613	37,059	1,628	39		4,902	-	48,149	123	55,286	92,346
600ZZZ-Customer Care	83	8,807	2,475	283	11,565	2	-		5,182	-	-	-	5,566	17,130
801ZZZ-Engineering and Technical Services	0	13,798	3,941	938	18,677	150	-		2,214	-	-	20	2,705	21,382
802ZZZ-CIP Infrastructure Management	0	3,547	915	7	4,469	10	-		52	-	-	-	62	4,530
803ZZZ-Wastewater Engineering	38	3,130	810	1	3,941	2	-		919	-	-	-	921	4,862
800ZZZ-Clean Rivers	9	1,788	461	-	2,250	5	-		1,657	-	-	-	1,724	3,974
804ZZZ-Permit Operations	57	3,466	1,034	65	4,566	19	-		792	-	-	-	834	5,399
814ZZZ-Pumping and Sewer Operations	179	19,697	6,166	2,904	28,768	1,727	0		5,828	-	-	142	17,288	46,056
810YYY-Resource Recovery	9	1,182	385	154	1,721	7	-		804	5,821	-	-	6,633	8,354
810XXX- Clean Water and Technology	15	1,851	495	100	2,446	856	-		2,182	-	-	-	3,040	5,486
Subtotal Operations	952	\$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	-	-	-	-	-	-	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	3	1,135	280	-	1,415	2	-	2	627	-	-	13	644	2,059
105ZZZ-Office of Chief Administration Officer	5	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	14	1,770	473	3	2,246	15	-	22	1,087	-	-	-	1,124	3,370
204ZZZ-Facilities Management	52	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	-	-	-	-	-	-	0	200	-	-	-	200	200
303ZZZ-Compliance & Business Development	11	1,527	438	-	1,965	10	-	0	502	-	-	-	512	2,477
400ZZZ-Strategy and Performance	10	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	331	\$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														247,448
Cash Financed Capital Improvements														97,938
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

(\$ in thousands)

FY 2027 Approved Budget by Department by Category

	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	11,671	3,376	1,800	16,847	384	45,385	28,917	12,702	-	-	95	87,484	104,331
812ZZZ-Process Engineering	36	4,682	1,677	56	6,415	914	-	43	1,731	-	-	14	2,703	9,118
811ZZZ-Maintenance Services	95	10,755	3,391	908	15,054	6,108	-	156	4,905	-	-	691	11,860	26,914
813ZZZ-Water Operations	253	27,143	7,998	4,100	39,242	2,132	19	732	5,142	0	54,470	62	62,556	101,798
600ZZZ-Customer Care	83	9,142	2,609	275	12,026	2	-	170	2,874	-	-	-	3,045	15,071
801ZZZ-Engineering and Technical Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
802ZZZ-CIP Infrastructure Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-
803ZZZ-Wastewater Engineering	38	6,273	1,572	5	7,849	33	-	0	1,078	-	-	-	1,111	8,960
800ZZZ-Clean Rivers	9	1,828	443	-	2,271	5	-	89	1,754	-	-	-	1,847	4,118
804ZZZ-Permit Operations	47	6,072	1,848	400	8,321	17	-	65	500	-	-	-	581	8,902
810XXX- Clean Water and Technology	15	1,822	509	100	2,430	740	-	29	1,863	-	-	-	2,633	5,063
810YYY-Resource Recovery	9	1,239	374	90	1,703	4	-	9	789	5,819	-	-	6,622	8,325
814ZZZ-Pumping and Sewer Operations	179	20,655	5,718	3,300	29,673	1,957	-	9,454	5,483	-	-	83	16,977	46,651
805ZZZ-Shared Services and Asset Manage	76	10,455	2,973	600	14,028	138	-	0	908	-	-	-	1,047	15,075
806ZZZ-Water Program and Lead Free DC	10	1,727	487	6	2,219	30	-	296	816	-	-	-	1,142	3,361
Subtotal Operations	955	\$113,464	\$32,975	\$11,640	\$158,078	\$12,464	\$45,405	\$39,961	\$40,546	\$5,819	\$54,470	\$945	\$199,609	\$357,687
100ZZZ-Secretary to the Board	3	534	103	-	636	9	-	5	405	-	-	-	419	1,055
101ZZZ-Office of Chief Executive Officer	3	789	182	-	971	8	-	19	313	-	-	-	341	1,311
102ZZZ-Internal Audit	-	-	-	-	-	-	-	0	864	-	-	-	864	864
103ZZZ-Marketing and Communication	20	3,365	885	3	4,253	7	-	21	974	-	-	-	1,002	5,255
104ZZZ-Office of Chief Operating Officer	3	812	194	-	1,006	2	-	3	339	-	-	-	344	1,350
105ZZZ-Office of Chief Administration Officer	4	1,560	314	0	1,873	3	-	5	763	-	-	-	770	2,644
201ZZZ-Office of Emergency Management	7	1,054	294	5	1,353	24	-	19	576	-	-	5	623	1,976
202ZZZ-Fleet Management	8	2,016	579	4	2,599	1,407	-	1,343	4,515	0	-	28	7,292	9,891
203ZZZ-Occupational Safety	14	1,949	529	5	2,482	31	-	29	890	-	-	3	953	3,435
204ZZZ-Facilities Management	52	5,631	1,592	475	7,698	733	-	133	4,914	-	-	6	5,786	13,484
205ZZZ-Security	8	2,390	545	3	2,938	41	-	316	9,636	-	-	5	9,998	12,936
300ZZZ-Finance	65	10,921	3,032	40	13,993	7	-	64	12,917	-	-	-	12,988	26,981
301ZZZ-Procurement	41	5,813	1,736	85	7,634	13	-	44	394	-	-	-	452	8,086
302ZZZ-Non-Ratepayer Revenue Fund	-	-	-	-	-	-	-	0	200	-	-	-	200	200
303ZZZ-Compliance & Business Development	9	1,304	370	-	1,674	9	-	0	486	-	-	-	495	2,169
400ZZZ-Strategy and Performance	10	1,920	477	-	2,397	2	-	3	1,641	-	-	-	1,647	4,044
500ZZZ-People and Talent	31	4,905	1,171	-	6,076	5	-	28	4,942	-	-	-	4,975	11,051
601ZZZ-Information Technology	36	6,329	1,528	6	7,863	3	-	186	4,280	-	-	13	4,482	12,345
700ZZZ-Government and Legal Affairs	14	2,750	688	-	3,438	5	-	25	4,578	-	-	-	4,607	8,045
Subtotal Administration	328	\$54,040	\$14,218	\$626	\$68,884	\$2,308	-	\$2,241	\$53,629	\$0	-	\$61	\$58,239	\$127,123
Subtotal O & M Expenditures	1,283	\$ 167,504	\$ 47,193	\$ 12,265	\$ 226,963	\$ 14,772	\$ 45,405	\$ 42,201	\$ 94,175	\$ 5,819	\$ 54,470	\$ 1,005	\$ 257,847	\$ 484,810
Debt Service														257,898
Cash Financed Capital Improvements														76,846
Payment in Lieu of Taxes														19,452
Right of Way														5,100
Total OPERATING EXPENDITURES														844,105
Personnel Services charged to Capital Projects														(31,360)
TOTAL NET OPERATING EXPENDITURES														\$812,745

Summary of Authorized Positions by Department

DC Water continues to focus 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 2025, the approved headcount was revised from 1325 to 1280, resulting in the elimination of 45 vacant positions identified as hard-to-fill positions across the Authority
- In FY 2026, the Authority approved and established three new positions aimed at addressing critical infrastructure and operational needs, enhancing organizational resilience, and driving innovation across key programs

Impact on Workforce:

- The authorized headcount decreased by approximately 1.9% from FY 2024 to FY 2027, reflecting the organization’s commitment to efficiency and achieving a lower single digit vacancy rate than historical trends. Specialized positions were created to strengthen resilience, support critical infrastructure, address operational priorities, and build future-focused capabilities

Major FY 2027 Position Changes

Overview of FY 2027:

- The Authority maintained its FY 2026 staffing levels while strategically refining its workforce approach to better align with evolving business priorities and market conditions. This effort included the targeted elimination of long-standing vacant positions—redirected without active recruitment—and the selective addition of a minimal number of new roles to ensure continued responsiveness to emerging operational demands

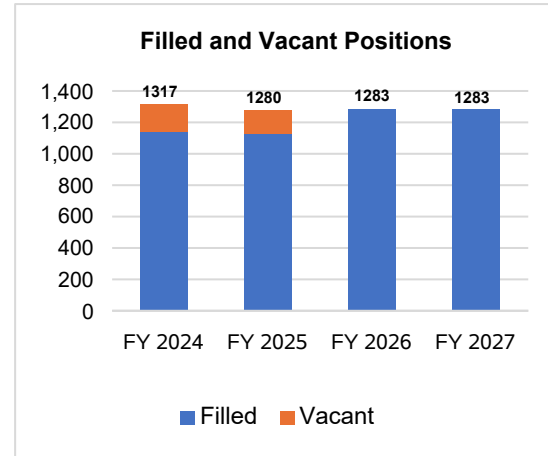
Changes in FY 2027:

- New Positions: Introduction of 6 new positions in key areas such as operations, fleet services, and human resources
- Headcount Adjustments: Elimination of vacant positions to maintain a balanced workforce, ensuring that the organization remains nimble and optimizes resource utilization

Rationale for Changes:

- Strategic Alignment: DC Water remains committed to aligning its workforce with long-term organizational goals, ensuring that talent and capabilities directly support strategic priorities
- Operational Efficiency: Human resources are being optimized to streamline operations, eliminate redundancies, and enhance overall productivity across departments
- Market Adaptation: By investing in high-impact areas, DC Water is proactively adapting to shifting market trends and evolving customer expectations to strengthen service delivery and accelerate business growth

These position changes underscore management’s forward-thinking approach to workforce planning—ensuring the organization remains agile, strategically staffed, and well-prepared to navigate future challenges and seize emerging opportunities.



Authorized Positions

	FY 2024		FY 2025		FY 2026	FY 2026	FY 2027
	Authorized	Year -End Filled	Authorized	Year -End Filled	Authorized	Revised	Authorized
O Wastewater Treatment Operations	106	101	105	97	105	105	105
p Process Engineering	36	29	36	27	36	36	36
e Maintenance Services	102	91	94	92	97	94	95
r Water Operations	248	227	251	225	247	251	253
a Customer Care	84	75	83	74	83	83	83
t Pumping and Sewer Operations	185	163	179	162	178	179	179
i Engineering and Technical Services	120	104	0	0	104	0	0
o Water Program and Lead Free DC	0	0	11	6	0	11	10
n Wastewater Engineering	27	16	38	35	18	38	38
s CIP Infrastructure Management	27	23	0	0	23	0	0
Shared Services and Asset Management	0	0	53	49	0	65	76
Clean Rivers	9	6	9	6	9	9	9
Permit Operations	29	26	47	43	28	57	47
Resource Recovery	8	8	9	9	9	9	9
Clean Water and Technology	12	12	15	11	14	15	15
Subtotal	993	881	930	836	951	952	955
A Office of the Chief Executive Officer	4	4	3	3	4	4	3
d Office of the Chief Operating Officer	5	4	25	18	5	3	3
m Office of the Chief Administration Officer	2	1	5	1	2	5	4
i Strategy and Performance	9	6	10	9	9	10	10
n Office of the Secretary	3	2	3	3	3	3	3
i Internal Audit (outsourced)	-	-	-	-	-	-	-
s Government and Legal Affairs	14	13	14	12	14	14	14
t Marketing and Communication	19	12	20	18	20	20	20
r People and Talent	33	21	31	25	31	31	31
a Information Technology	37	32	36	32	37	37	36
t Procurement	35	27	39	30	39	39	41
i Compliance and Business Development	8	7	11	7	11	11	9
o Finance	64	57	65	57	65	65	65
n Office of Emergency Management	6	6	6	6	7	7	7
Facilities Management	52	47	52	45	53	52	52
Security	7	7	9	8	9	9	8
Occupational Safety and Health	18	9	14	12	16	14	14
Fleet Management	8	5	7	6	7	7	8
Subtotal	324	260	350	292	332	331	328
Total Positions	1,317	1,141	1,280	1,128	1,283	1,283	1,283

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

Position Highlights

- The approved FY 2027 headcount is maintained at the FY 2026 approved level of 1,283
- Includes the addition of 6 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 5% in FY 2026 and in FY 2027. Historically, the Authority has faced a double-digit vacancy rate, with the vacancy rate based on active recruitment standing at 6.2% at the close of FY 2025 and 12.0% based on the authorized headcount
- Aligns with the strategic plan, Blueprint 2.0, to set priorities and strengthen operations, ensuring alignment with long-term goals and enhancing overall efficiency

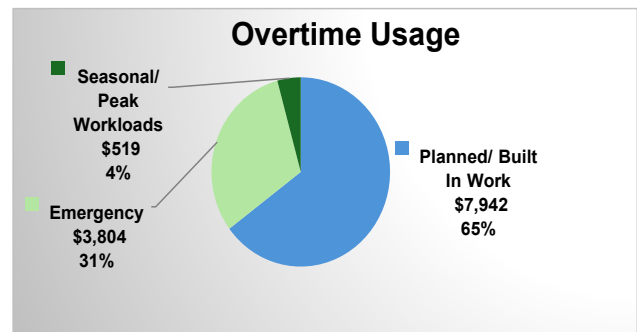
Summary of Overtime

(\$ 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 response to emergencies impacting customers. An automated Overtime Justification system was implemented to streamline overtime entry and approval across Operations. The system captures detailed information on work type, reason codes, impacted areas, and approvers, enabling improved transparency and data-driven decision-making. Collected data is used to support analysis of spending trends and operational needs, helping identify areas for efficiency and resource optimization. The system also integrates with existing financial platforms for enhanced reporting and oversight.

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

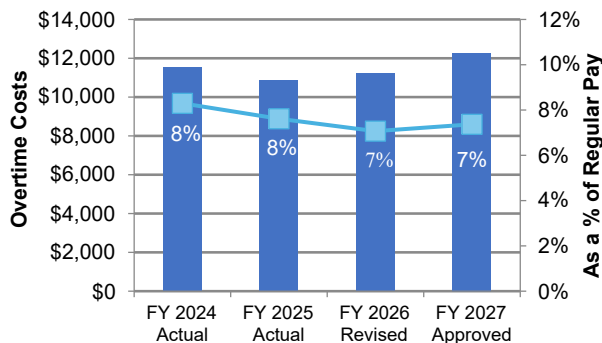
- Planned/Built-in Work:** This includes overtime that is scheduled in advance to cover regular, ongoing tasks that cannot be completed within standard working hours. It ensures that essential services are maintained without interruption.
- Emergency Work:** This type of overtime is used to respond to 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 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved
Wastewater Treatment Operations	\$ 1,451	\$ 1,539	\$ 1,538	\$ 1,800
Resource Recovery	145	120	154	90
Clean Water and Technology	92	69	100	100
Process Engineering	27	47	28	56
Maintenance Services	855	693	906	908
Engineering and Technical Services	877	621	938	-
Water Program and Lead Free DC	-	1	-	6
CIP Infrastructure Management	6	8	7	-
Shared Services and Asset Management	-	112	-	600
Wastewater Engineering	0	0	1	5
Permit Operations	57	94	65	400
Water Operations	3,942	4,066	3,613	4,100
Pumping and Sewer Operations	3,144	2,787	2,904	3,300
Customer Care	324	216	283	275
Information Technology	6	3	6	6
Office of Emergency Management	-	-	-	5
Fleet Management	3	3	4	4
Occupational Safety and Health	2	4	3	5
Facilities Management	448	366	475	475
Security	2	2	2	3
Strategy and Performance	0	-	-	-
Office of the Chief Operating Officer	-	20	-	-
Finance	32	20	45	40
Procurement	101	62	120	85
Marketing and Communication	2	1	3	3
People and Talent	2	-	3	-
Government and Legal Affairs	1	-	2	-
Total	\$ 11,521	\$ 10,854	\$ 11,200	\$ 12,265

Annual Overtime Trend



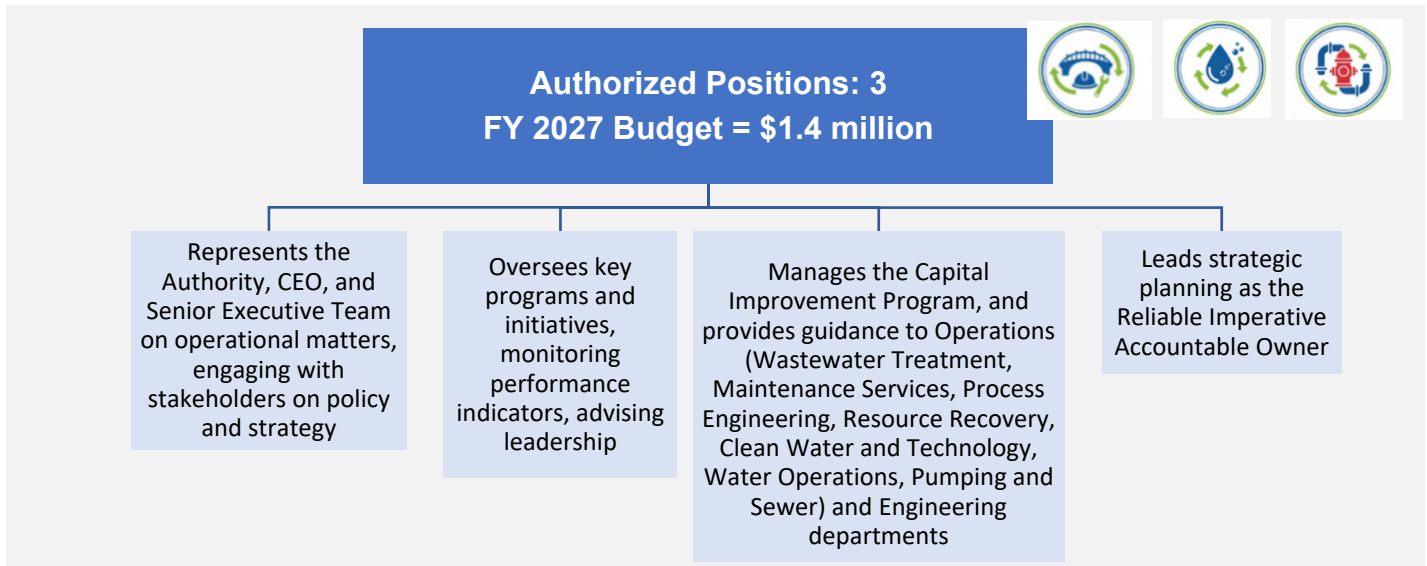
CLUSTER: OPERATIONS

DEPARTMENT: OFFICE OF THE CHIEF OPERATING OFFICER (OCOO)

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 for day-to-day operations and critical infrastructure

Organization Structure



The Cambi Thermal Hydrolysis Process (THP) at the Blue Plains Advanced Wastewater Treatment Plant

DEPARTMENT: OFFICE OF THE CHIEF OPERATING OFFICER (OCCO)

FY 2027 Operating Budget Overview

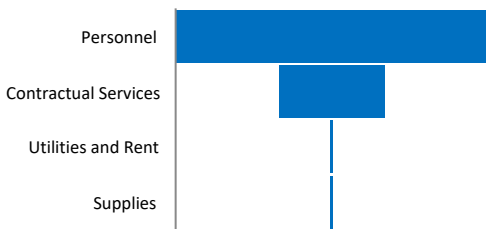
Personnel Services: The decrease reflects organizational restructuring and realignment of staff

Non-Personnel Services: Decrease primarily reflects adjustments to historical trends

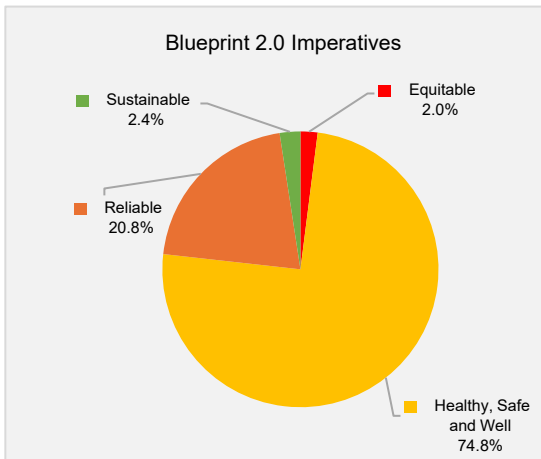
Capital Equipment: No Activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	5	25	3	3	0	0%
Personnel Services ALL	\$ 1,267	\$ 2,242	\$ 1,415	\$ 1,006	\$ 409	29%
Contractual Services	155	369	627	339	288	46%
Chemicals and Supplies	-	1	2	2	0	(4)%
Utilities and Rent	-	1	2	3	(1)	(26)%
Small Equipment	164	146	13	-	13	100%
Non Personnel Services	318	517	644	344	300	47%
Total O&M Expenditures	\$ 1,585	\$ 2,759	\$ 2,059	\$ 1,350	\$ 709	34%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Potomac Interceptor structural rehabilitation and Environmental remediation and monitoring
- Oversee the construction of the Potomac River Tunnel and the Piney Branch Tunnel as part of the Clean Rivers Program – emphasizing sustainable infrastructure development
- Advancing system reliability improvements, and operational enhancements at the Blue Plains

ACCOMPLISHMENTS

- Expanded Pressure monitoring program by deploying 120 remote pressure sensors on hydrants, enabling real time monitoring of system pressure
- Inspected 75 outfalls in FY25 with over 270 inspections completed in the past three years

GOALS

- Implement AI-driven failure prediction, maintenance optimization, and capacity resiliency
- Provide strategic leadership to ensure adherence to the EPA-mandated 2030 timeline for the successful completion of the Clean Rivers Project



Strategic Plan - Blueprint 2.0 Imperatives Legend:

Healthy, Safe and Well
Reliable
Resilient
Equitable
Sustainable

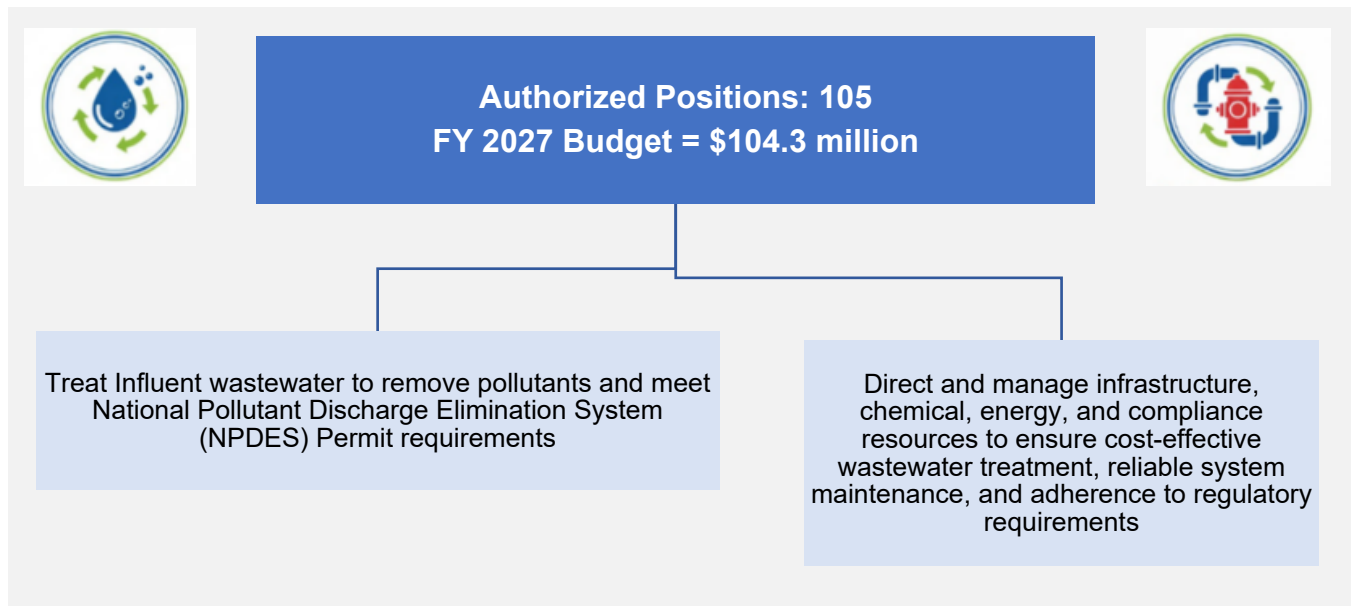
CLUSTER: OPERATIONS

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 2024	FY 2025	FY 2026	FY 2027	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

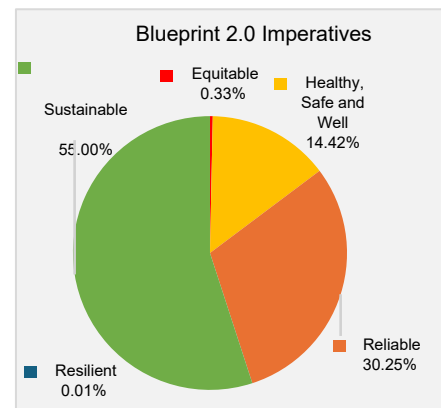
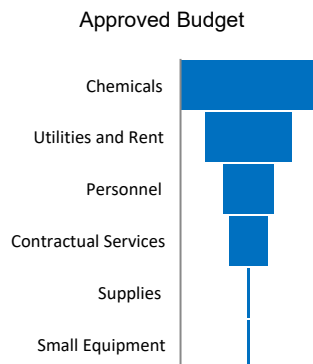
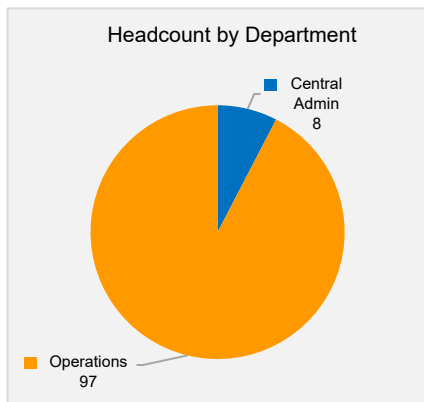
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Decrease reflects projected current staffing assumptions

Non-personnel Services: Increase covers the higher cost of chemicals, industrial cleaning services, and energy

Capital Equipment funds the automatic sampling and refrigeration equipment

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	106	105	105	105	0	0%
Personnel Services ALL	\$ 16,347	-	\$ 17,249	\$ 16,847	\$ 402	2%
Contractual Services	9,929	245	11,180	12,702	(1,522)	(14)%
Chemicals and Supplies	43,392	-	44,301	45,769	(1,468)	(3)%
Utilities and Rent	23,158	-	28,557	28,917	(360)	(1)%
Small Equipment	63	-	74	95	(21)	(28)%
Non Personnel Services	76,542	245	84,113	87,484	(3,371)	(4)%
Total O&M Expenditures	\$ 92,889	\$ 245	\$ 101,362	\$ 104,331	\$ (2,969)	(3)%
Capital Equipment	-	\$ 19	\$ 50	\$ 40	\$ 10	20%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> ▪ 13th consecutive receipt of Platinum National Association of Clean Water Agencies Award ▪ Delivered a successful overhaul of operator training program, enhancing knowledge retention and operational readiness 	<ul style="list-style-type: none"> ▪ Achieve Platinum National Association of Clean Water Agencies ▪ Continue strengthening work force knowledge and skills with new training platforms and training room/resources 	<ul style="list-style-type: none"> ▪ Fluctuating costs of chemicals and utilities due to volatility in markets ▪ Potential impacts of tariffs and changes in federal policy ▪ Potential impacts of changing regulations due to emerging contaminants of concerns (PFAS, etc.)

DEPARTMENT: WASTEWATER TREATMENT OPERATIONS

MAJOR PLANNED ACTIVITIES AND CHANGES PLANNED

- Support ongoing Computerized Maintenance Management System (CMMS) Selection or Upgrade 🛠️
- Optimization of new capital projects and support for planned CIP projects (e.g., Headworks Influent and Effluent Structure Rehab, Headworks Electrical Upgrades, Primary Clarifier Upgrade and the Filter and Disinfection Upgrades, 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

- Improved equipment reliability and operational efficiency
- Enhanced workforce skills and career growth opportunities
- Better project execution, CIP commissioning and optimization
- Increased safety culture, retention of workforce and operational effectiveness
- Streamlined asset and work order management through CMMS

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Potential operational disruptions due to coordination of large-scale process outages during construction of the Headworks Influent and Effluent Structure Rehab, Headworks Electrical Upgrades, Primary Clarifier Upgrade and Filter and Disinfection Upgrade Projects
- 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 as tunnel construction continues into 2030

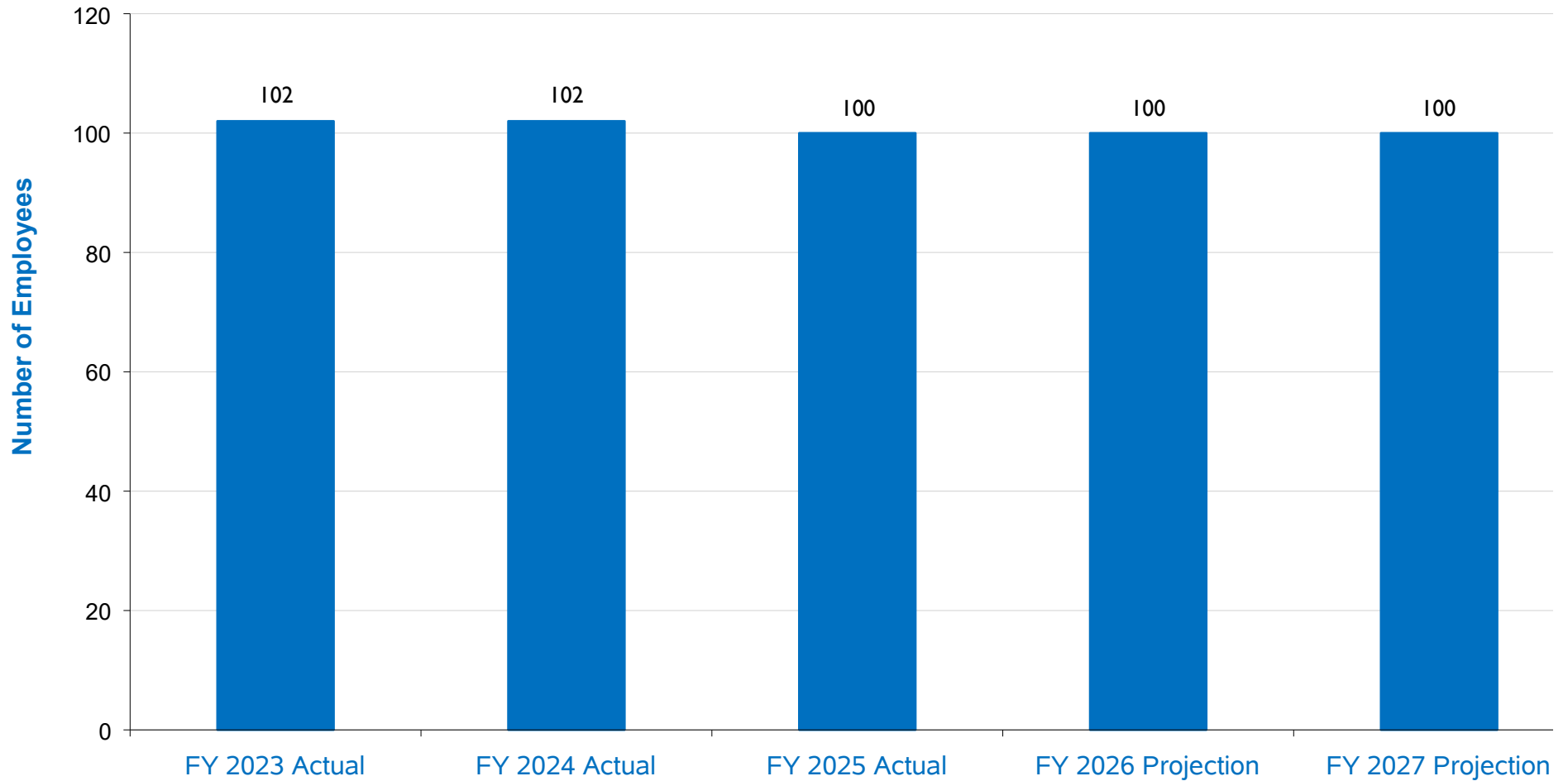


Left Image: Wastewater Treatment Operations Control Center - Right Image: Blue Plains Wastewater Treatment Plant Effluent Flow

Strategic Plan - Blueprint 2.0 Imperatives Legend:

 **Healthy, Safe and Well**
 **Reliable**
 **Resilient**
 **Equitable**
 **Sustainable**

Wastewater Treatment Certified Operators* FY 2023 - FY 2027

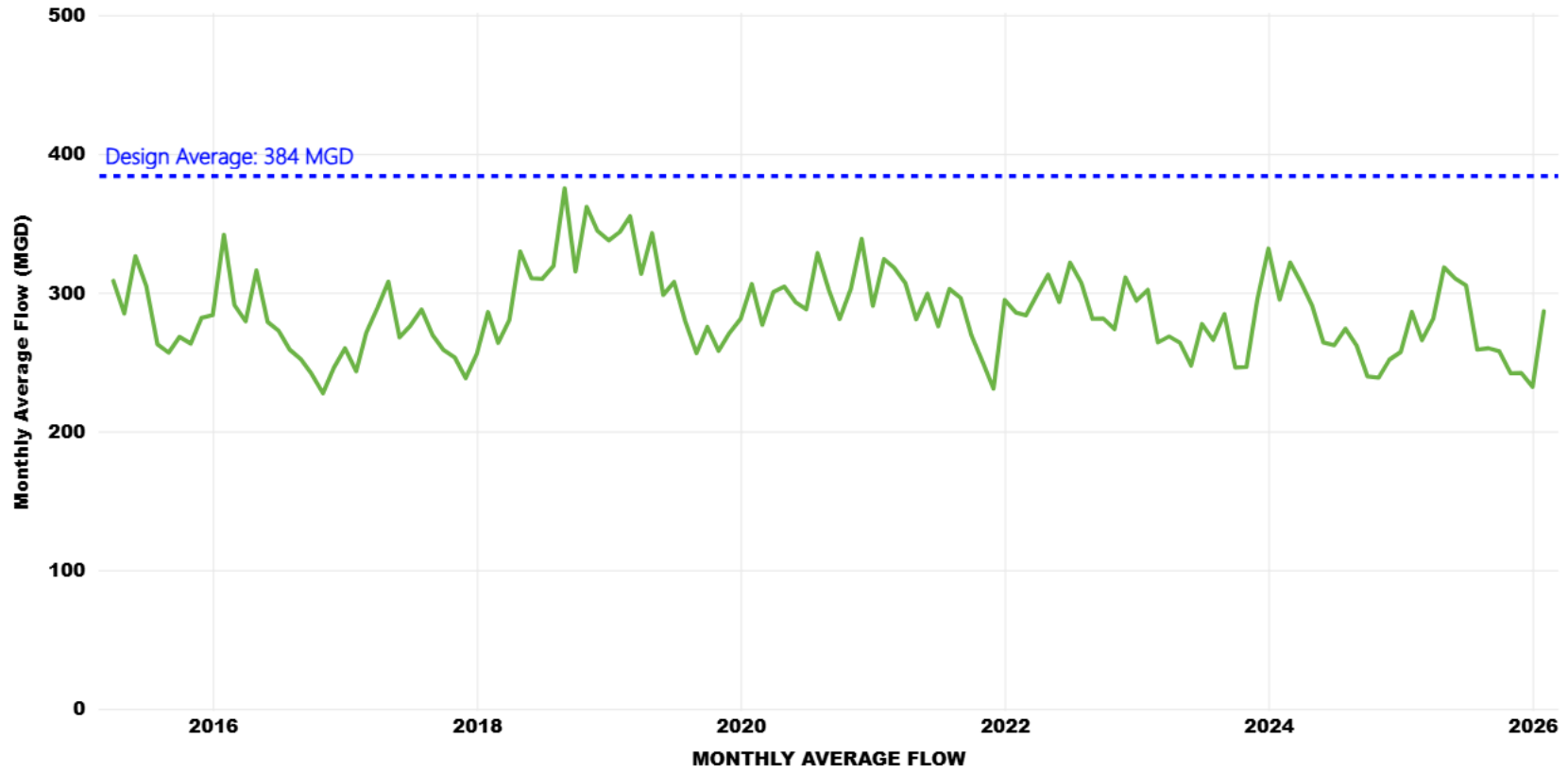


PLAINS WASTEWATER TREATMENT

PLANT EFFLUENT FLOW

January 2016 – January 2026

Complete Treatment Flow – Outfall 002 (MGD)



BLUE PLAINS WASTEWATER TREATMENT PLANT

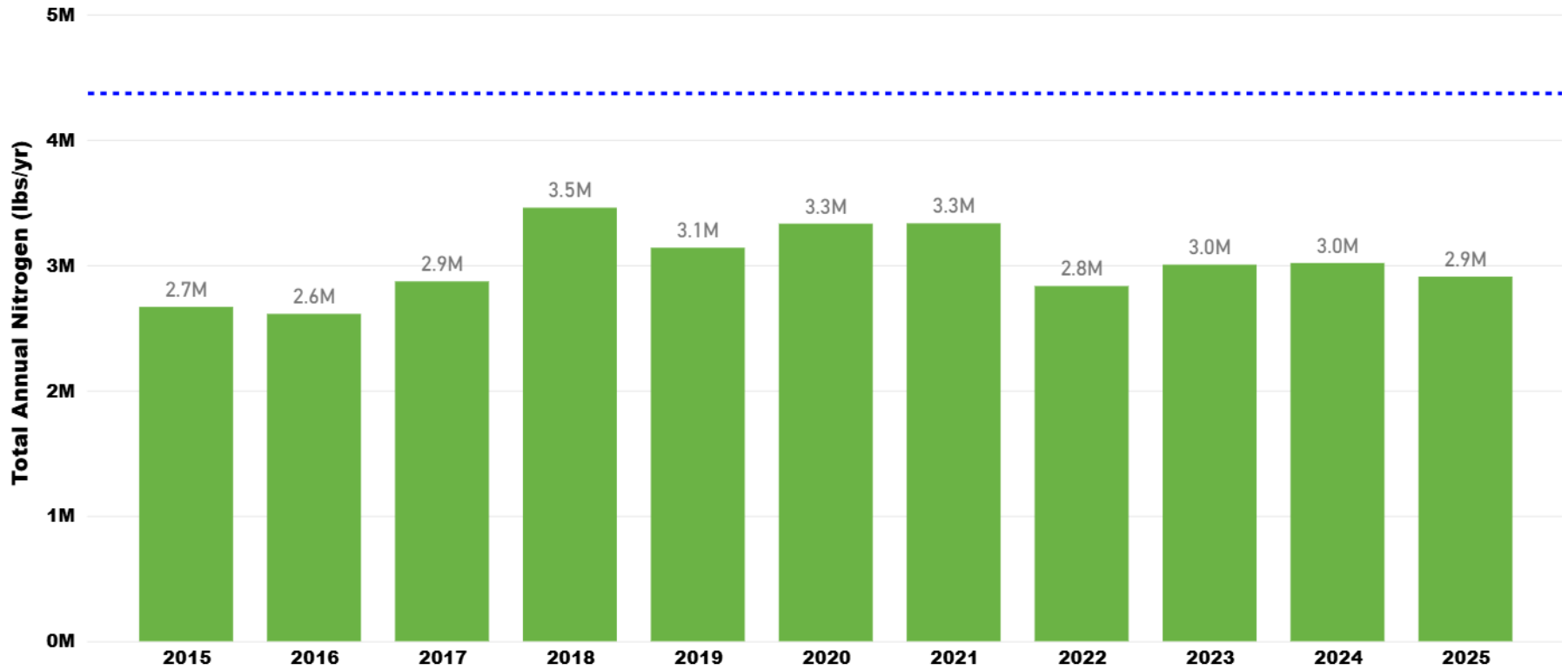
ANNUAL TOTAL NITROGEN LOAD

2015 - 2025

Total Annual Nitrogen (million lbs/yr)

Calendar Year

Annual Permit Limit (effective 2015): 4.37 M

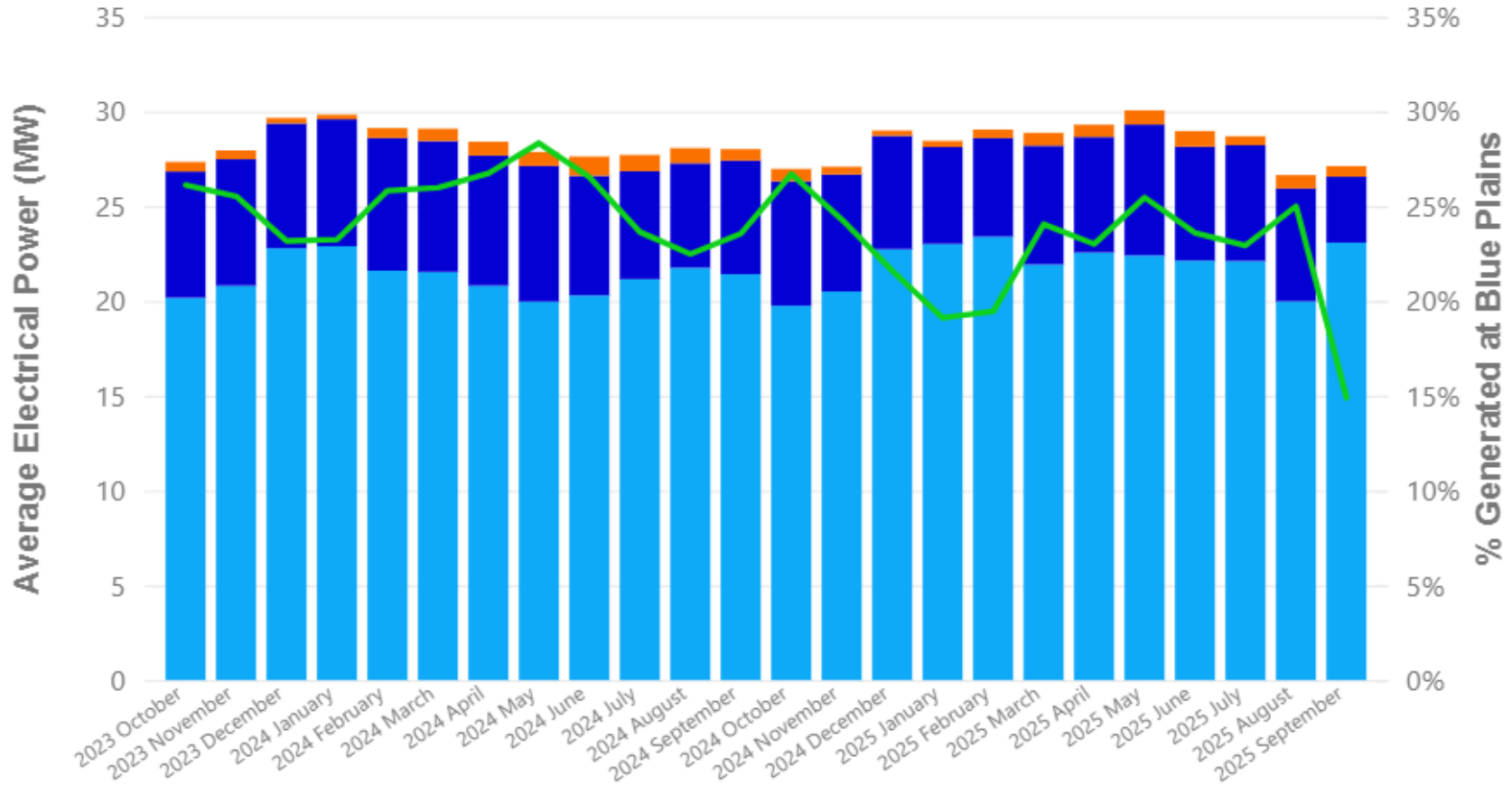


BLUE PLAINS ELECTRICITY REPORT

October 2023 – September 2025

Blue Plains Electrical report

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



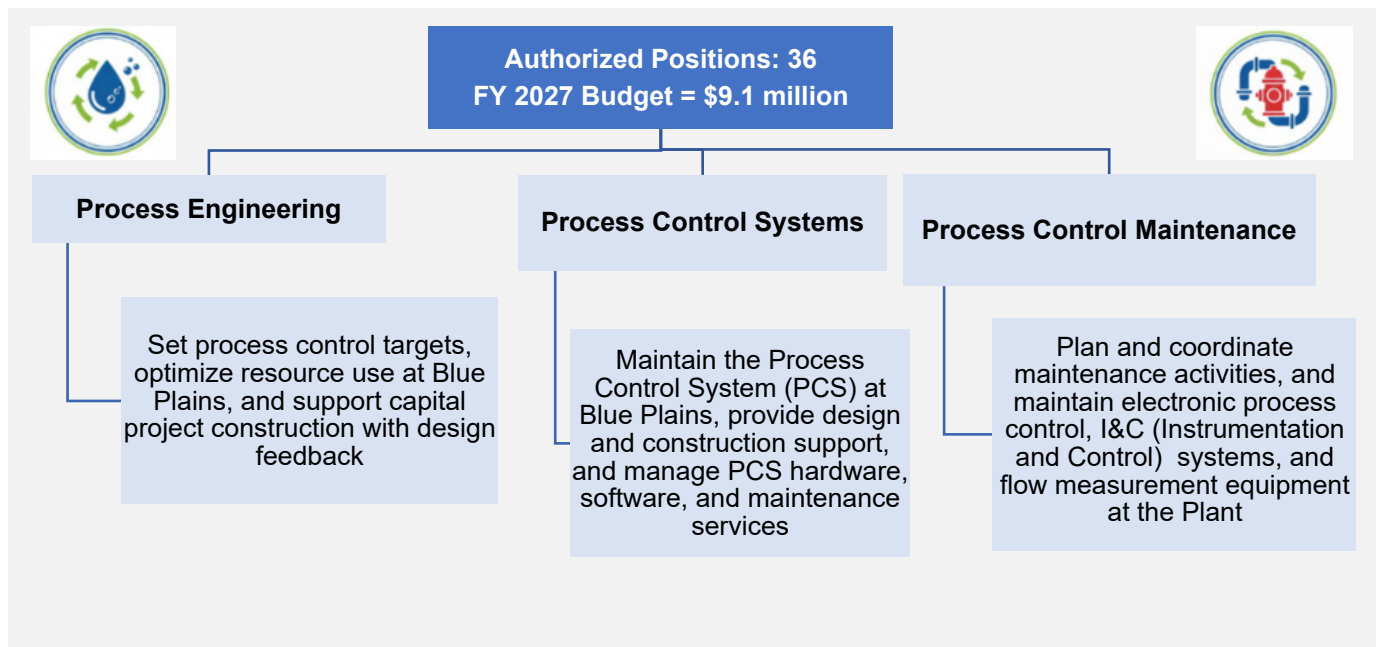
CLUSTER: OPERATIONS

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 Distributed Control System 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 2024	FY 2025	FY 2026	FY 2027	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

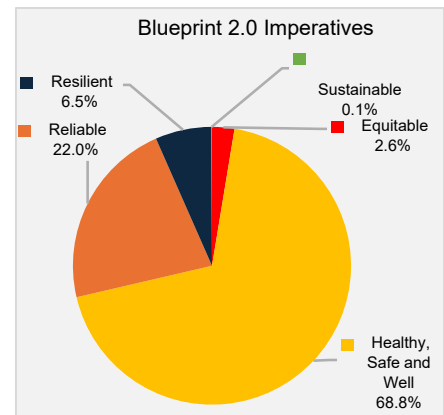
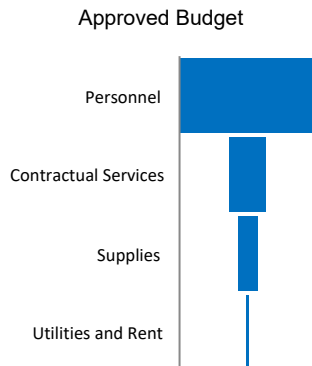
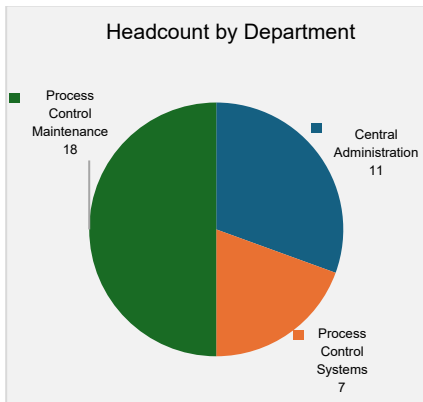
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increase for salaries, and benefits adjustments

Non-Personnel Services: Increase in parts and supplies, electrical maintenance and repairs

Capital Equipment: Purchase of annual actuator, parts for sensor calibration. Increase due to the enhancement and replacement of process probes and sensors

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	36	36	36	36	0	0%
Personnel Services ALL	\$ 4,883	-	\$ 6,298	\$ 6,415	\$ (117)	(2)%
Contractual Services	1,064	80	1,558	1,731	(173)	(11)%
Chemicals and Supplies	469	-	579	914	(336)	(58)%
Utilities and Rent	31	-	32	43	(11)	(34)%
Small Equipment	(14)	-	-	14	(14)	-
Non Personnel Services	1,549	80	2,169	2,703	(534)	(25)%
Total O&M Expenditures	\$ 6,432	\$ 80	\$ 8,468	\$ 9,118	\$ (651)	(8)%
Capital Equipment	\$ 971	\$ 1,854	\$ 775	\$ 850	\$ (75)	(10)%



ACCOMPLISHMENTS

- 13th consecutive receipt of Platinum National Association of Clean Water Agencies
- Completed upgrade of PCS Network 2
- Completed upgrade of critical process control probes in the tertiary treatment area

GOALS

- Achieve Platinum National Association of Clean Water Agencies
- Sustain Critical Equipment availability of more than 95% (monthly average)
- Complete upgrade of PCS Network 1, finalize upgrades on all 4 networks

CHALLENGES

- Fluctuating cost of chemicals and utilities due to volatility in markets
- Increasing costs of equipment, parts, tools, and services

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 Processes
- Complete ongoing Process Control System (PCS) upgrades
- Support key CIP projects, including electrical, structural, and equipment upgrades
- Conduct process design reviews for capital projects
- Optimize Plant processes to enhance permit compliance, reliability, and treatment performance, including Class A Biosolids
- Fine-tune and monitor key performance indicators in Process Engineering, and Process Control Systems
- 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 improve data tracking
- Strengthens cybersecurity posture
- Boosts treatment performance and efficiency

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Preventive maintenance costs increased due to aging equipment and delayed upgrades.
- Increased effort for training and commissioning of new facilities
- Potential operational disruptions due to coordination of large-scale process outages from the Headworks Influent and Effluent Structure Rehab, Headworks Electrical Upgrades, Primary Clarifier Upgrade and the Filter and Disinfection Upgrades CIP Projects

Strategic Plan - Blueprint 2.0 Imperatives Legend:



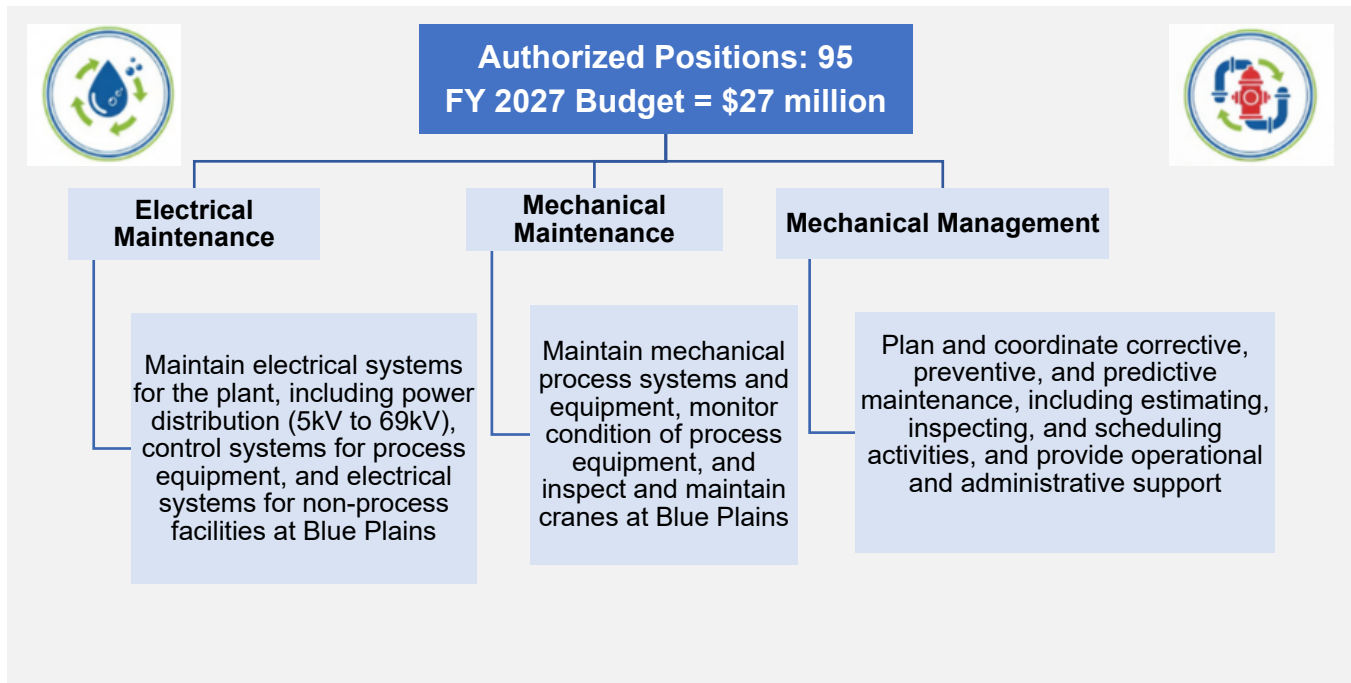
CLUSTER: OPERATIONS

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Critical Equipment Availability 97%	98%	96%	greater than 95%	greater than 95%	Reliable

DEPARTMENT: MAINTENANCE SERVICES

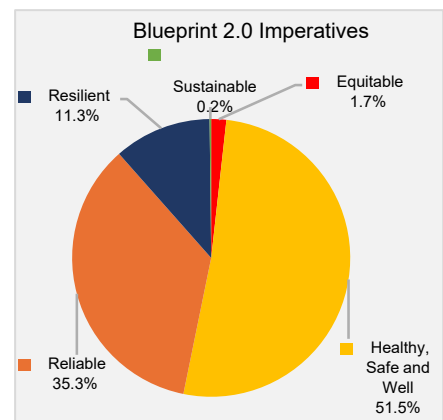
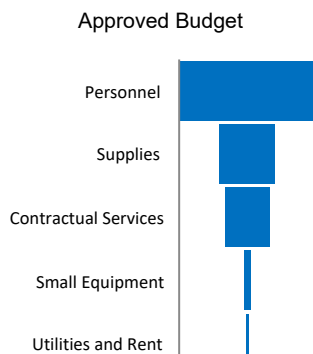
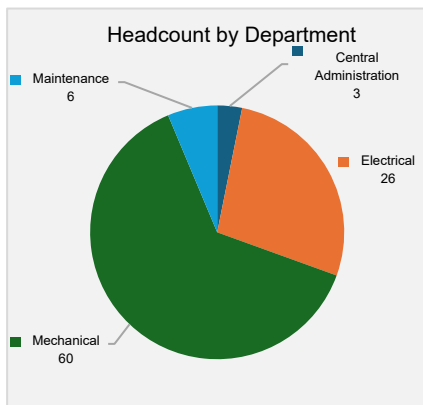
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects adjustment in salaries and benefits

Non-personnel Services: Decrease reflects reduced spend in software and hardware maintenance and crane rental at Blue Plains, partly offset by increase in supplies

Capital Equipment: Covers pump rehabilitation, motor repairs, process equipment, and facility maintenance, plus a condition monitoring system at Blue Plains; the FY 2027 decrease reflects a one-time FY 2026 purchase to implement a monitoring system for critical assets

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	102	94	94	95	(1)	(1)%
Personnel Services ALL	\$ 13,346	-	\$ 14,718	\$ 15,054	\$ (337)	(2)%
Contractual Services	4,095	196	5,152	4,905	246	5%
Chemicals and Supplies	5,702	-	5,919	6,108	(189)	(3)%
Utilities and Rent	138	-	146	156	(10)	(7)%
Small Equipment	953	-	1,010	691	320	32%
Non Personnel Services	10,887	196	12,227	11,860	367	3%
Total O&M Expenditures	\$ 24,233	\$ 196	\$ 26,945	\$ 26,914	\$ 31	0%
Capital Equipment	\$ 5,025	\$ 5,403	\$ 5,940	\$ 5,100	\$ 840	14%



ACCOMPLISHMENTS

- The critical equipment availability target was met every month during FY 2025, with an annual monthly average of 96%
- Continued training initiatives to improve the technical and safety skills of 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
- Continuing 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)

DEPARTMENT: MAINTENANCE SERVICES

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Overhaul of filter belt presses
- Continue improvement of skills to support best maintenance practices, identify and implement new training initiatives
- Continue implementation of online vibration monitoring program
- Continuing rehabilitation of major process equipment (Nitrification Blowers and pumps)
- 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)



The picture shows DC Water staff aligning a large stainless-steel mechanical component part of wastewater treatment solids-processing equipment inside a maintenance facility. This highlights the heavy-duty equipment and precision mechanical work required to maintain DC Water's process engineering operations

Strategic Plan - Blueprint 2.0 Imperatives Legend:

Healthy, Safe and Well	Reliable	Resilient	Equitable	Sustainable
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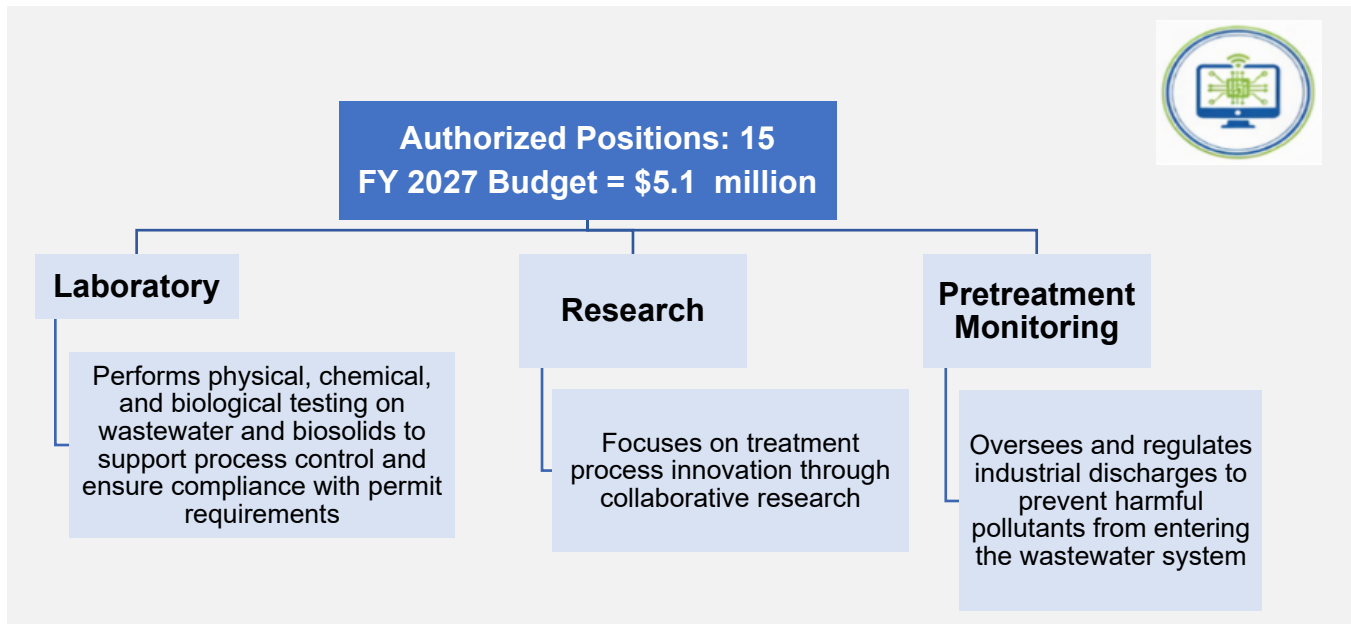
CLUSTER: OPERATIONS

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 2024	FY 2025	FY 2026	FY 2027	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 2027 OPERATING BUDGET OVERVIEW

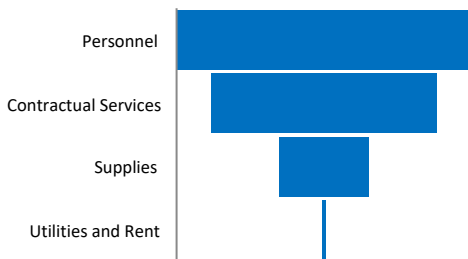
Personnel Services: Relatively flat

Non-personnel Services: Decrease reflects reduction in professional services fees, contracts and laboratory supplies, offset in part by increase in utilities

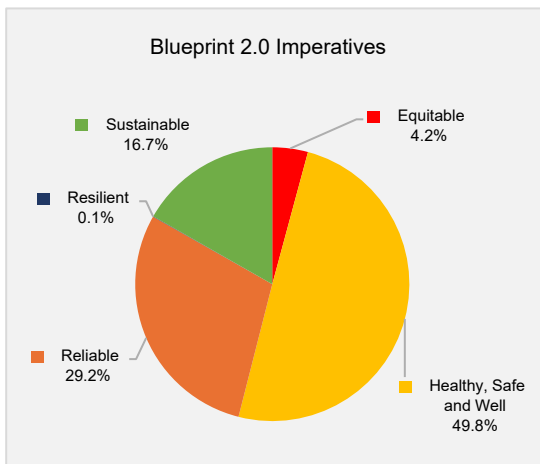
Capital Equipment: Covers laboratory equipment

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	12	15	15	15	0	0%
Personnel Services ALL	\$ 1,945	\$ 1,781	\$ 2,446	\$ 2,430	\$ 16	1%
Contractual Services	1,331	1,522	2,182	1,863	319	15%
Chemicals and Supplies	601	548	856	740	116	14%
Utilities and Rent	0	12	1	29	(28)	(2,542)%
Small Equipment	-	8	-	-	-	-
Non Personnel Services	1,933	2,090	3,040	2,633	407	13%
Total O&M Expenditures	\$ 3,878	\$ 3,871	\$ 5,486	\$ 5,063	\$ 423	8%
Capital Equipment	\$ 172	\$ 69	\$ 80	\$ 40	\$ 40	50%

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



DC Water bench-scale experimental setup used to test and evaluate wastewater treatment processes

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

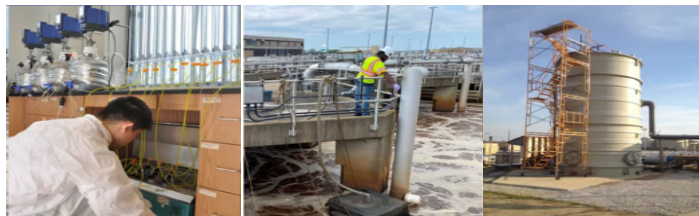
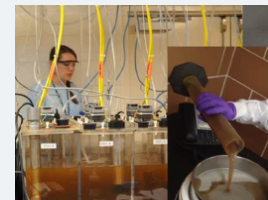


IMPACT OF OPERATIONAL PROGRAMS

- 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



Left image: DC Water Laboratory-scale experimental testing - **Middle image:** Inspections of wastewater treatment - **left image:** vertical process tank supporting advance treatment testing, storage & system performance evaluation

Strategic Plan - Blueprint 2.0 Imperatives Legend:

- Healthy, Safe and Well**
Reliable
Resilient
Equitable
Sustainable

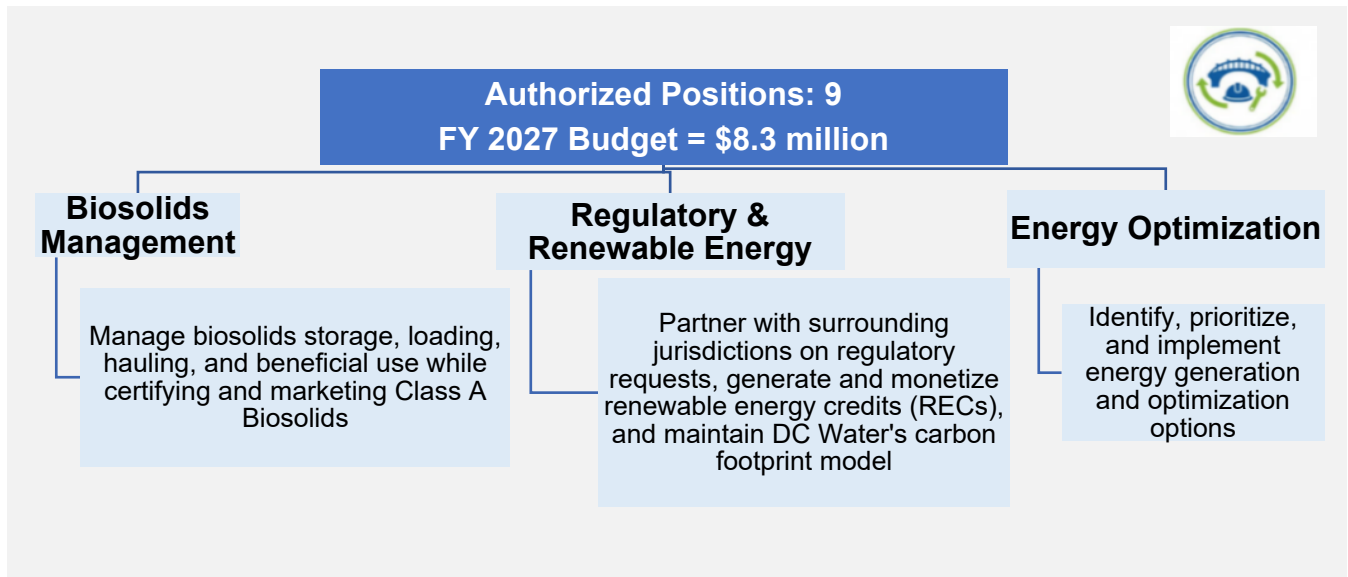
CLUSTER: OPERATIONS

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 2024	FY 2025	FY 2026	FY 2027	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 2027 Operating Budget Overview

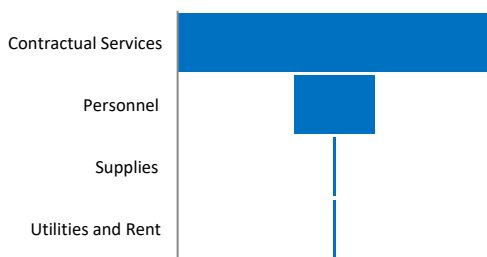
Personnel Services: Relatively flat

Non-Personnel Services: Relatively flat

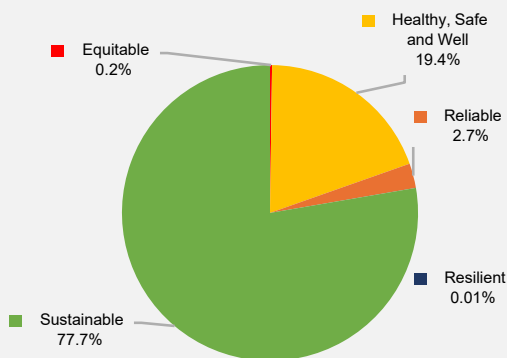
Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	8	9	9	9	0	0%
Personnel Services ALL	\$ 1,271	\$ 1,361	\$ 1,721	\$ 1,703	\$ 17	1%
Contractual Services	5,559	6,197	6,625	6,609	16	0%
Chemicals and Supplies	2	3	7	4	3	38%
Utilities and Rent	0	9	1	9	(8)	(774)%
Non Personnel Services	5,561	6,209	6,633	6,622	11	0%
Total O&M Expenditures	\$ 6,833	\$ 7,570	\$ 8,354	\$ 8,325	\$ 28	0%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Complete the Ft. Reno solar design-build project
- 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

ACCOMPLISHMENTS

- Achieved 40% revenue growth in FY 2025
- Achieved three record months of inventory sales in the fall, showing new markets emerging
- Achieved \$3M savings over conventional contract costs, exceeding our goal by 10%
- Registered one new source for REC generation

GOALS

- Increase Bloom sales of 65,000 tons
- Bloom Savings Target: \$3M
- REC sales Target: \$4.75M

CHALLENGES

- Searching for land for additional Bloom storage & understaffed

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

Strategic Plan - Blueprint 2.0 Imperatives Legend:

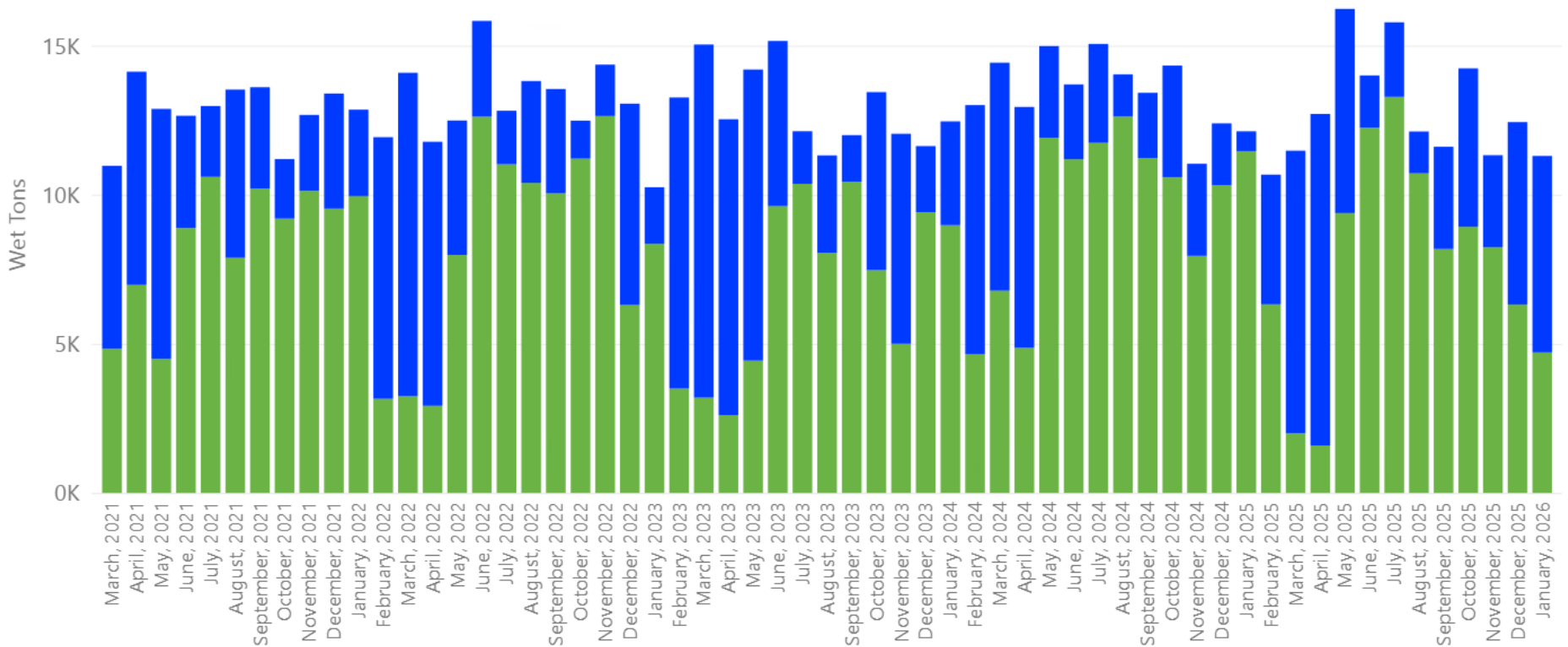


BLUE PLAINS WASTEWATER TREATMENT PLANT

BIOSOLIDS PRODUCTION

March 2021 – January 2026

● Land Application ● Marketing as Bloom



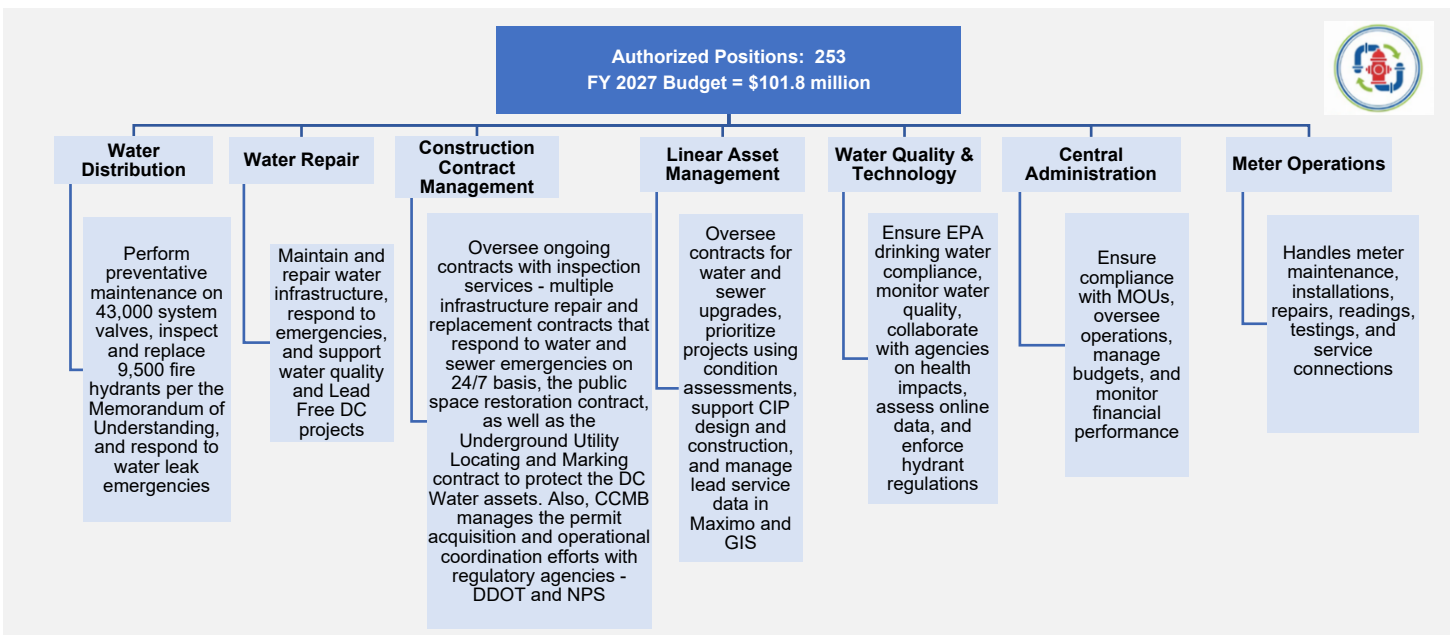
CLUSTER: OPERATIONS

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Maintain Safe Drinking Water Act standards. Coliform results less than 5%	0.13%	-0.37%	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	100%	100%	90%	90%	Reliable
Number of water main breaks per 100 miles of pipe	40.56	46.95	25	25	Resilient

DEPARTMENT: WATER OPERATIONS

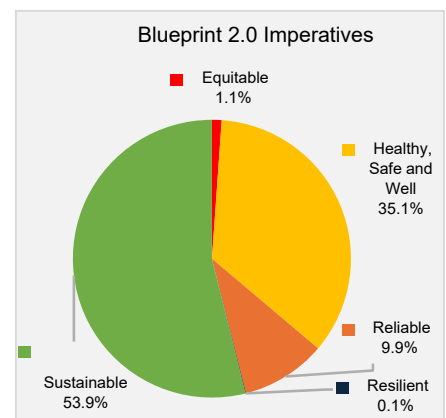
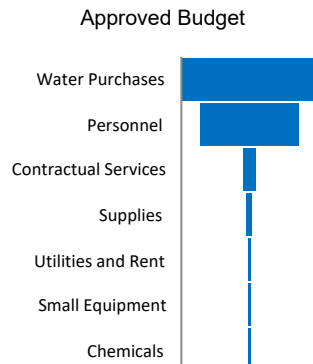
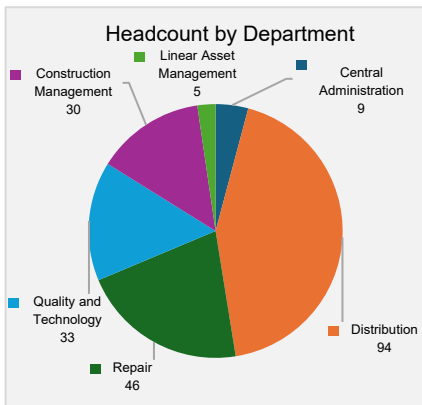
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: The increase is attributable to higher salaries, benefits, and overtime costs

Non-personnel Services: Increase reflects higher costs of chemicals and supplies, contractual services (locate and mark utilities), and potable water purchases from the Washington Aqueduct

Capital Equipment: Covers a Water Pipe Loop Rig Project, water cathodic protection assessment, database upgrades, Surface 4 Hub for water quality trailer, AMI program to improve billing efficiency

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	248	251	251	253	(2)	(1)%
Personnel Services ALL	\$ 33,466	\$ 34,499	\$ 37,059	\$ 39,242	\$ (2,182)	(6)%
Contractual Services	4,121	4,196	4,902	5,142	(241)	(5)%
Chemicals and Supplies	1,491	2,005	1,668	2,151	(483)	(29)%
Utilities and Rent	384	387	445	732	(286)	(64)%
Water Purchases	38,904	43,498	48,149	54,470	(6,321)	(13)%
Small Equipment	167	62	123	62	61	50%
Non Personnel Services	45,068	50,148	55,286	62,556	(7,270)	(13)%
Total O&M Expenditures	\$ 78,534	\$ 84,646	\$ 92,346	\$ 101,798	\$ (9,452)	(10)%
Capital Equipment	\$ 1,364	\$ 3,983	\$ 4,380	\$ 6,478	\$ (2,098)	(48)%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Successfully deployed leak detections technology to locate 15 hard-to-find leaks Expanded Pressure monitoring program by deploying 120 remote pressure sensors on hydrants, enabling real time monitoring of system pressure Implemented an online justification form for overtime tracking, reporting, and analysis 	<ul style="list-style-type: none"> Maintain critical pumping and conveyance infrastructure to support system reliability and reduce operational disruptions Support capital improvement initiatives by coordinating operational needs with ongoing infrastructure upgrades and system expansions Improve the department's ability to respond to emergencies and maintain system resiliency during extreme events 	<ul style="list-style-type: none"> Managing rising operating costs, including energy, equipment maintenance, and contractual services required to support continuous system operations Replacing aging water meters to ensure accurate measurement of customer consumption and revenue protection Newly assessed DDOT inspection and inconvenience fees

DEPARTMENT: WATER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Expand Advanced Metering Infrastructure (AMI) deployment to improve meter data accuracy and system visibility
- Enhance digital field operations through expanded use of mobile tools and real-time reporting capabilities
- Support Lead and Copper Rule Improvements (LCRI) through service line inventory management, monitoring, and coordination with Lead-Free DC initiatives
- Strengthen asset management practices to improve prioritization of maintenance, rehabilitation, and replacement activities
- Expand system monitoring programs, including pressure monitoring, leak detection, and valve exercising, to improve reliability and reduce water loss
- Enhance operational dashboards and analytics tools to support performance monitoring and data-driven decision-making
- Strengthen cross-connection control and backflow prevention programs to protect the drinking water system
- Continue condition assessments of critical water infrastructure, including assets located on bridges and other high-risk locations

IMPACT OF OPERATIONAL PROGRAMS

- Improved operational efficiency through expanded use of digital tools and analytics
- Strengthened compliance with federal and local regulatory requirements
- Enhanced infrastructure reliability through proactive monitoring and maintenance programs
- Improved operational visibility to support timely and informed decision-making

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Deployment of AMI (Advanced Metering Infrastructure) and digital systems will increase software, hardware, and data management requirements
- Increased capital construction activity may require additional operational coordination and field support
- Newly commissioned infrastructure assets will increase ongoing maintenance and operational needs

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.

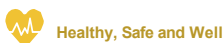
Galvanized – A dull, silver-gray color. Use a magnet - strong magnets will typically cling to galvanized pipes.

Copper – The color of a penny.

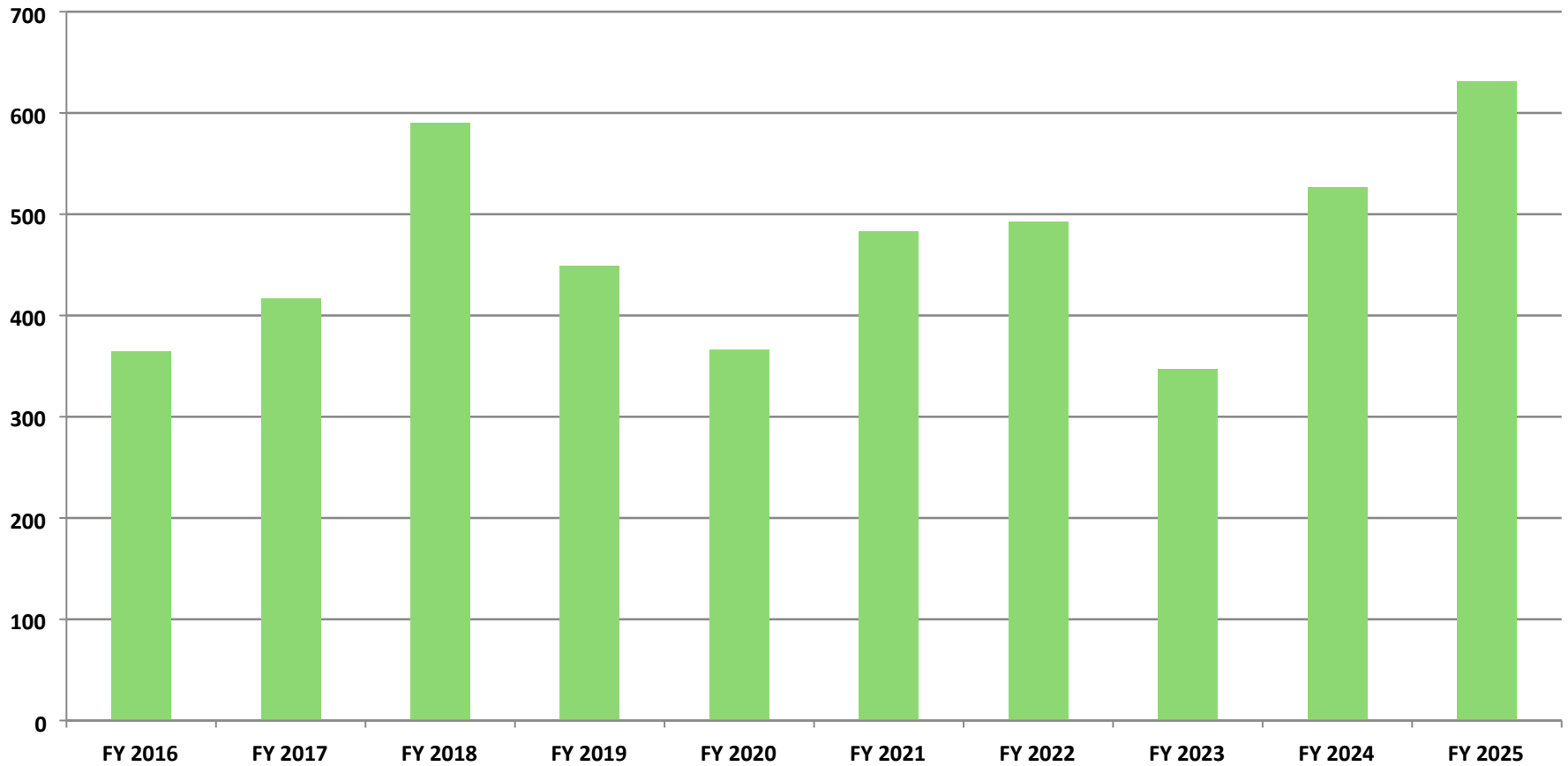
Plastic – White, rigid pipe.

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

Strategic Plan - Blueprint 2.0 Imperatives Legend:

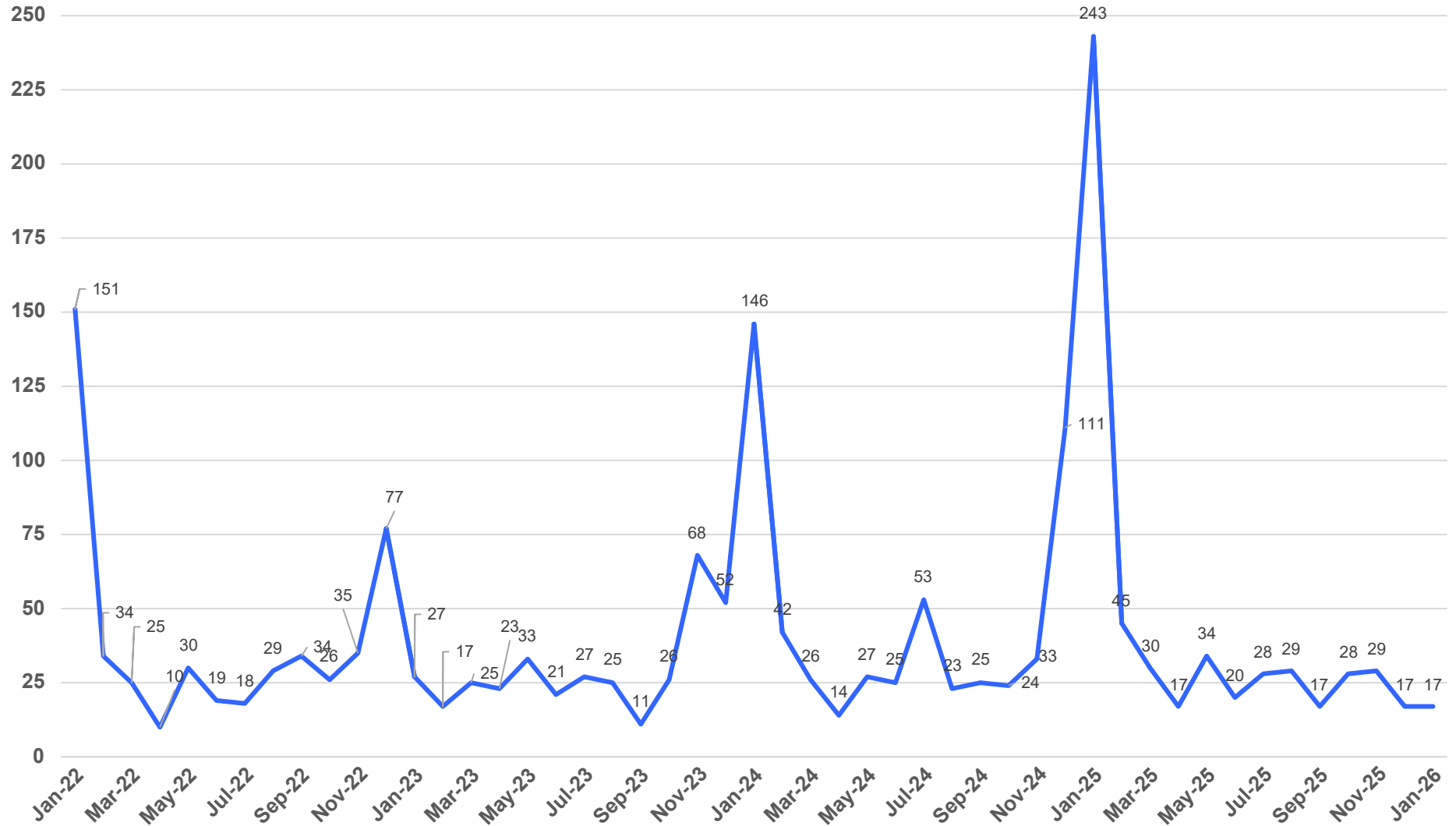


Historical Water Main Breaks FY 2016 through FY 2025



Number of Water Main Breaks Reported FY 2016 - FY 2025

Historical Monthly Main Breaks January 2022 through January 2026



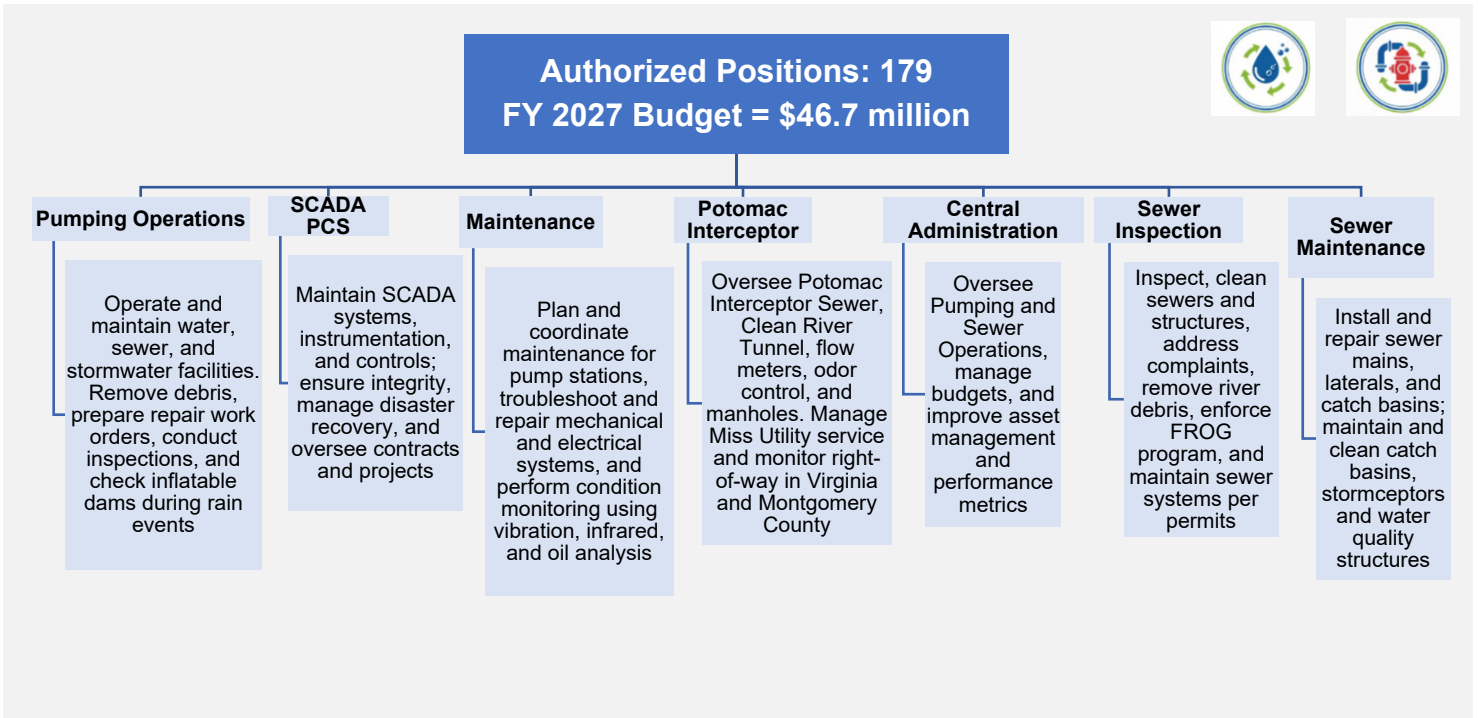
CLUSTER: OPERATIONS

DEPARTMENT: PUMPING AND SEWER OPERATIONS

Purpose: Ensuring safe, reliable, and efficient sewer conveyance and pumping operations to support wastewater collection and system integrity

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

Organization Structure:



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	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	160	175	0	0	Reliable
Odor Complaints Sewer Overflows for Potomac Interceptor Area	3	4	0	0	Reliable

DEPARTMENT: PUMPING AND SEWER OPERATIONS

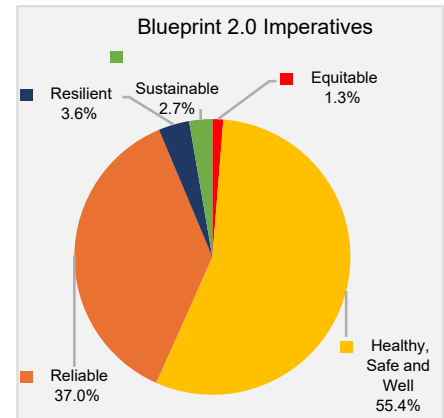
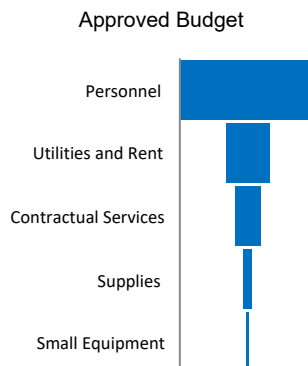
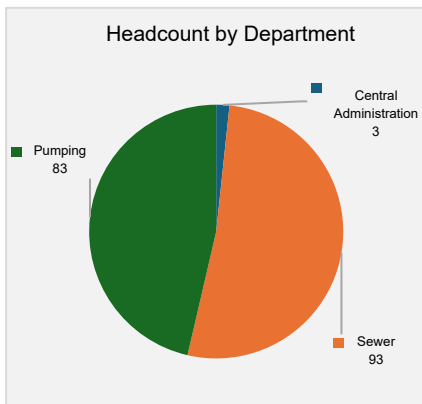
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects adjustment in salaries and benefits

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

Capital Equipment: The decrease is driven by the completion of previously funded infrastructure and system improvement initiatives

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	185	179	179	179	0	0%
Personnel Services ALL	\$ 27,552	\$ 27,717	\$ 28,768	\$ 29,673	\$ (905)	(3)%
Contractual Services	4,257	5,345	5,828	5,483	345	6%
Chemicals and Supplies	1,888	1,715	1,727	1,957	(229)	(13)%
Utilities and Rent	7,726	9,269	9,591	9,454	137	1%
Small Equipment	169	96	142	83	59	41%
Non Personnel Services	14,041	16,425	17,288	16,977	311	2%
Total O&M Expenditures	\$ 41,593	\$ 44,142	\$ 46,056	\$ 46,651	\$ (595)	(1)%
Capital Equipment	\$ 1,947	\$ 1,854	\$ 2,265	\$ 2,100	\$ 165	7%



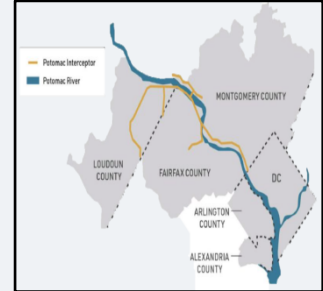
ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Reduced the corrective maintenance backlog to an average of 75 work orders Achieved 80% on-time completion of preventive maintenance and inspections 	<ul style="list-style-type: none"> Strengthen Infrastructure Reliability Prioritize interceptor and large sewer rehabilitation projects Improve preventative maintenance strategies 	<ul style="list-style-type: none"> Aging Infrastructure and Asset Failures Risk of system failures and environmental incidents High emergency repair costs and overtime

DEPARTMENT: PUMPING AND SEWER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

PUMPING

- Operate water pumping stations, reservoirs, and storage tanks in compliance with the requirements of the Safe Drinking Water Act and DC Water operational standards 🧑🏿‍🚒💓
- Upgrade and replace critical pumping infrastructure, including Variable Frequency Drives (VFDs), valves, programmable logic controllers (PLCs), operator interface terminals (OITs), instrumentation, and other control systems 💓🧑🏿‍🚒
- Coordinate with the Department of Water and Wastewater Engineering to support the design, construction, and commissioning of capital improvements at pumping facilities 💓
- Support billing and coordination activities related to the Multi-Jurisdictional Use Facility (MJUF) associated with Potomac Interceptor operations 🧑🏿‍🚒
- Continue implementation of long-term corrosion prevention initiatives to extend the life of critical infrastructure 💓🧑🏿‍🚒
- Maintain and rehabilitate Potomac Interceptor linear and vertical assets, including odor control facilities and associated infrastructure 💓🌱



IMPACT OF OPERATIONAL PROGRAMS

- Improved operational efficiency through expanded use of digital monitoring tools and data-driven maintenance practices
- Improved reliability of pumping and interceptor infrastructure through preventative maintenance and condition monitoring programs
- Enhanced public health protection and environmental stewardship through reliable system operations
- Improved operational visibility and performance tracking through expanded data analytics and reporting tools

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Major capital projects, including Potomac Interceptor rehabilitation and pumping station upgrades, will increase operational coordination and support requirements in the near term
- Aging infrastructure and legacy equipment may create challenges in sourcing replacement parts, which could impact equipment reliability and maintenance costs

Strategic Plan - Blueprint 2.0 Imperatives Legend:



DEPARTMENT: PUMPING AND SEWER OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

SEWER

- Expand the Small Local Sewer Inspection Program to improve condition assessments and support proactive maintenance planning for small-diameter sewer assets 📊🔧
- Enhance the catch basin inspection and maintenance program, including updates to the catch basin application to improve field data collection and reporting 📊🔧
- Continue implementation of the Local and Small Sewer Inspection and Maintenance Program to strengthen system monitoring and preventative maintenance efforts 📊🔧
- Update Sewer Emergency Operations Response procedures for critical sewer assets to improve emergency preparedness and response coordination. 📊🔧
- Implement root cause analysis practices and training to improve incident investigations and reduce recurring sewer system failures 📊🔧
- Expand inspection and monitoring efforts for critical sewer infrastructure to improve system reliability and reduce the risk of sewer overflows 📊🔧🌍
- Continue a targeted outreach initiative to increase public awareness of proper disposal of fats, rags, oils, and grease (FROG) 🌍

IMPACT OF OPERATIONAL PROGRAMS

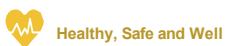
- Strengthened emergency preparedness through updated sewer emergency response procedures and incident analysis practices

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Coordination with ongoing sewer rehabilitation projects may require additional operational support during design, construction, and commissioning phases



Strategic Plan - Blueprint 2.0 Imperatives Legend:



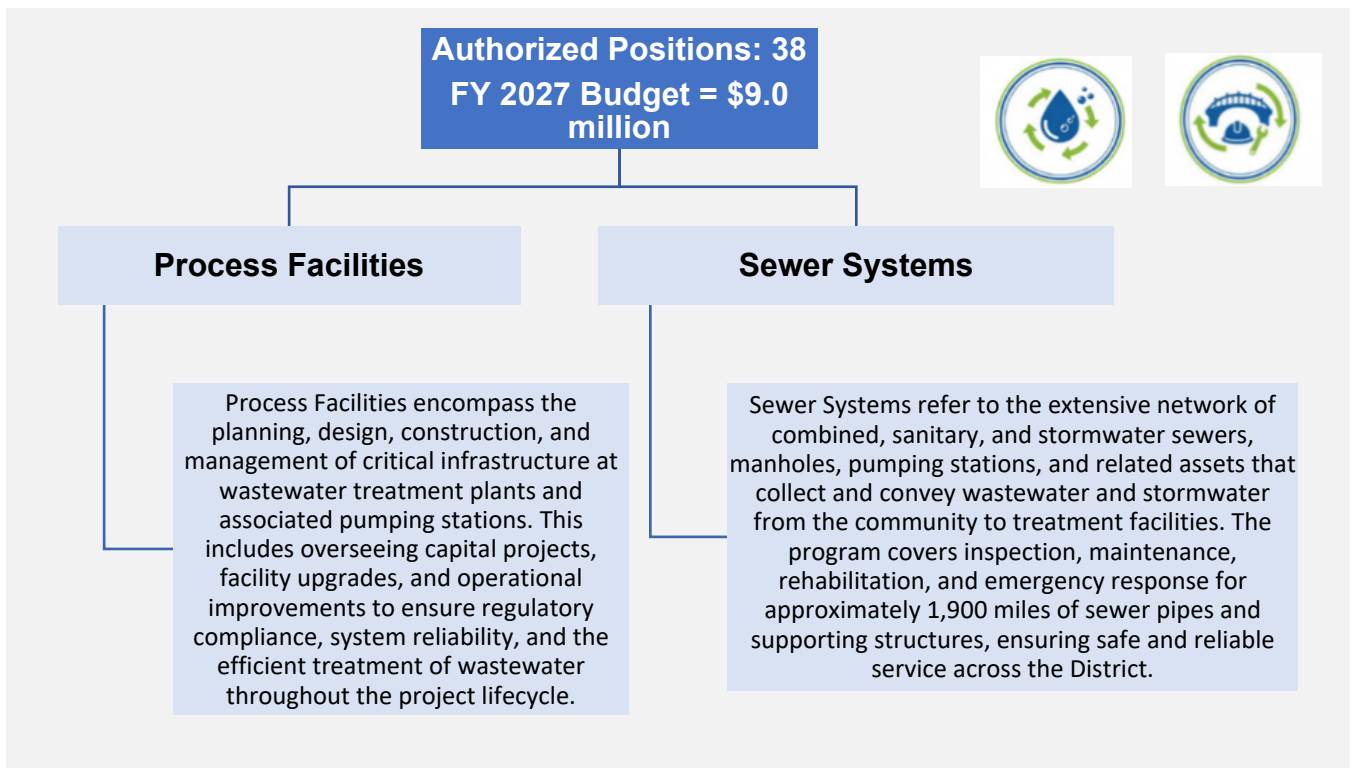
CLUSTER: ENGINEERING

DEPARTMENT: WASTEWATER ENGINEERING

Purpose: Oversee the construction and rehabilitation of process facilities and sewer systems 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 enables DC Water to efficiently meet regulatory standards and deliver high-quality service to the community.

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Design Start	N/A	N/A	2	2	Reliable
Construction Start	N/A	N/A	3	3	Reliable
Construction Substantial Completion	N/A	N/A	2	2	Resilient

DEPARTMENT: WASTEWATER ENGINEERING

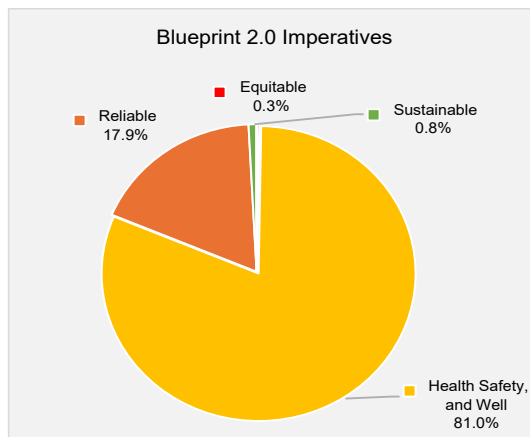
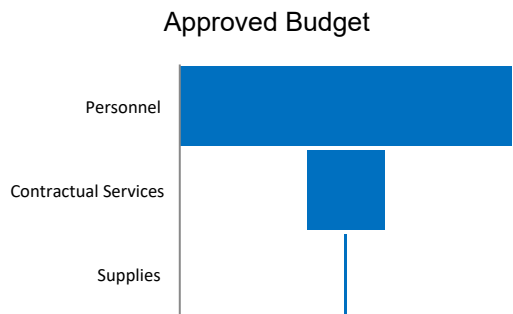
FY 2027 Operating Budget Overview

Personnel Services: The change is due to realignment within the cluster. The personnel services (PS) budget for FY 2026 has not yet been updated to reflect the transfers and reassignments within the department

Non-Personnel Services: The realignment within the cluster led to a corresponding increase in non-personnel budget for Contractual Services and Chemical and Supplies

Capital Equipment: No activity

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	27	38	38	38	0	0%
Personnel Services ALL	\$ 3,387	\$ 4,563	\$ 3,941	\$ 7,849	\$ (3,908)	(99)%
Contractual Services	815	688	919	1,078	(159)	(17)%
Chemicals and Supplies	0	-	2	33	(31)	(1,565)%
Non Personnel Services	815	688	921	1,111	(190)	(21)%
Total O&M Expenditures	\$ 4,202	\$ 5,251	\$ 4,862	\$ 8,960	\$ (4,098)	(84)%
Capital Equipment	-	-	-	-	-	-



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

Process Facilities

- Refine spending forecasts and project milestones 🗓️
- Continue to enhance asset management, risk modeling and emergency response capabilities 🌱
- Onboard a new Process Facilities Program Manager to oversee the full lifecycle of CIP Project 🌱

Sewer Facilities

- Inspect and assess over 72 miles of sewer and 1,979 manholes, with a focus on high-risk segments 🚧
- Responded to emergency and high-priority needs, such the Anacostia Force Main, Rock Creek Main Interceptor and Little Falls Trunk Sewer 🌱

IMPACT CAPITAL PROJECTS ON OPERATING BUDGET

- Allocation of capital funding for priority projects may impact operating budget thresholds to maintain established goals and KPIs
- Completion of rehabilitation and replacement projects will affect budget priorities
- Construction and maintenance activities related combined sewer overflow and stormwater programs will influence budget allocation

GOALS AND CHALLENGES

- Continue to advance major rehabilitation contracts and system reliability improvements
- Complete SCADA upgrades for Stormwater Pump Stations
- Deliver major rehabilitation, including, Trunk Sewer Rehabilitation (piney Branch) and Emergency Sewer Rehab

ACCOMPLISHMENTS

- Achieved project milestones for key process facilities, including Headworks Electrical upgrades, Filtration and Disinfection upgrades, and Floodwall Segments
- Maintained alignment with NPDES and consent decree requirements though targeted investment and project delivery

Strategic Plan - Blueprint 2.0 Imperatives Legend:

Healthy, Safe and Well
Reliable
Resilient
Equitable
Sustainable

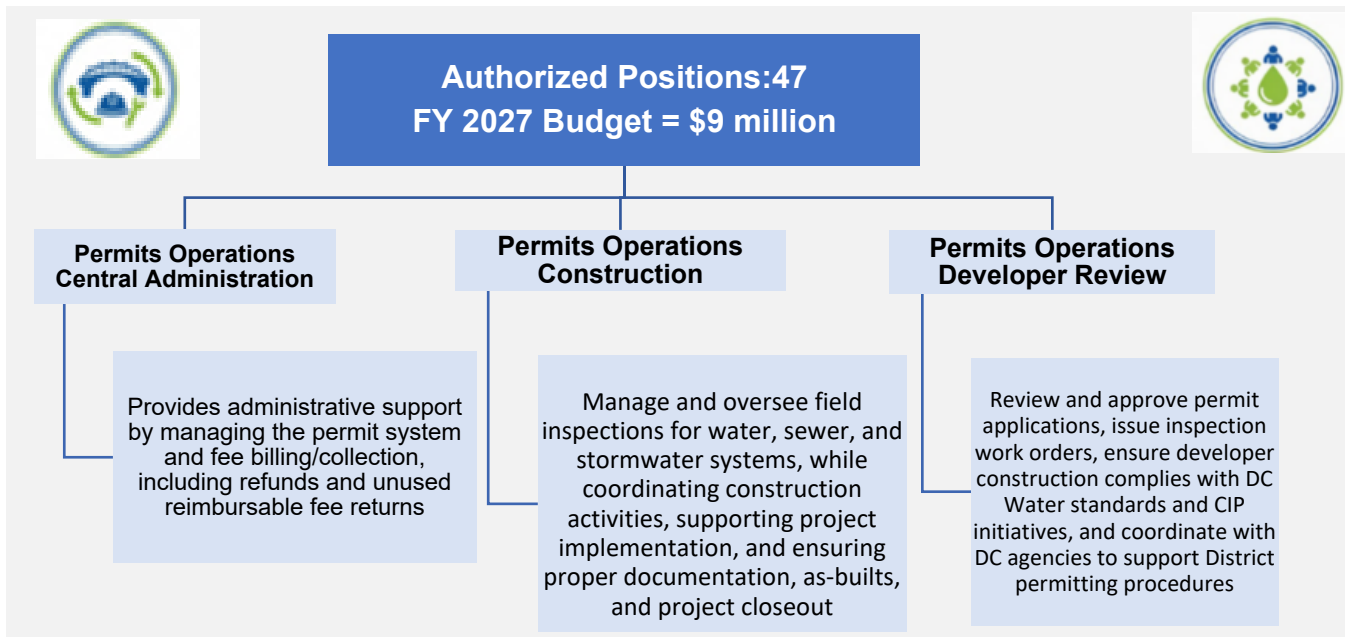
CLUSTER: ENGINEERING

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Process permit applications within service level agreement timeframe of 85%	93%	97%	90%	90%	Equitable

DEPARTMENT: PERMITS OPERATIONS

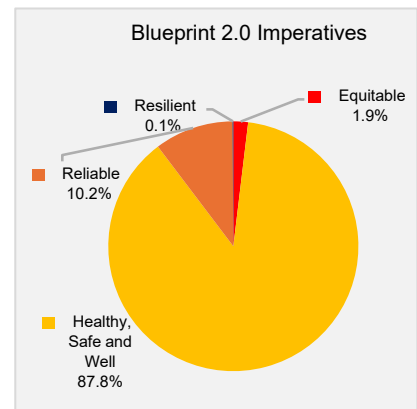
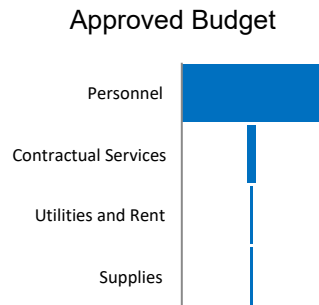
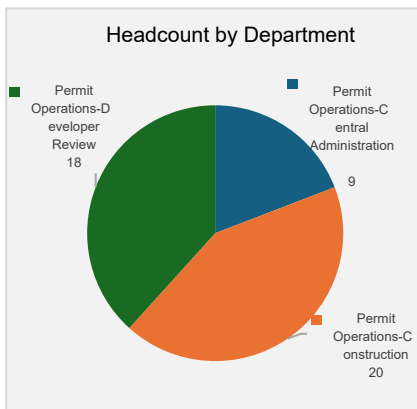
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: The change reflects position transfers driven by cluster realignment and reorganization. Currently, FY 2027 headcount does not reflect transfers completed in FY 2026.

Non-Personnel Service: The variance is due to a reduction in contractual services and a slight increase Utilities and rent associated with the recent realignment and reorganization within the cluster

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance %	
Headcount: Authorized	29	47	57	47	10	18%
Personnel Services ALL	\$ 4,078	\$ 5,226	\$ 4,566	\$ 8,321	\$ (3,755)	(82)%
Contractual Services	817	621	792	500	292	37%
Chemicals and Supplies	13	4	19	17	2	12%
Utilities and Rent	38	26	22	65	(42)	(188)%
Non Personnel Services	868	651	834	581	252	30%
Total O&M Expenditures	\$ 4,946	\$ 5,878	\$ 5,399	\$ 8,902	\$ (3,502)	(65)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS

- Developed the new fixed fee structure for the new rates starting in FY2026
- Improved the payment process by ensuring payments have fully processed before releasing requested services, resulting in a significant reduction in non-sufficient fund (NSF) transactions.
- Developed the meter close-out process in collaboration with Customer Service and Meter Operations to determine missing meters during the construction inspection refund process which reduces non-water revenue

GOALS








- Continue optimizing processes to enhance operational efficiency.
- Continue to improve customer satisfaction by process permit applications within service level agreement timeframe.
- Implementation of electronic permit management system which includes electronic payment

CHALLENGES

- Adapting to business need due to sudden increases staff from the realignment
- Developing strategies to retain and engage employees require significant investment

DEPARTMENT: PERMITS OPERATIONS

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Development of an electronic permit management system 
- Continue processing construction inspection refund backlog  
- Continue to improve developer relationships by outreach and better communication 
- Developer Construction/As-Built – continue to improve the function of this group 
- Renew the DC Department of Consumer and Regulatory Affairs (DCRA)/DC Water Permit
- Review Memorandum of Agreement (MOA)  

IMPACT OF OPERATIONAL PROGRAMS

- Completed 1,946 design reviews and 11,665 ProjectDox reviews
- Closed 11,084 work orders and 2,682 projects for construction inspections
- Restructured Permit Operations into three departments by aligning business units to core functions to improve operational efficiency, customer experience and accountability



Strategic Plan - Blueprint 2.0 Imperatives Legend:



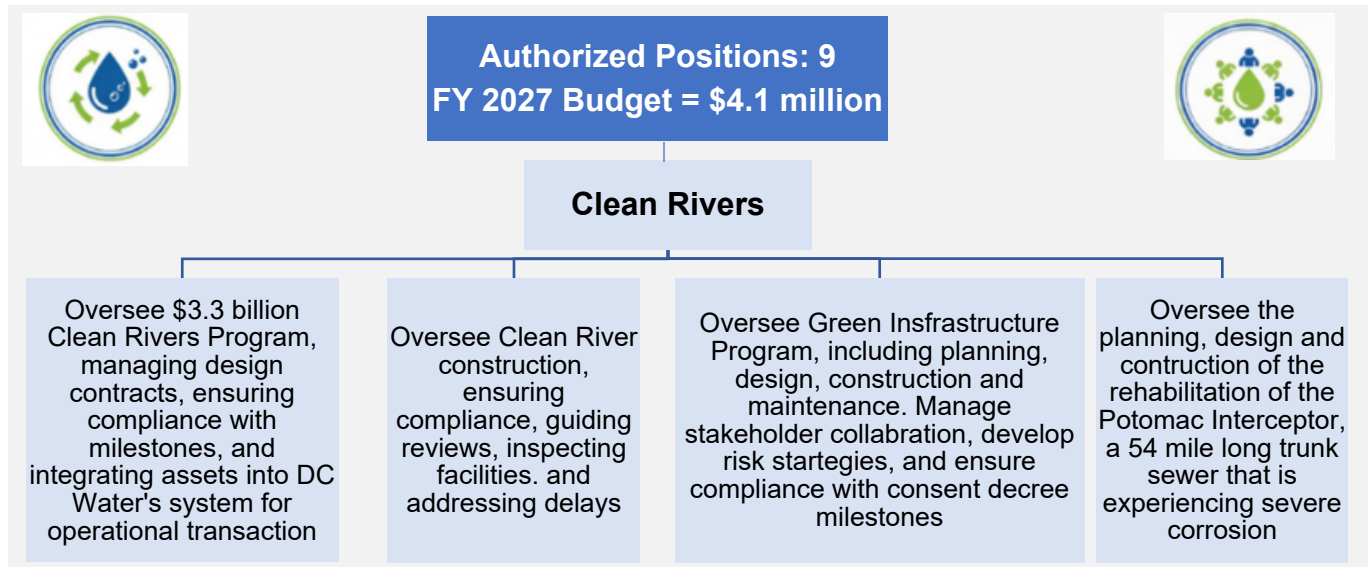
CLUSTER: ENGINEERING

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. In addition, to manage the planning, design, procurement, and construction of the rehabilitation of the Potomac Interceptor, a 54-mile trunk sewer constructed in the 1950s that is experiencing severe corrosion

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. And to develop, design, construct and implement the rehabilitation of the Potomac Interceptor

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Meet all CSO LTCP consent decree milestones	100%	100%	100%	100%	Sustainable

DEPARTMENT: CLEAN RIVERS

FY 2027 OPERATING BUDGET OVERVIEW

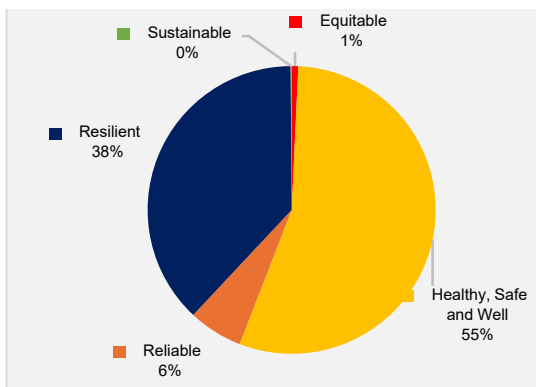
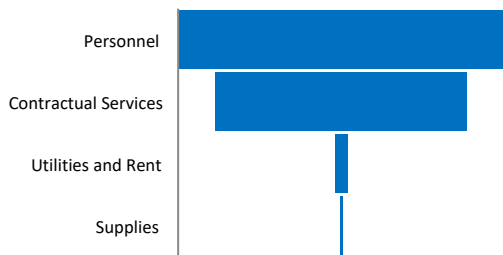
Personnel Services: Increased slightly due to salaries and benefits adjustments

Non-Personnel Services: Increased slightly due to expansion of Green Infrastructure project maintenance (GI Maintenance) scope and telecommunications

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	9	9	9	9	0	0%
Personnel Services ALL	\$ 1,785	\$ 1,723	\$ 2,250	\$ 2,271	\$ (21)	(1)%
Contractual Services	1,550	1,761	1,657	1,754	(97)	(6)%
Chemicals and Supplies	2	0	5	5	0	(4)%
Utilities and Rent	77	67	63	89	(26)	(41)%
Non Personnel Services	1,630	1,828	1,724	1,847	(123)	(7)%
Total O&M Expenditures	\$ 3,415	\$ 3,551	\$ 3,974	\$ 4,118	\$ (144)	(4)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



ACCOMPLISHMENTS

- December 2025 - Piney Branch Tunnel GMP (Guaranteed Minimum Price) approved at December 2025 Board Meeting for construction of Piney Branch Tunnel
- December 2025 - Completed Potomac Interceptor High Priority Slip lining Repairs
- November 2025: Started Early Work for Piney Branch Tunnel including tree removal, temporary road relocation, and SOE (Support of Excavation) design
- October 2025 – Completed post construction monitoring and modeling and submitted report to EPA for Rock Creek Green Infrastructure Project B
- Advanced construction of the Potomac River Tunnel (shafts, secant piles, site setup, trail and road relocations, and slope stabilization)
- July 2025 – Awarded Early Work Package for Piney Branch Tunnel

GOALS

- Complete transfer of Northeast Boundary Tunnel (NEBT) assets to DC Water Operations
- Meet all Consent Decree deadlines for Rock Creek C, Rock Creek D, and Potomac and Piney Branch Tunnel projects
- Manage risks related to stakeholder approvals, material costs and sourcing uncertainty, and skilled labor/staffing for the program
- Procure Potomac Interceptor -01 (10,800 LF geopolymer rehab) for the Potomac Interceptor

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) 🏠🌿🌱
- Continue construction of Rock Creek Project C Green Infrastructure (GI) 🏠🌿🌱
- Continue Construction of the Piney Branch Tunnel 🏠🌿🌱
- Perform planning and design for Rock Creek Project D Green Infrastructure 👤👤
- Continue 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
- Continue the maintenance of GI facilities 🏠👤👤
- Regulatory requirements compliance 👤👤
- Complete Permitting and advance design for Potomac Interceptor -01 🏠🌿🌱
- Advance procurement for Potomac Interceptor-01, 02, and 03 (anticipated MSA approach) 👤👤

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 between now and the end of the Clean Rivers Project in 2030

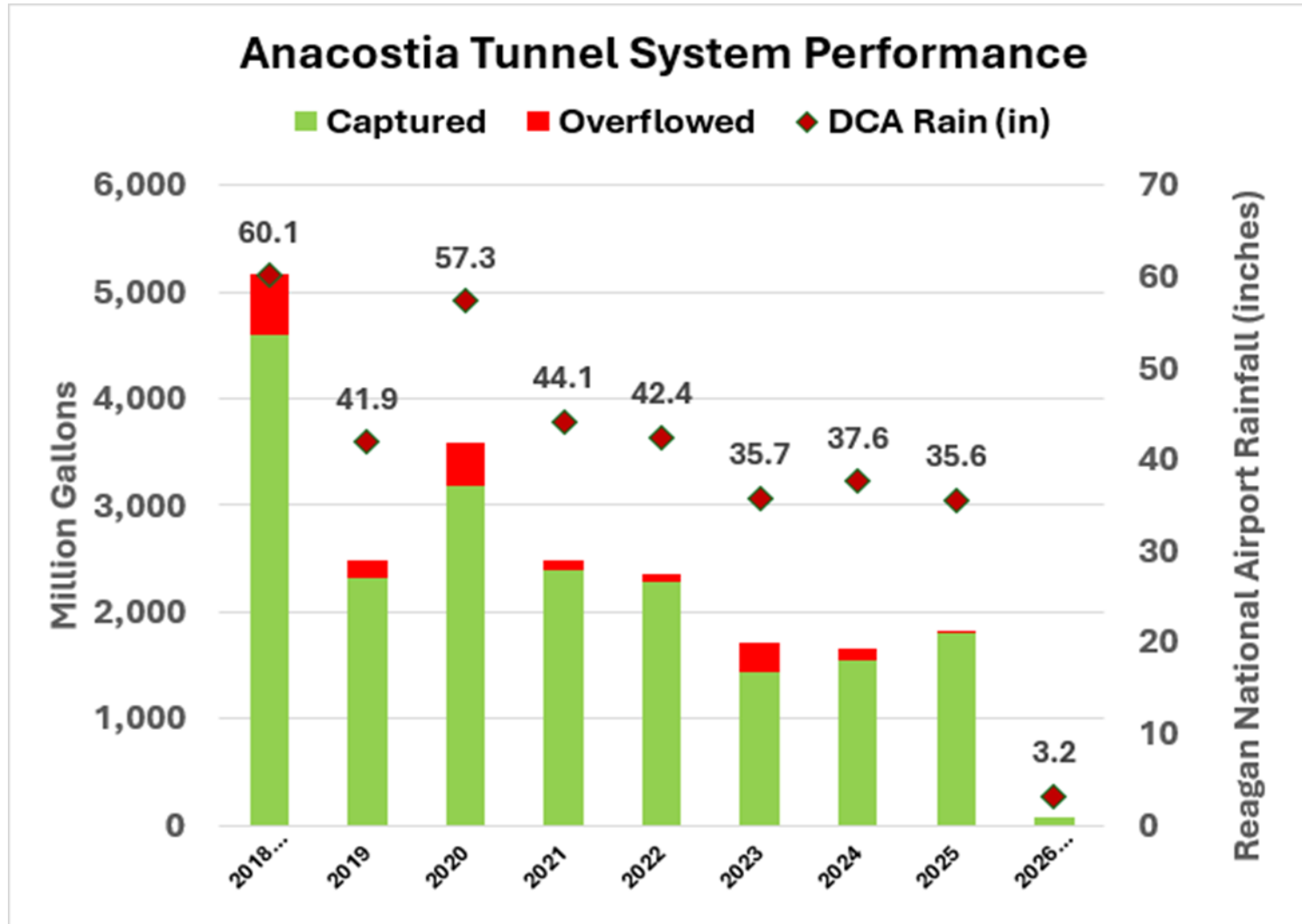


SET Members at “Mary” Tunnel Boring Machine

Strategic Plan - Blueprint 2.0 Imperatives Legend:

🏠 Healthy, Safe and Well
🏠 Reliable
🌿 Resilient
👤 Equitable
🌱 Sustainable

CLEAN RIVERS TUNNEL PERFORMANCE
Tunnel Capture Volume (MG)
(FY 2018 – FY 2025)



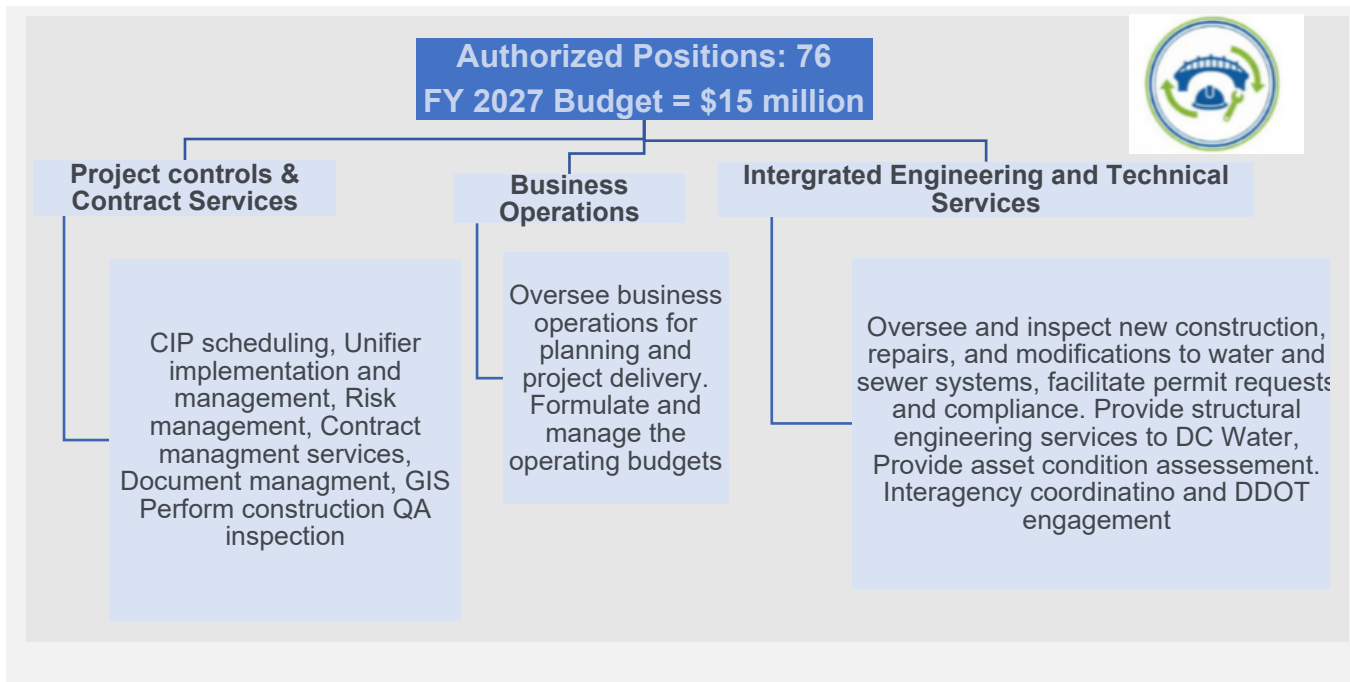
CLUSTER: ENGINEERING

DEPARTMENT: SHARED SERVICES AND ASSET MANAGEMENT

Purpose: To serve as a central support and a custodian of Engineering and CIP Project Delivery Methodology consisting of policies, SOPs, processes, cost estimating and scheduling standards, document and data management standards, change and risk management standards, Purchase Order and contract administration, associated training, and Quality Assurance/Quality Control

Mission: To provide the CIP management tools, analysis, oversight and leadership to ensure that DC Water Capital and Operating CIP 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

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Inspection of Major Sewers Annually - 12 miles	N/A	N/A	100%	100%	Reliable
Inspection of Water transmission mains annually - 5 miles	N/A	N/A	100%	100%	Reliable
Inspection of Local sewers >12 inch diameter to <60 inch diameter annually - 40	N/A	N/A	100%	100%	Reliable

DEPARTMENT: SHARED SERVICES AND ASSET MANAGEMENT

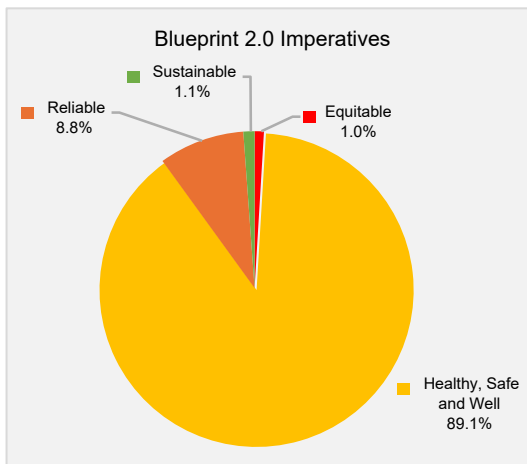
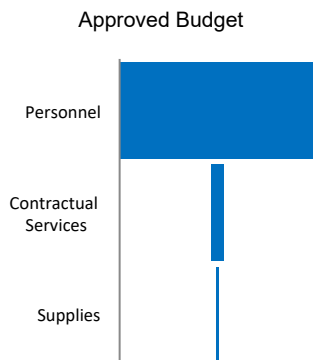
FY 2027 Operating Budget Overview

Personnel Services: The decrease is due to position transfers related to realignment and reorganization within the cluster.

Non-Personnel Service: The decrease is due to a reduction in contractual services and other expenses associated with the recent realignment and reorganization within the cluster

Capital Equipment: Remained flat

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	120	53	104	76	28	27%
Personnel Services ALL	\$ 21,007	\$ 17,279	\$ 18,677	\$ 14,028	\$ 4,649	25%
Contractual Services	1,696	1,967	2,214	908	1,306	59%
Chemicals and Supplies	113	120	150	138	12	8%
Utilities and Rent	299	273	320	0	320	100%
Small Equipment	12	0	20	0	20	100%
Non Personnel Services	2,121	2,360	2,705	1,047	1,658	61%
Total O&M Expenditures	\$ 23,128	\$ 19,638	\$ 21,382	\$ 15,075	\$ 6,307	29%
Capital Equipment	\$ 25	\$ 0	\$ 25	\$ 25	\$ 0	0%



GOALS

- Continue communications initiatives and programs in support of DC
- Continue adapting Oracle Primavera Unifier for Construction Manager at Risk (CMAR) and Progressive Design-Build (PDB)
- Addressing paper archive backlog in the Technical Information Center
- Enhanced presentation of project delivery health metrics and KPIs
- Enhancing tools, processes, and training for collaborative delivery Progressive Design-Build (PDB) & Construction Manager at Risk (CMAR)
- Meet pipeline and linear asset condition assessment goals to support asset management, and long-term capital planning
- Establish and mature a centralized specifications and standards function to improve consistency, quality, and efficiency across engineering and construction activities
- Reestablish a full complement of administrative and support staff to sustain department operations and capital delivery demands

CHALLENGES

- Ongoing adaptation to the shift from Design Bid Build to Collaborative Delivery
- Contractor availability for capital program delivery
- Balancing increased demand for centralized project controls, inspections, and technical services with available staffing and resources
- Continuing to improve data quality and system integration while operating multiple enterprise tools and legacy processes

DEPARTMENT: SHARED SERVICES AND ASSET MANAGEMENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Investigate use of Artificial Intelligence in CIP development and prioritization
- Continue creating standards and procedures for transitioning to a collaborative delivery model
- Continue setting up tools (Unifier & P6) for the collaborative delivery model
- Continue enhancing tools, standards, and procedures for efficient capital program delivery
- Using standards and procedures, manage and reduce CIP risk consistently
- Track and control CIP project execution using established metrics and KPIs and present information in dashboard format
- Continue enhancing centralized tools, standards, and procedures for tracking all projects, including collaborative delivery
- Perform preparatory GIS transition before full Utility Network implementation
- Establish MOU with DDOT for water and wastewater
- Investigate blanket permitting MOU with the National Park Service
- Continue providing resources where needed for emergency response, not limited to inspection and structural engineering
- Procure a contractor to facilitate access for systems assessment
- Collaborate with DDOT to ensure alignment with DDOT invoicing and DC Water expectations

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 of processes

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Increase in operating costs due to increased inspection and assessment of Linear and vertical assets
- Increase in Capital Projects will require additional staff and/or consultant support

Strategic Plan - Blueprint 2.0 Imperatives Legend:



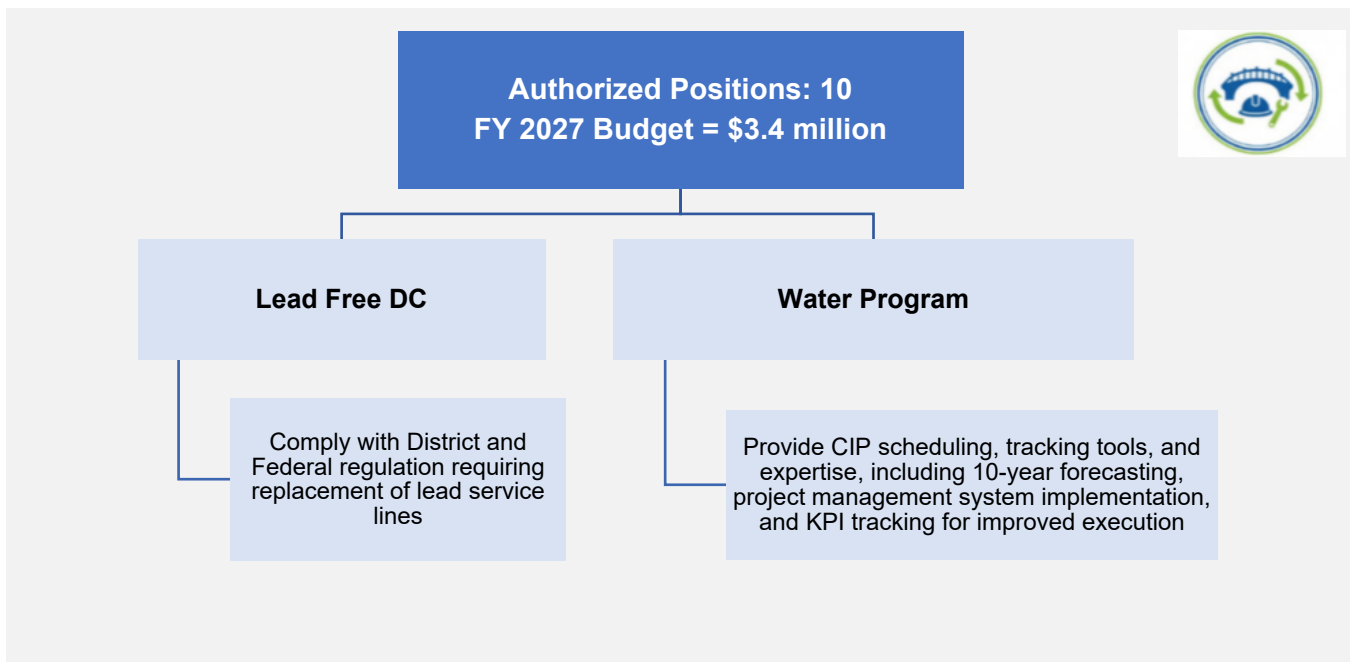
CLUSTER: ENGINEERING

DEPARTMENT: WATER PROGRAM AND LEAD FREE DC

Purpose: The Department of Water Program and Lead Free DC is responsible for delivering the capital program for all drinking water assets at DC Water including tanks, reservoirs, pumps stations, transmission mains, small diameter watermains, and Lead Free DC

Mission: To sustainably deliver capital projects in the District of Columbia to provide safe and reliable drinking water to our customers

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Percentage of KPI's Completed	N/A	N/A	100%	100%	Reliable
Use 100% of Safe Drinking Water Act grant funds	N/A	N/A	100%	100%	Resilient

DEPARTMENT: WATER PROGRAM AND LEAD FREE DC

FY 2027 Operating Budget Overview

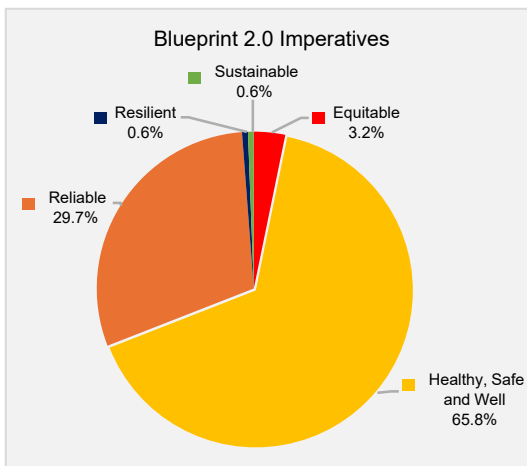
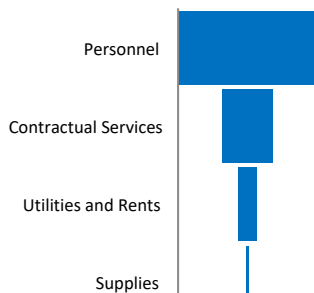
Personnel Services: The decrease is due to position transfers related to realignment and reorganization within the cluster.

Non-Personnel Service: Increased due to higher Utilities and Contractual Services, driven by cost shifts resulting from recent realignment and reorganization within the cluster

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	27	11	23	10	13	57%
Personnel Services ALL	\$ 1,446	\$ 1,072	\$ 4,469	\$ 2,219	\$ 2,250	50%
Contractual Services	56	28	52	816	(764)	(1,469)%
Chemicals and Supplies	11	3	10	30	(20)	(200)%
Utilities and Rent	0	0	0	296	(296)	
Non Personnel Services	67	32	62	1,142	(1,080)	(1,742)%
Total O&M Expenditures	\$ 1,514	\$ 1,104	\$ 4,530	\$ 3,361	\$ 1,169	26%
Capital Equipment	\$ 110	\$ 102	\$ 0	\$ 0	\$ 0	

Approved Budget



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 🌱🚧
- Completed 100,000 program replacement 🚧
- Completed 3,163 lead lines replacements 🌱🚧

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: WATER PROGRAM AND LEAD FREE DC

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
- Advance planning, design, and construction of capital projects
- Digitize over 11 million records in DC Water’s archive
- 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
- 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 increased availability of Lead Pipe service replacement
- Increase interests by private sector
- Continue to build and strengthen the department to align required resources with core functions. Areas of focus are Project Management Information Services, Document Management, and administrative functions



Strategic Plan - Blueprint 2.0 Imperatives Legend:

Healthy, Safe and Well
 Reliable
 Resilient
 Equitable
 Sustainable

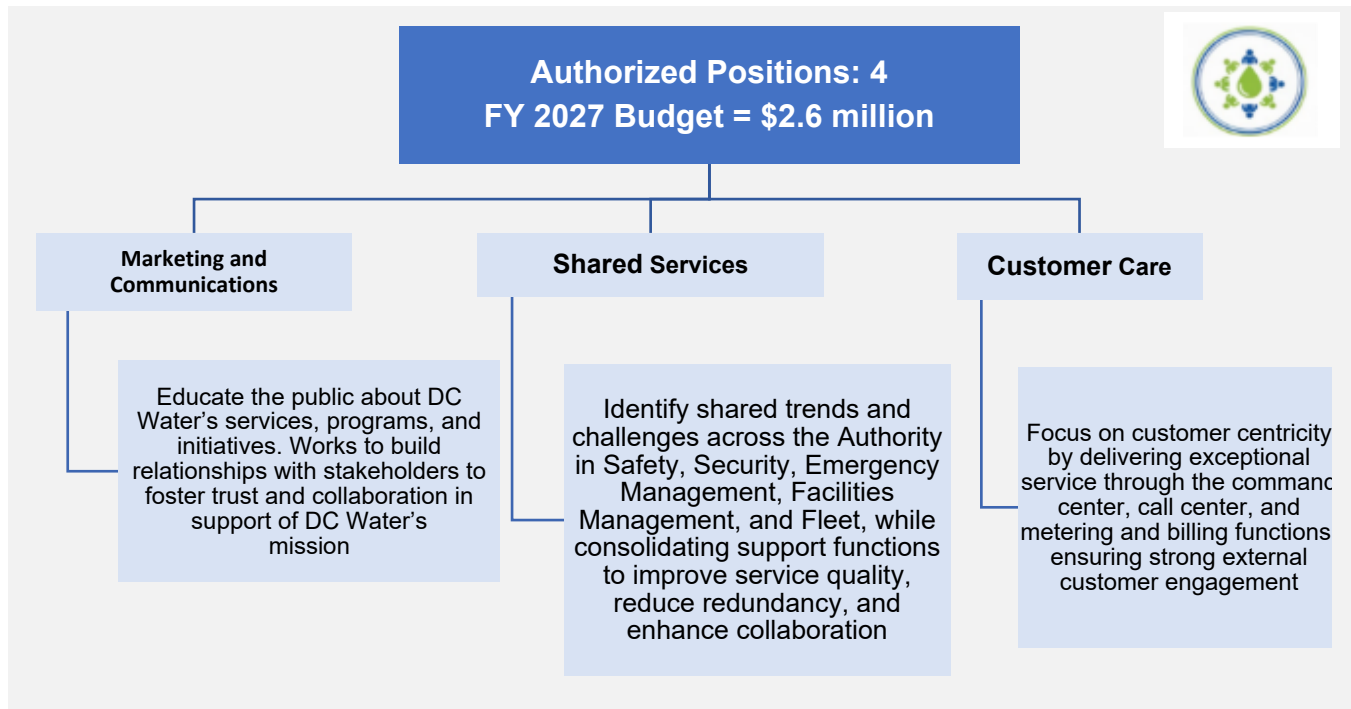
CLUSTER: ADMINISTRATION

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 and 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, Marketing and Communications and Customer Care

Organization Structure



DEPARTMENT: OFFICE OF THE CHIEF ADMINISTRATION OFFICER (CAO)

FY 2027 Operating Budget Overview

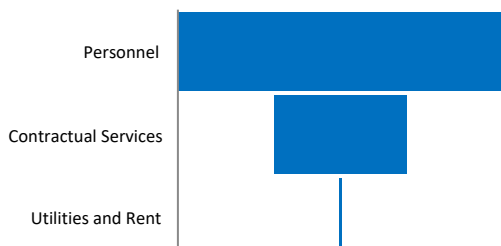
Personnel Services: Increased due to salary adjustments, and includes elimination of one vacant position

Non-Personnel Services: Relatively flat

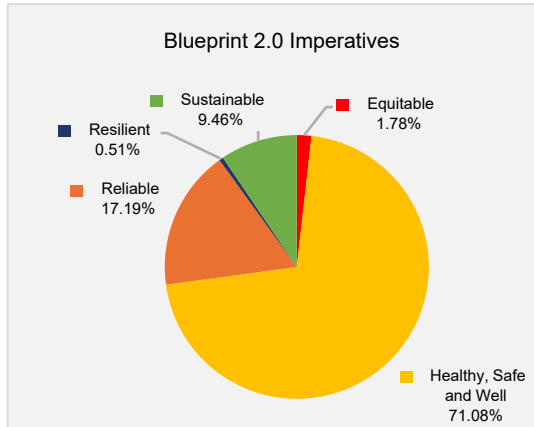
Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	2	5	5	4	1	20%
Personnel Services ALL	\$ 412	\$ 466	\$ 557	\$ 1,873	\$ (1,317)	(237)%
Contractual Services	79	320	765	763	2	0%
Chemicals and Supplies	0	7	-	3	(3)	-
Utilities and Rent	-	-	3	5	(1)	(34)%
Small Equipment	-	1	-	-	-	-
Non Personnel Services	79	328	769	770	(1)	0%
Total O&M Expenditures	\$ 491	\$ 794	\$ 1,325	\$ 2,644	\$ (1,318)	(99)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Key planned activities include aligning and strengthening the vision and direction of Customer Care and Facilities Management under a unified strategy for a better service delivery.
- Continuing efforts with the CAO Performance Dashboard

ACCOMPLISHMENTS

- Successfully launched the CAO performance dashboard for Customer Care and Facilities Management
- Emphasizing financial outcomes, managing external stakeholders, and fostering partnerships and support from authorities

GOALS

- Continued Implementation and use of the CAO dashboard
- Implement Reimagining Customer Care and Facilities a strategic initiative to strengthen operational efficiencies and modernize service delivery

CHALLENGES

- Changing budget priorities may impact strategic initiatives and defer progress

Strategic Plan - Blueprint 2.0 Imperatives Legend:

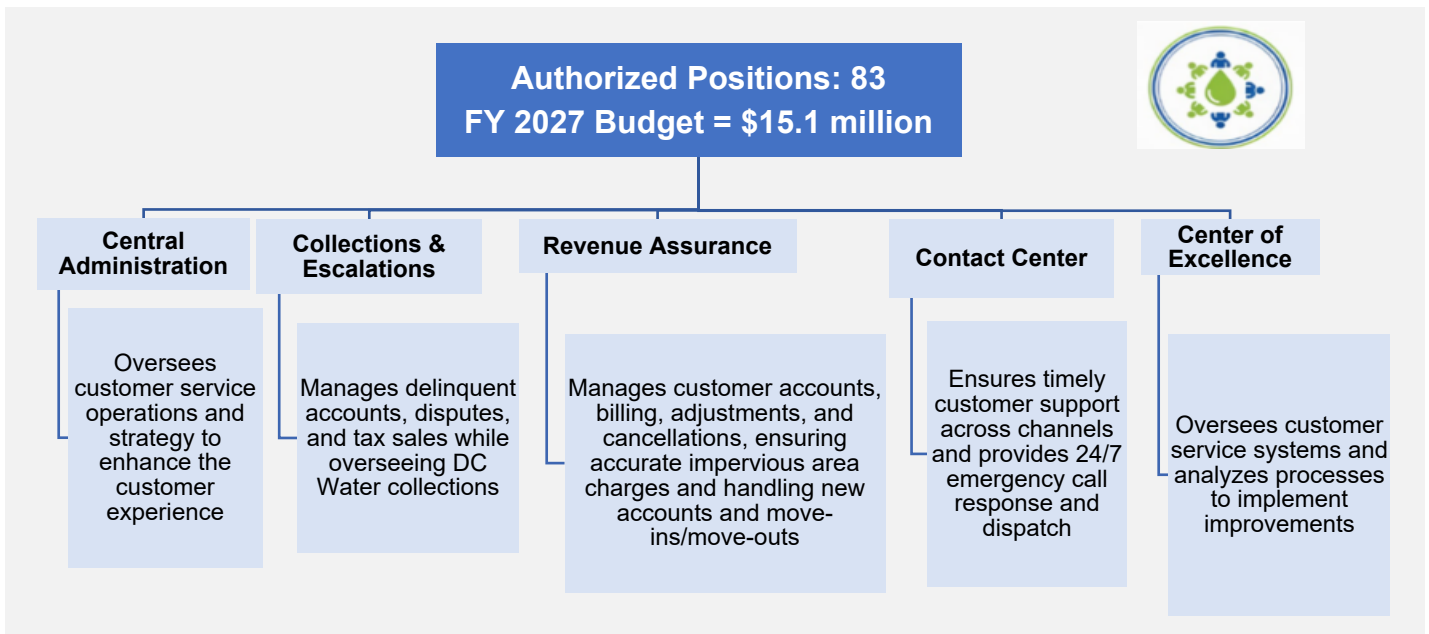


CLUSTER: ADMINISTRATION
DEPARTMENT: CUSTOMER CARE

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)

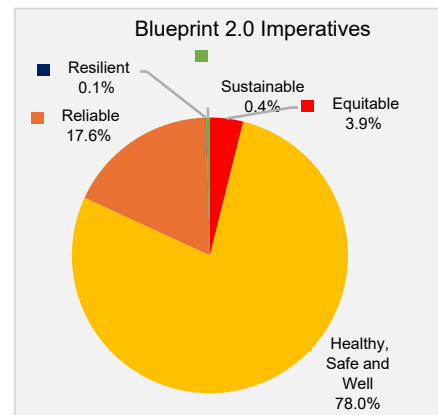
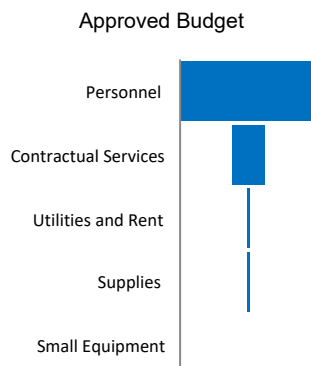
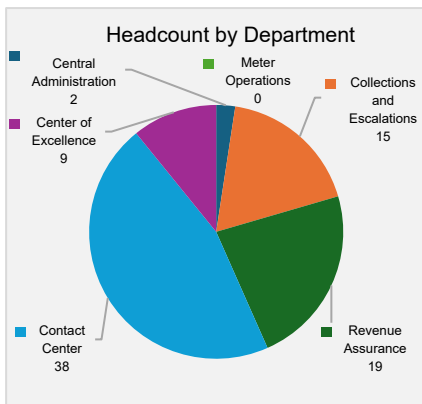
	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Bills issued on time (w/in 5 days)	98%	99.1%	98%	98%	Reliable
Estimated bills as a percent of meters read	4.3%	4.88%	4%	4.3%	Reliable
Unbilled at the end of the month	1.4%	0.5%	2%	2%	Reliable

DEPARTMENT: CUSTOMER CARE

FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects personnel adjustment for salaries, benefits and overtime
Non-personnel Services: Decrease in contractual services due to reallocation of Hardware and Software subscription costs to Capital Equipment and utilities due to the reallocation of meter operations from Customer Care to Water Operations department.

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	84	83	83	83	0	0%
Personnel Services ALL	\$ 9,893	\$ 10,512	\$ 11,565	\$ 12,026	\$ (461)	(4)%
Contractual Services	4,705	4,936	5,182	2,874	2,309	45%
Chemicals and Supplies	3	2	2	2	0	6%
Utilities and Rent	307	322	382	170	212	55%
Non Personnel Services	5,015	5,259	5,566	3,045	2,520	45%
Total O&M Expenditures	\$ 14,908	\$ 15,771	\$ 17,130	\$ 15,071	\$ 2,059	12%
Capital Equipment	-	-	-	-	-	-

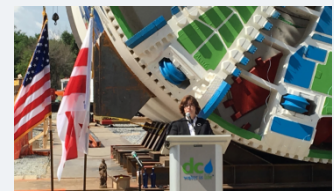


ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Launched the Payment Plan Incentive Program, helping 470 residents pay off outstanding balances Met 100% compliance with response time requirements and exceeded emergency dispatch goals, achieving a 100% rate within 10 minutes (goal: 92%) Promoted over 42% of hires internally in FY2024 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

- Continue the implementation of the Leak Assessment and Repair Program in partnership with the District 🛠️
- Expand 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 Program 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 Program Enrollment (Helps more customers access assistance programs)
- Bill Redesign (Improves billing transparency and customer understanding)

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- None

Strategic Plan - Blueprint 2.0 Imperatives Legend:



Healthy, Safe and Well



Reliable



Resilient



Equitable



Sustainable

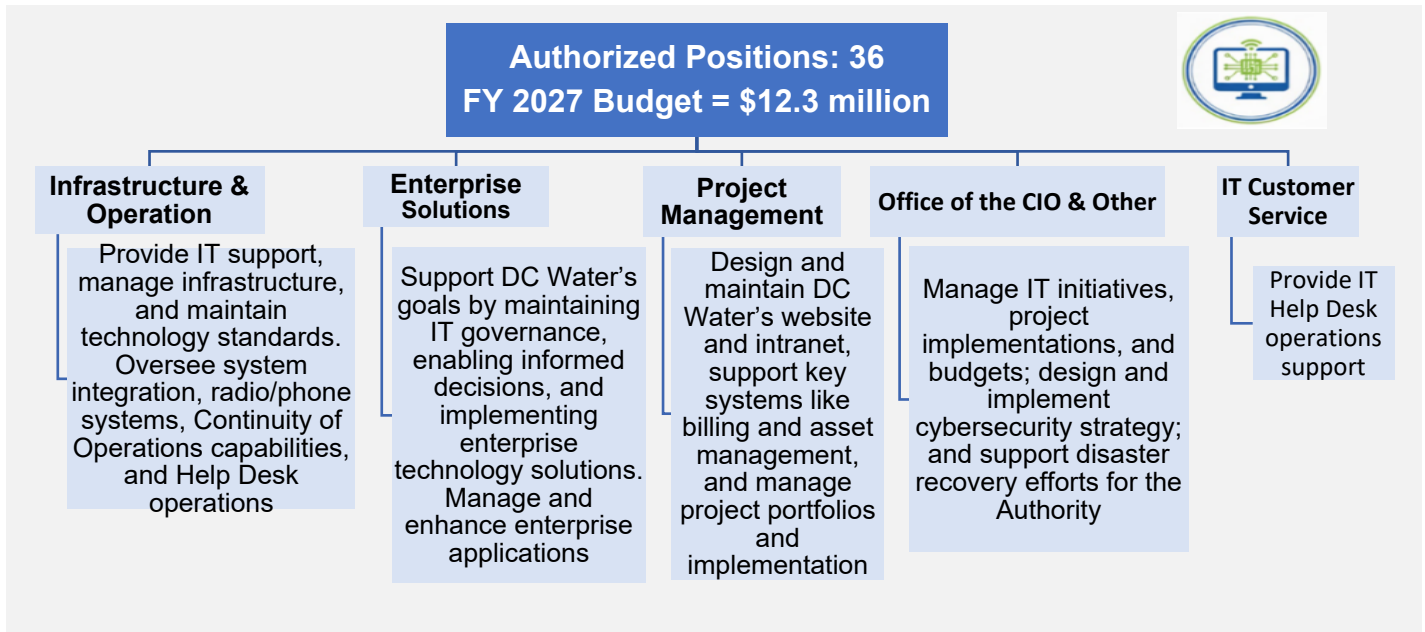
CLUSTER: INFORMATION TECHNOLOGY

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Unplanned Outage incident with DC Water Systems (Target <=1 per year)	-	1	1	1	Reliable
96% of high priority tickets completed within 4 hours	98.8%	99%	98%	99%	Reliable
60% Tickets closed by Tier 1 support	70%	60%	65%	60%	Reliable
50% of Projects Completed on-time	91%	94%	90%	90%	Reliable
Unplanned Outage from an external provider related incident (Target <=1 per year)	-	0	1	1	Reliable

DEPARTMENT: INFORMATION TECHNOLOGY

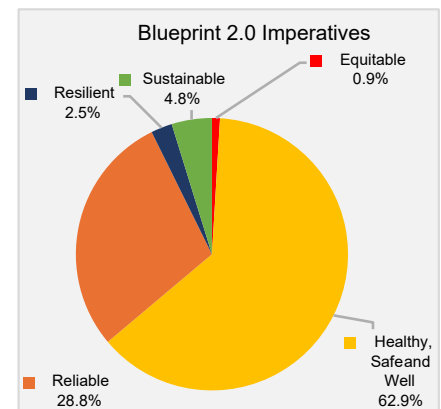
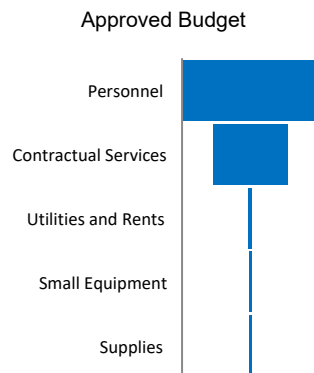
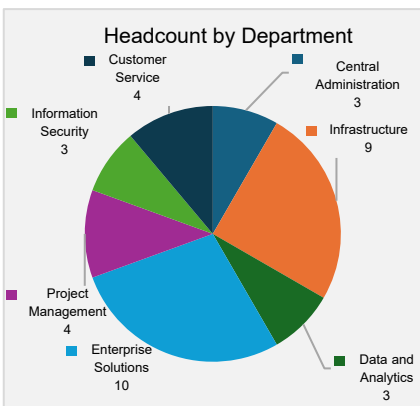
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to adjustments for salaries and benefits

Non-personnel Services: Decrease, mainly in contractual services for the reallocation of Subscription Based Information Arrangement (SBITA) to capital equipment

Capital Equipment: Covers cabling supplies, IT infrastructure, telephony, computer and laptop replacements, and SBITA.

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	37	36	37	36	1	3%
Personnel Services ALL	\$ 6,347	\$ 6,942	\$ 7,430	\$ 7,863	\$ (433)	(6)%
Contractual Services	4,514	4,132	4,517	4,280	237	5%
Chemicals and Supplies	(20)	6	16	3	14	84%
Utilities and Rent	189	149	180	186	(5)	(3)%
Small Equipment	7	3	11	13	(3)	(24)%
Non Personnel Services	4,690	4,290	4,725	4,482	243	5%
Total O&M Expenditures	\$ 11,037	\$ 11,232	\$ 12,155	\$ 12,345	\$ (190)	(2)%
Capital Equipment	\$ 4,363	\$ 4,839	\$ 4,665	\$ 14,552	\$ (9,887)	(212)%









ACCOMPLISHMENTS	GOALS	CHALLENGES
-----------------	-------	------------

- | | | |
|---|--|---|
| <ul style="list-style-type: none"> ▪ Implementation: AlertUs (Phase2) with enhanced security and emergency communication ▪ Replacements: OpenText (Livelink) to SharePoint Migration, 3PP to Acquia (SaaS Application) BPA module, IT Project Management Office (PMO) Tool ▪ Systems Enhancements: Impervious Area Upgrade, CIPM SharePoint Migration, MS SQL Server 2019 Upgrade, DC Water Website Upgrade ▪ Advancing system implementations such initiatives like Power Apps and MS Co-Pilot | <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 Year on Year (YoY) 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 ▪ Predicting Price Escalation Clauses due to market trends with our service providers |
|---|--|---|

DEPARTMENT: INFORMATION TECHNOLOGY

MAJOR PLANNED ACTIVITIES AND CHANGES

- Implement Artificial Intelligence (AI) Roadmap initiatives, Translation Technology, Permits Payment System. 
- Modernize and replace legacy systems: Kona systems replacement, Migration of Enterprise Asset Management (Maximo) application migration, and completion of the remaining Third Party-Processing Platform (3PP) modules 
- Enhance critical enterprise Systems: VertexOne Enhancements, Website & Mobile App Enhancements, Genesys enhancements 
- Major Systems Infrastructure Upgrades: MS SQL 2025, Impervious Area Toolset, Network Infrastructure, Tunnel Wi-Fi 
- Advancing system implementations such as the Custom Read Portal, SharePoint Forms, and Power Apps  

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

- AI Roadmap initiatives and Translation Technology will reduce operational costs via improving productivity
- Optimizing telecom circuits will lower 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 services costs for FY 2025



Strategic Plan - Blueprint 2.0 Imperatives Legend:

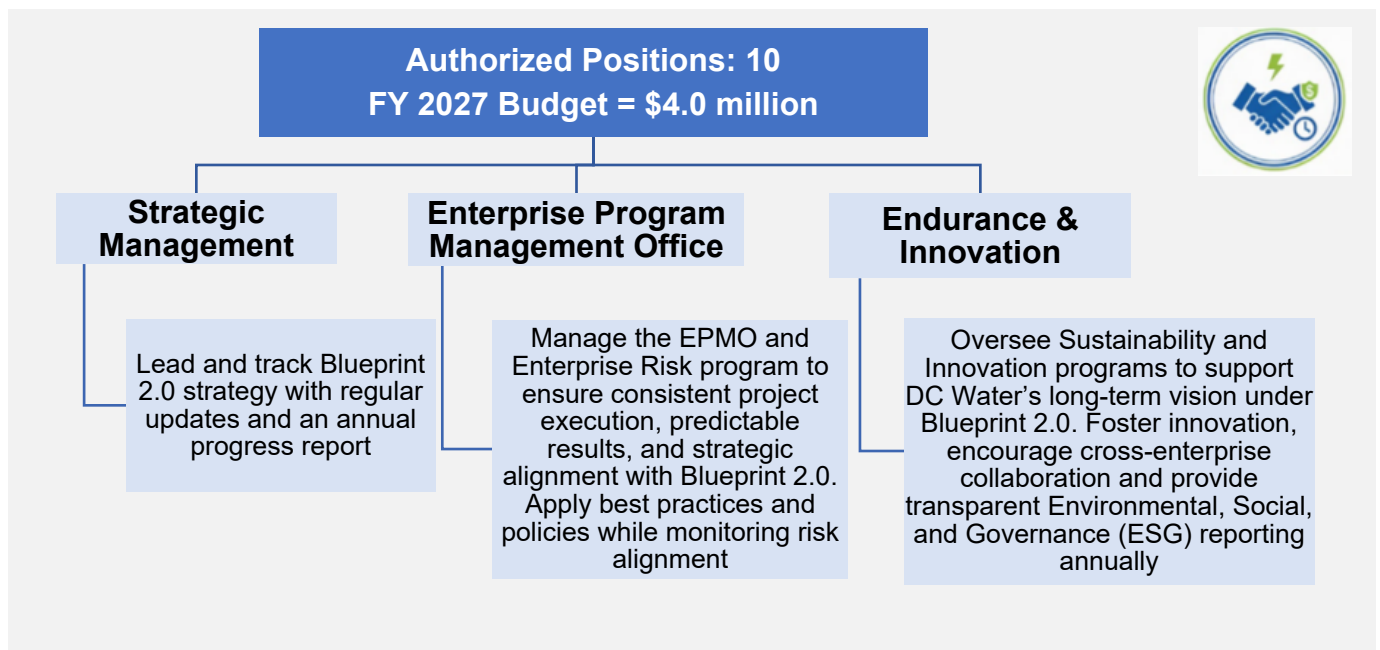
-  **Healthy, Safe and Well**
 **Reliable**
 **Resilient**
 **Equitable**
 **Sustainable**

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 (EPMO), Sustainability, Innovation, and Enterprise Risk Management

Mission: To enable the Senior Leadership Team effectively develop, manage, monitor, and execute the Authority’s Strategy Plan, Blueprint 2.0

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Develop and implement Strategic Management (maturity scale 1-5)	2.9	2.9	3.4	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	3.22	3	3.5	Reliable

DEPARTMENT: STRATEGY AND PERFORMANCE

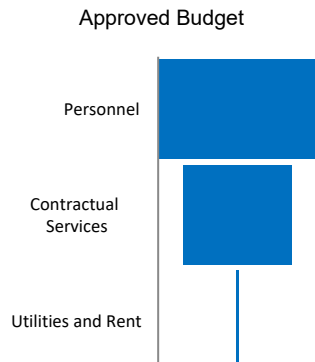
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to salaries and benefits adjustments

Non-Personnel Services: Increased to provide contracted support for Water Supply Resilience Strategy initiatives

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	9	10	10	10	0	0%
Personnel Services ALL	\$ 1,624	\$ 1,923	\$ 2,222	\$ 2,397	\$ (175)	(8)%
Contractual Services	1,299	828	1,020	1,641	(622)	(61)%
Chemicals and Supplies	0	1	-	2	(2)	-
Utilities and Rent	-	3	2	3	(1)	(43)%
Small Equipment	2	1	-	-	-	-
Non Personnel Services	1,301	832	1,022	1,647	(625)	(61)%
Total O&M Expenditures	\$ 2,925	\$ 2,755	\$ 3,244	\$ 4,044	\$ (800)	(25)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS

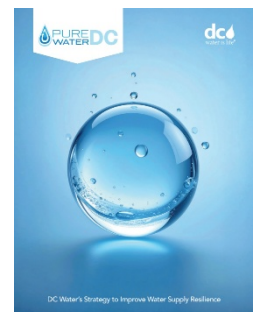
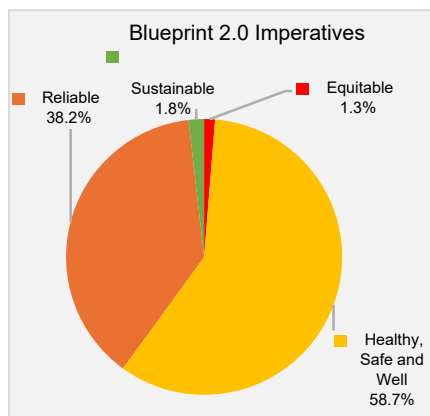
- Established a Strategic Management framework, improving to a maturity scale of 3.0/5.0
- Rebranded and published DC Water's Impact & Resilience Report for the year
- Successfully launched the Pure Water DC project, advancing the Authority's long-term water sustainability and resilience goals

GOALS

- Continue to improve the Strategic Management framework, aiming for a maturity scale of 3.1/5.0
- Enhance the impact and reach of DC Water's Impact & Resilience report in future publications

CHALLENGES

- Resourcing an increasing interest and organizational priority for enterprise-level programs (e.g. Pure Water DC, AI/data governance, non-revenue water, etc.)



DEPARTMENT: STRATEGY AND PERFORMANCE

MAJOR PLANNED ACTIVITIES AND CHANGES

- Provide board and leadership updates on Blueprint 2.0 progress (biannual board updates and triannual status updates)
- Refine Blueprint 2.0 goals and workstreams
- Advance the Enterprise Program Management Office to ensure program delivery
- Advance components the enterprise executive dashboard
- Refine indices for monitoring innovation and sustainability to include ROI (Return on Investment)
- Advance the Generative AI Community of Practice
- Leverage ESG (Environmental, Social, and Governance) structure and publish FY25 Impact & Resilience Report
- Advance enterprise approach to non-revenue water management (including baselining and dashboard creation), leveraging ERM (Enterprise Risk Management) processes
- Create and deliver the Pure Water DC vision document
- Procure contractor and break ground on the Pure Water DC Discovery Center

IMPACT OF OPERATING PROGRAMS

- Deliver mission-critical enterprise programs efficiently and strengthen cross-enterprise collaboration on priority programs
- Strengthen enterprise compliance and internal audit functions
- Improve enterprise risk management through grassroots risk identification
- Enhance transparency through Impact and Resilience reporting and promote innovation and sustainability aligned to Blueprint 2.0 goals

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- Pure Water DC will begin the needed capital funding for the Discovery Center contract to be awarded in FY 2026



Strategic Plan - Blueprint 2.0 Imperatives Legend:

- Healthy, Safe and Well
- Reliable
- Resilient
- Equitable
- Sustainable

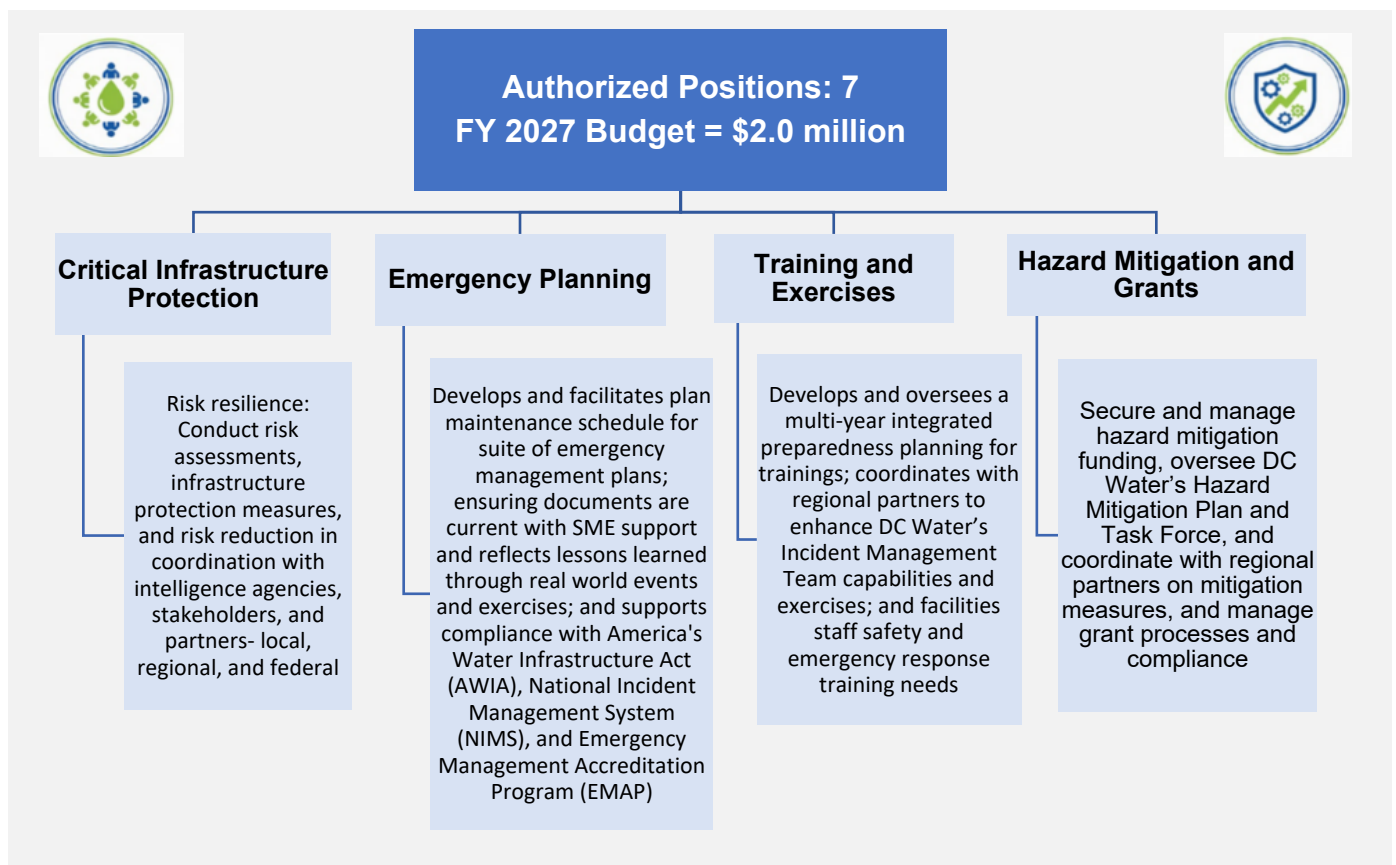
CLUSTER: SHARED SERVICES

DEPARTMENT: OFFICE OF EMERGENCY MANAGEMENT

Purpose: To provide planning and operational support to the entire Authority in preparation and response to emergencies while ensuring DC Water’s resilience, hazard mitigation, and compliance with the American Water Infrastructure Act (AWIA)/SDWIS Section 1433 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 2024	FY 2025	FY 2026	FY 2027	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

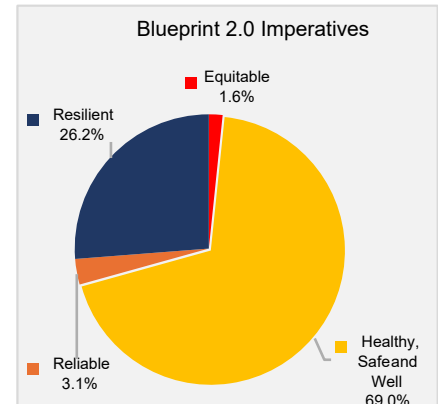
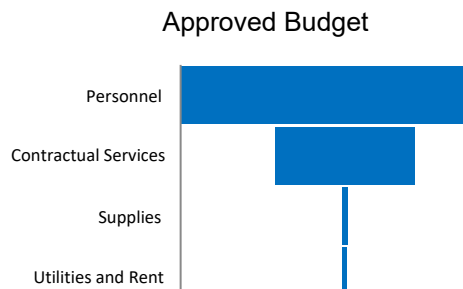
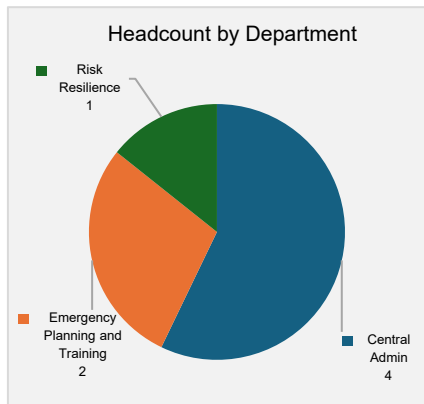
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increase reflects salaries and benefits adjustments

Non-personnel Services: Increase is primarily contractual services for emergency management planning

Capital Equipment: Increase for vehicle upgrades

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	6	6	7	7	0	0%
Personnel Services ALL	\$ 1,085	\$ 1,261	\$ 1,287	\$ 1,353	\$ (66)	(5)%
Contractual Services	438	388	479	576	(97)	(20)%
Chemicals and Supplies	17	7	21	24	(3)	(12)%
Utilities and Rent	15	11	14	19	(4)	(29)%
Small Equipment	6	9	-	5	(5)	-
Non Personnel Services	475	416	514	623	(109)	(21)%
Total O&M Expenditures	\$ 1,560	\$ 1,677	\$ 1,801	\$ 1,976	\$ (174)	(10)%
Capital Equipment	-	-	\$ 0	\$ 50	\$ (50)	-



Blueprint

ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Awarded 2 grants - Blue Plains Floodwall Phase 1 and Hazard Mitigation Plan revision: managing 9 grants Coordinated 8 Incident Management Team activations Completed 11 after-actions, addressed 21 improvements Coordinated the Authority-wide backup power assessment with the US Army 249th Battalion Received reaccreditation through the Emergency Management Accreditation Program (EMAP); 73 ANSI standards 	<ul style="list-style-type: none"> To maintain a high performing and knowledgeable department that supports and maintains emergency management planning, training, exercises, hazard mitigation, critical infrastructure protection risk assessments, and coordinates incident management team activations for a robust, resilience, and compliance water and wastewater utility 	<ul style="list-style-type: none"> A significant increase in the number and duration of incidents throughout the Authority and significant events throughout the region, thus leading to additional after-action reports, training needs, and follow-up that require support and coordination Operational adjustments, initiatives, and emerging threats impact budget and capacity

DEPARTMENT OFFICE OF EMERGENCY MANAGEMENT

MAJOR PLANNED ACTIVITIES AND CHANGES PLANNED

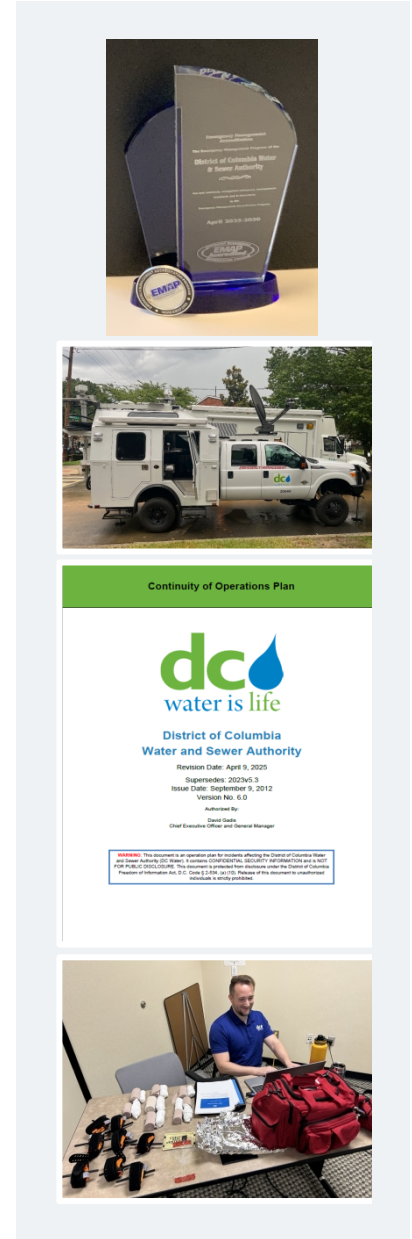
- Implement: Managing compliance and reporting of grants while continuing to apply for additional grants. Develop an Authority wide Power Resilience Plan
- Establish: Incident Command Post facilities and training location. IMT management and documentation software and virtual solution for quicker emergency notifications, tasks, documentations, and plan references
- Facilitate: Conduct full revisions of Recovery Plan and All Hazard Initial Response Plan and Playbook. Support risk mitigation measures recommended in revised Hazard Mitigation Plan, District Plan needs, and from emerging threats
- Continue: Compliance with American Water Infrastructure Act (AWIA) and Emergency Management Accreditation (EMAP) through plan updates, training and exercises, response capabilities, hazard mitigation, gap improvements, partnerships with local and regional emergency management agencies, and critical infrastructure protection measures

IMPACT OF OPERATIONAL PROGRAMS

- Continue efforts to demonstrate and illustrate to rate payers, bond ratings, insurance carrier, ESG report documents, and response partners that DC Water is resilient through continuous risk assessment efforts, hazard mitigation measures, emergency management planning and training, and has a robust team of trained incident management staff
- Manage and implement for compliance with AWIA 2018/ Safe Drinking Water Information System (SDWIS) Section 1433 Risk and Resilience Assessments and Emergency Response Plans, Federal Emergency Management Agency - National Incident Management System (NIMS), and EMAP
- Facilitate the tracking of risks and resilience measures for hazard mitigation and risk reduction through assessments, planning, task force coordination, and grant applications and management

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

- No direct impact



Strategic Plan - Blueprint 2.0 Imperatives Legend:

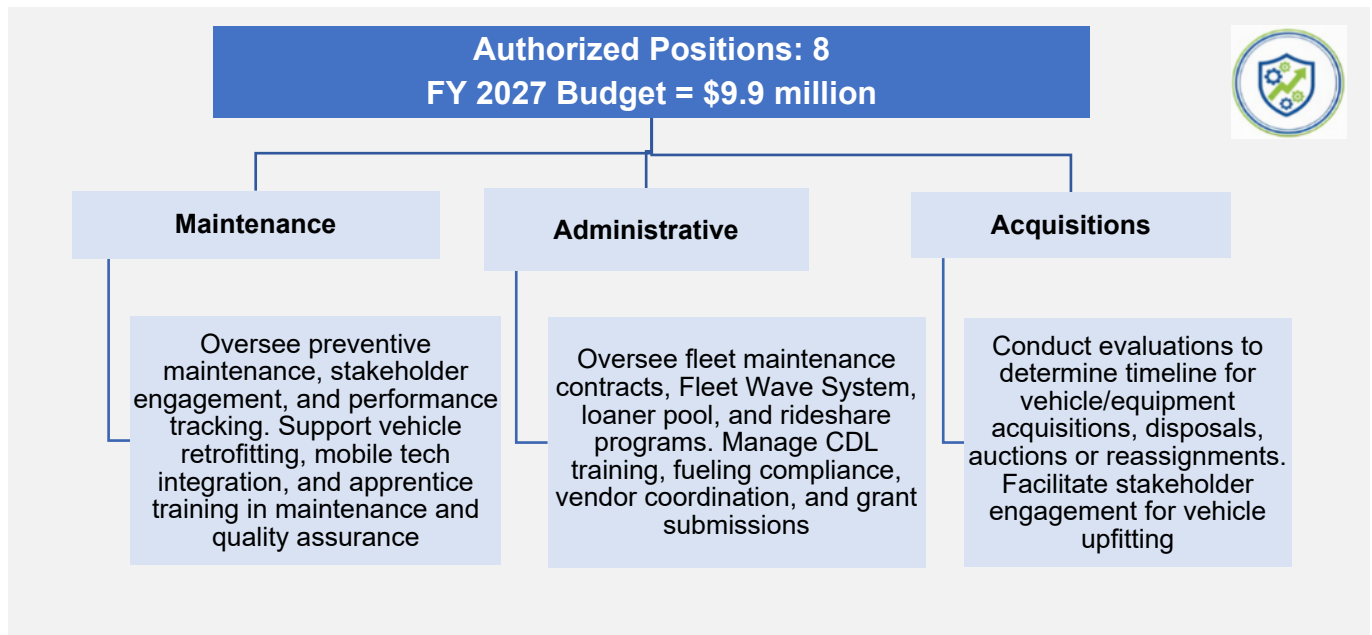
- Healthy, Safe and Well**
Reliable
Resilient
Equitable
Sustainable

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Preventative Maintenance Completed on Schedule	85%	79%	81%	81%	Reliable
Priority #1 Vehicles available for use	84%	61%	50-90%	50-90%	Reliable

DEPARTMENT: FLEET MANAGEMENT

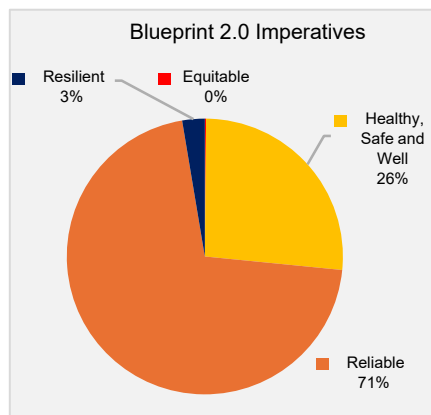
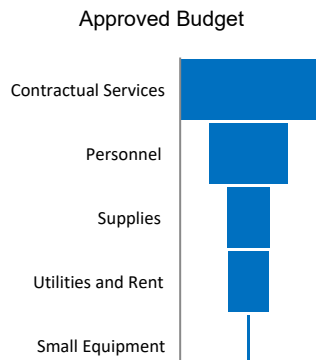
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Reflects salary adjustments and addition of one Quality Assurance Technician

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 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	8	7	7	8	(1)	(14)%
Personnel Services ALL	\$ 1,099	\$ 1,103	\$ 1,160	\$ 2,599	\$ (1,439)	(124)%
Contractual Services	4,496	3,331	3,864	4,515	(651)	(17)%
Chemicals and Supplies	752	1,350	1,333	1,407	(74)	(6)%
Utilities and Rent	1,136	1,235	1,161	1,343	(181)	(16)%
Small Equipment	31	14	25	28	(3)	(10)%
Non Personnel Services	6,416	5,930	6,383	7,292	(909)	(14)%
Total O&M Expenditures	\$ 7,515	\$ 7,033	\$ 7,543	\$ 9,891	\$ (2,348)	(31)%
Capital Equipment	\$ 8,500	\$ 7,203	\$ 4,001	\$ 3,972	\$ 28	1%



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Begin Transition to the Electric Vehicle (EV) infrastructure: training maintenance and operation
- Upgrade Field Services Mobile Support Programs

ACCOMPLISHMENTS

- Generated FY 25 Total Revenue of \$436,496 through vehicle auction sales and grant proceeds
- Implemented performance-based metric for the Repair and Maintenance Contract
- Downsized Fleet 10% by identifying underutilized vehicles

GOALS

- Implement vehicle replacement strategy
- Maintain a centralized loaner pool to support continuity of operations by repurposing underutilized units
- Improve KPIs through scheduled maintenance to minimize vehicle downtime and increase availability

CHALLENGES

- Adequate staffing to accomplish the operational responsibilities
- Departmental collaboration and ownership for initiatives that have authority-wide impact, i.e. compliance, risk management, tickets, moving violations, accidents
- Fueling costs & tariffs

DEPARTMENT: FLEET MANAGEMENT

IMPACT OF OPERATIONAL PROGRAMS

- Implementation of scanners for vehicles to identify drivers
- 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

- Build out EV infrastructure and procurement of EV vehicles



Strategic Plan - Blueprint 2.0 Imperatives Legend:

- Healthy, Safe and Well**
Reliable
Resilient
Equitable
Sustainable

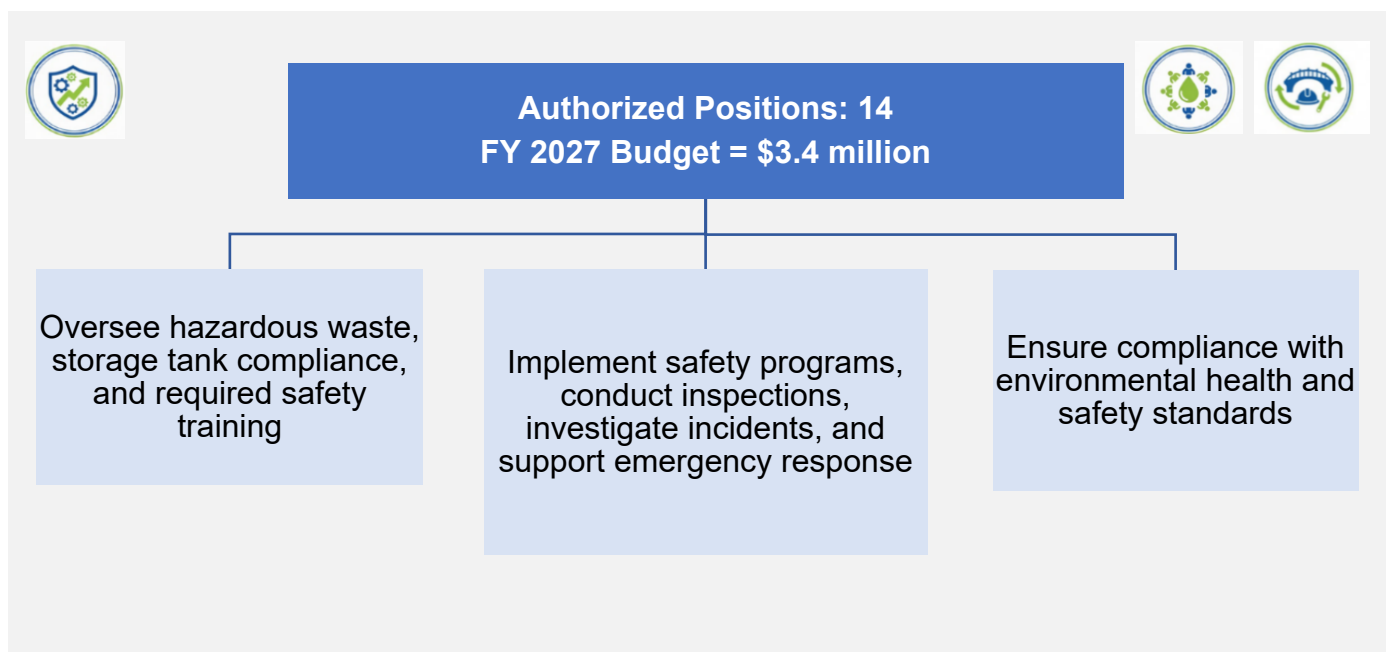
CLUSTER: SHARED SERVICES

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
DC Water Employee Recordable Incident Rate (RIR) (CY)	1.1	2.26	<5.4	<5.4	Healthy, Safe, and Well
DC Water Employee Lost Time Incident (LTI) (CY)	0.69	1.47	<2.1	<2.1	Healthy, Safe, and Well
Contractor/ROCIP Recordable Incident Rate (RIR) (CY)	0.68	1.40	<2.4	<2.4	Healthy, Safe, and Well
Contractor/ROCIP Lost Time Incident (LTI) (CY)	0.16	0.36	<1.0	<1.0	Healthy, Safe, and Well

* CY = Calendar Year

DEPARTMENT: OCCUPATIONAL SAFETY AND HEALTH

FY 2027 Operating Budget Overview

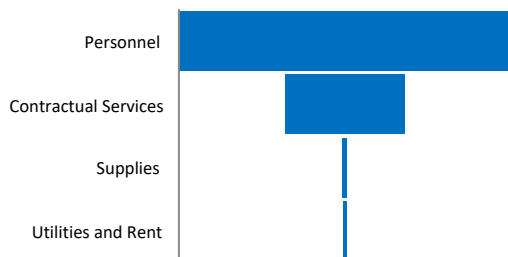
Personnel Services: Increase reflects salaries and benefits adjustments

Non-Personnel Services: Decrease is due to the reduction in temporary staffing and software and hardware maintenance

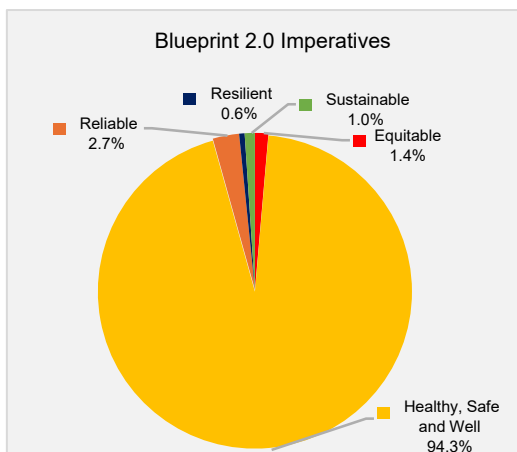
Capital Equipment: Funding for fire suppression activities

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	18	14	14	14	0	0%
Personnel Services ALL	\$ 2,086	\$ 2,378	\$ 2,246	\$ 2,482	\$ (236)	(11)%
Contractual Services	490	1,075	1,087	890	197	18%
Chemicals and Supplies	26	39	15	31	(16)	(103)%
Utilities and Rent	40	27	22	29	(7)	(30)%
Small Equipment	6	8	-	3	(3)	-
Non Personnel Services	562	1,149	1,124	953	171	15%
Total O&M Expenditures	\$ 2,647	\$ 3,528	\$ 3,370	\$ 3,435	\$ (65)	(2)%
Capital Equipment	-	\$ 249	\$ 150	\$ 350	\$ (200)	(133)%

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
- Adopt the Rolling Owner Controlled Insurance Program (ROCIP) staffing for contractor oversight
- Upgrade fire, life & safety systems, including AED use sensors and industrial hygiene monitoring
- Enhance environmental, industrial hygiene and training
- Recruit and onboard key staff positions
- Align DC Water's Occupational Health and Safety to Federal regulations
- Move forward with a DC Water training facility
- Strengthen effective safety communications with the Authority

ACCOMPLISHMENTS

- Updated 16 Safety policies in alignment with OSHA
- Improved data tracking and KPI management
- Enhanced several areas and equipment for fire, life and safety
- Enhanced the personal gas monitoring program
- Improved engagement in safety initiatives

GOALS

- Continue Recruitment and Onboarding of Key Staff Positions
- Increase the efficiency of the safety training program
- Increase Employee and Department Engagement through the "Change 1 Thing" recognition program

CHALLENGES

- Delays in system upgrades and safety policy approvals
- Upgrading ppe to more efficient/effective
- Challenges in staff adoption for the ROCIP
- Compliance risks if equipment upgrades are not effectively executed
- Potential gaps in safety communication and employee awareness

Strategic Plan - Blueprint 2.0 Imperatives Legend:

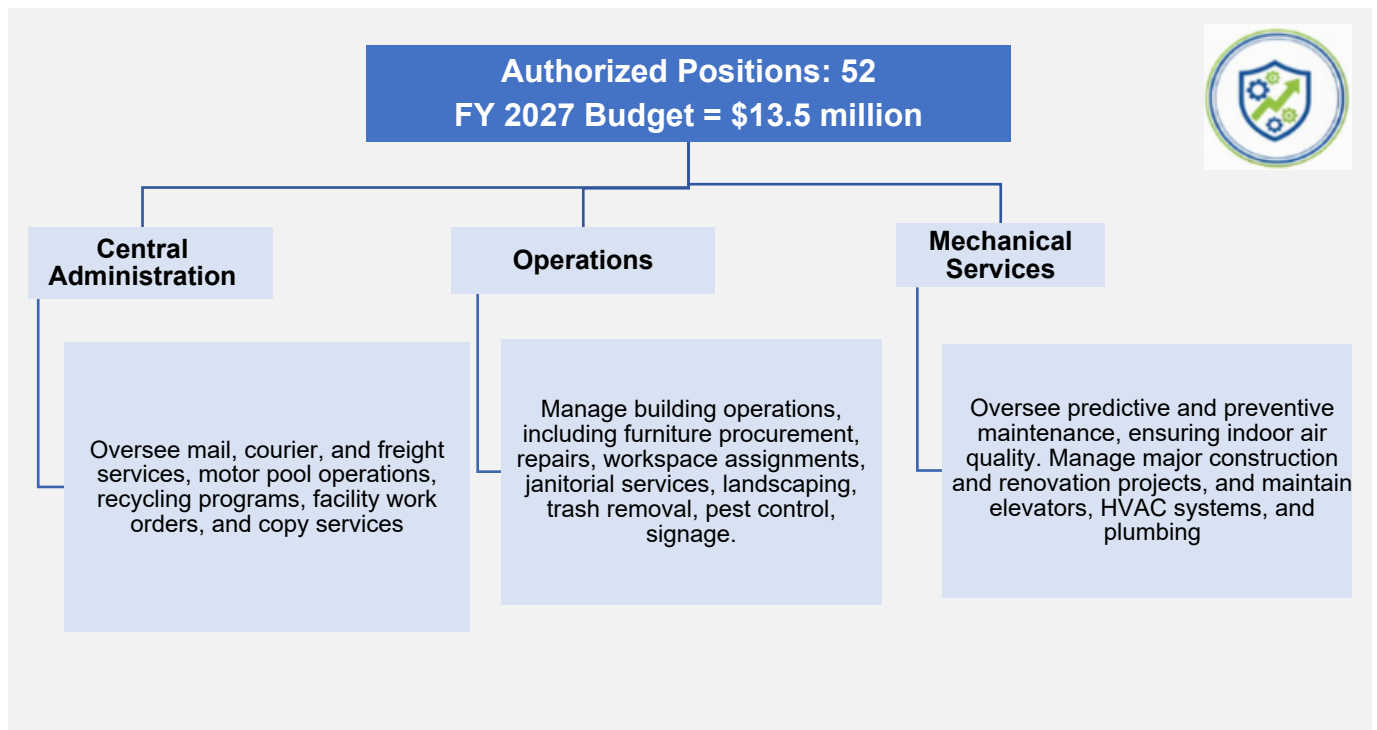


CLUSTER: SHARED SERVICES
DEPARTMENT: FACILITIES MANAGEMENT

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
% of Facilities Service requests completed within 30 days	77%	92%	90%	90%	Reliable
Preventative Maintenance Completed on Schedule	76%	94%	90%	90%	Reliable

DEPARTMENT: FACILITIES MANAGEMENT

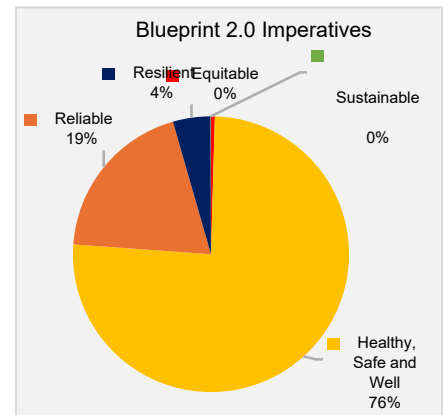
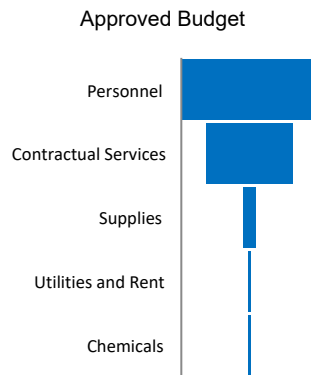
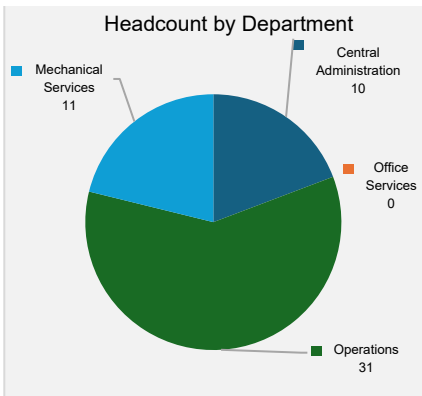
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increased due to salary adjustments

Non-personnel Services: Decrease in contractual services due to reallocation of Hardware and Software Maintenance costs to the Capital Equipment budget and Small Equipment

Capital Equipment: Increase for Elevators and HVAC system replacements

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	52	52	52	52	0	0%
Personnel Services ALL	\$ 6,655	\$ 6,579	\$ 7,508	\$ 7,698	\$ (190)	(3)%
Contractual Services	3,794	4,073	5,337	4,914	423	8%
Chemicals and Supplies	723	581	763	733	30	4%
Utilities and Rent	86	86	96	133	(37)	(38)%
Small Equipment	27	93	103	6	97	94%
Non Personnel Services	4,630	4,833	6,299	5,786	513	8%
Total O&M Expenditures	\$ 11,285	\$ 11,412	\$ 13,807	\$ 13,484	\$ 323	2%
Capital Equipment	\$ 1,287	\$ 1,743	\$ 3,485	\$ 3,268	\$ 217	6%



ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Achieved Well Health Safety Rating for Bryant Street Pump Station, Central Maintenance Facility, Ft Reno Lab, HQO Supported Department moves and upgrades, completed roof repairs, moved 3 program management teams and engineering services, completed office renovations 	<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 to develop and refine Space Planning capabilities in support of efficient, well, healthy and safe workspaces  
- 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 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



Strategic Plan - Blueprint 2.0 Imperatives Legend:

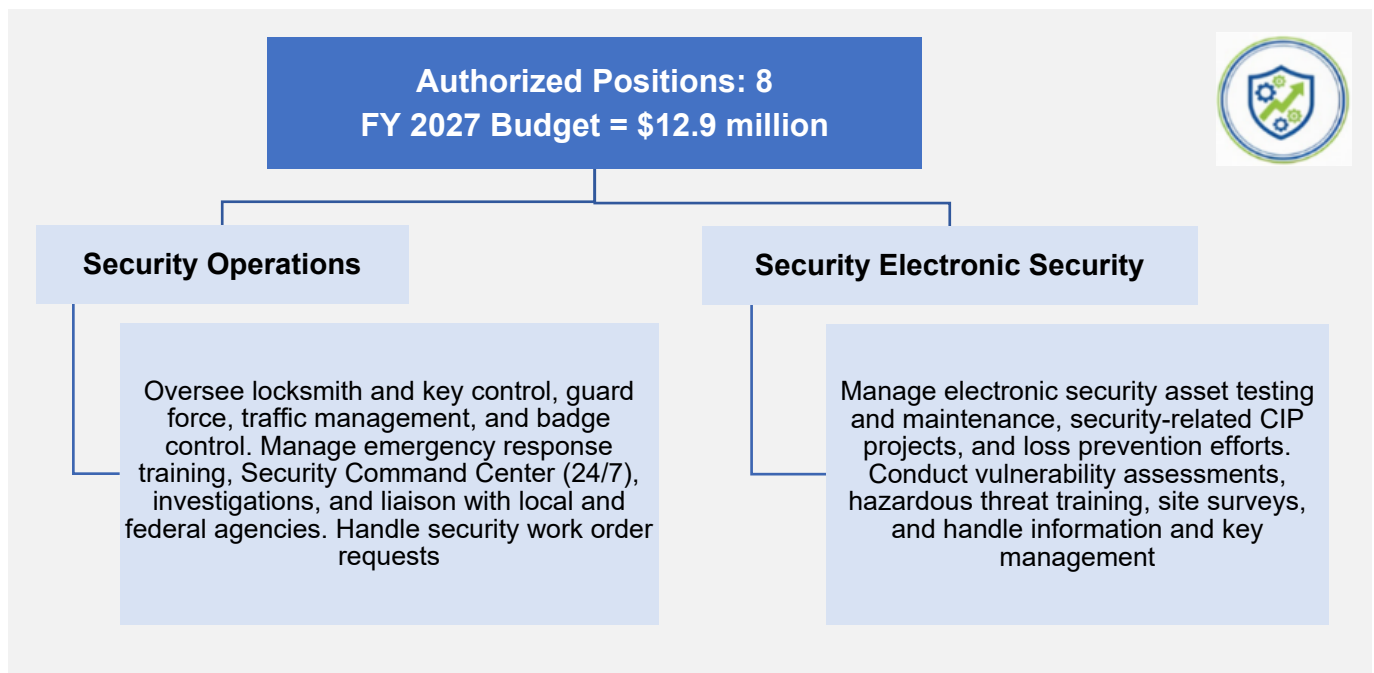
-  **Healthy, Safe and Well**
 **Reliable**
 **Resilient**
 **Equitable**
 **Sustainable**

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 2024	FY 2025	FY 2026	FY 2027	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%	96%	Resilient
Smart card readers operational uptime (cannot go below 90%)	97%	97%	90%	97%	Resilient

DEPARTMENT: SECURITY

FY 2027 OPERATING BUDGET OVERVIEW

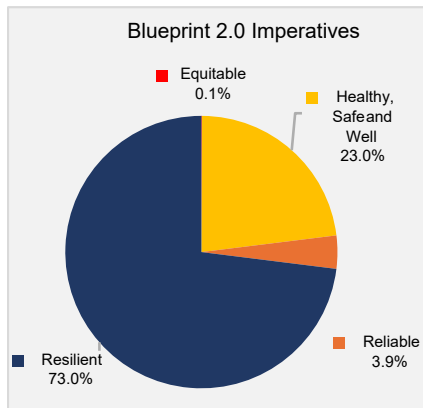
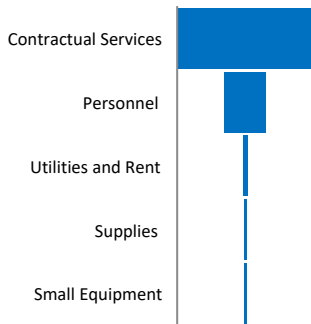
Personnel Services: Increase reflects salary adjustments, including the reduction of one FTE

Non-personnel: Increased primarily in Professional Services for guards' contract

Capital Equipment: Purchase of electronic security equipment

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	7	9	9	8	1	11%
Personnel Services ALL	\$ 1,183	\$ 1,396	\$ 1,548	\$ 2,938	\$ (1,390)	(90)%
Contractual Services	8,591	8,810	8,877	9,636	(760)	(9)%
Chemicals and Supplies	35	39	44	41	3	7%
Utilities and Rent	342	339	387	316	72	19%
Small Equipment	6	1	10	5	5	50%
Non Personnel Services	8,974	9,190	9,318	9,998	(680)	(7)%
Total O&M Expenditures	\$ 10,157	\$ 10,585	\$ 10,866	\$ 12,936	\$ (2,070)	(19)%
Capital Equipment	\$ 602	\$ 400	\$ 600	\$ 500	\$ 100	17%

Approved Budget



ACCOMPLISHMENTS

- Conducted 8 Training Courses for full time DC Water employees
- Conducted 20 Internal Penetration Tests of DC Water facilities
- 3 Field Training Exercises

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

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 🏠💧
- Analyze areas throughout the Authority for potential additional security or electronic improvements 🏠💧

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



Strategic Plan - Blueprint 2.0 Imperatives Legend:

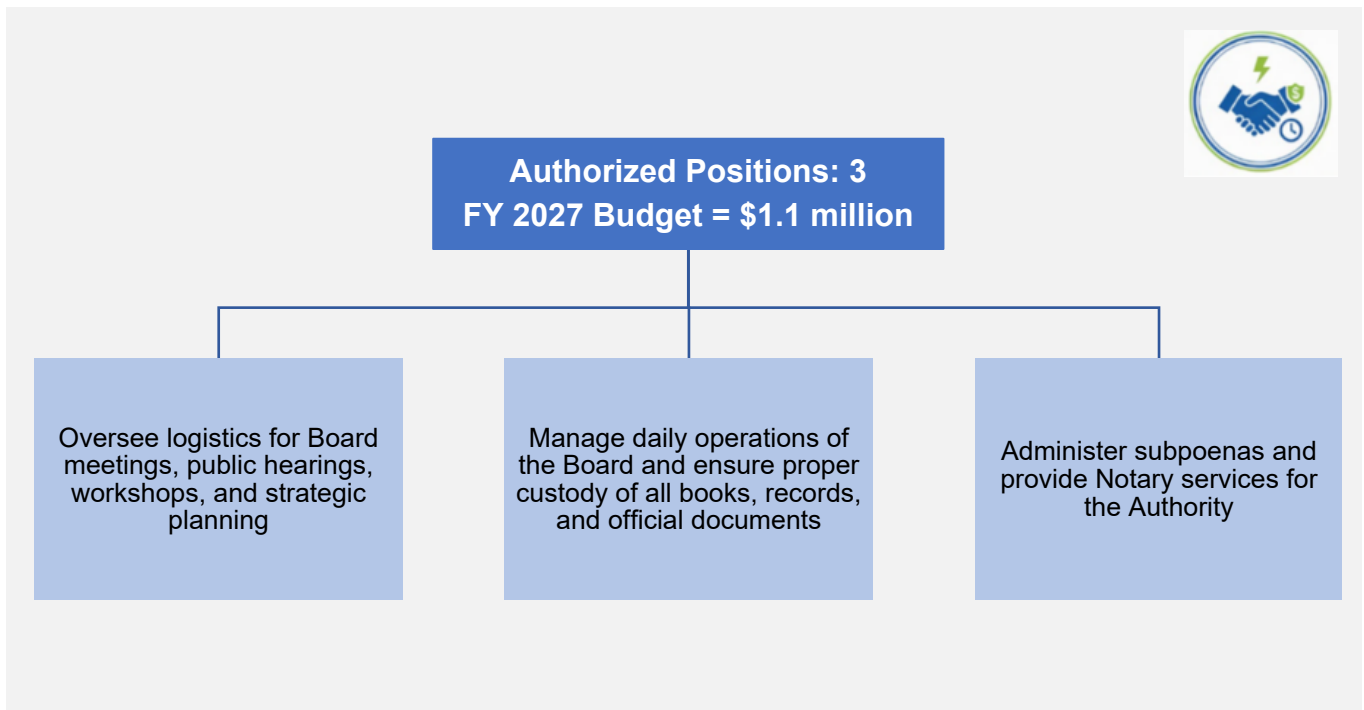
Healthy, Safe and Well
Reliable
Resilient
Equitable
Sustainable

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 2024	FY 2025	FY 2026	FY 2027	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 2027 Operating Budget Overview

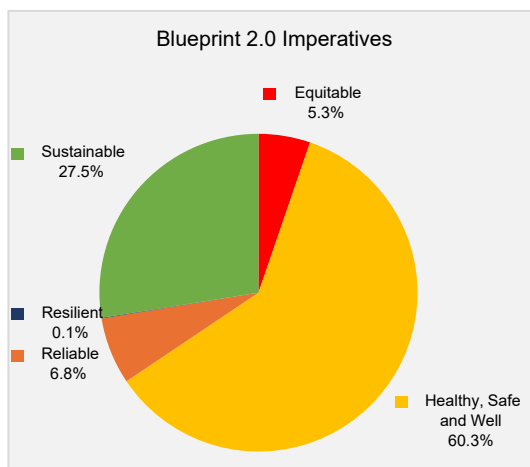
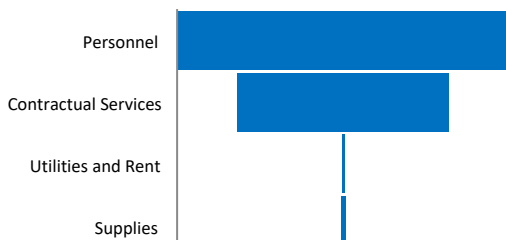
Personnel Services: Remains relatively flat

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

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	3	3	3	3	0	0%
Personnel Services ALL	\$ 479	\$ 613	\$ 644	\$ 636	\$ 8	1%
Contractual Services	319	221	377	405	(29)	(8)%
Chemicals and Supplies	2	9	3	9	(7)	(260)%
Utilities and Rent	9	3	9	5	5	50%
Non Personnel Services	329	233	388	419	(31)	(8)%
Total O&M Expenditures	\$ 808	\$ 845	\$ 1,033	\$ 1,055	\$ (23)	(2)%
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
- Work with IT to improve recording of Board meetings
- Continue enhancing processes and duties as needed

ACCOMPLISHMENTS

- Onboarded six new board members
- Facilitated governance training for board members and Senior Executive Team (SET)
- Collaborated with IT to upgrade Boardroom equipment

GOALS

- Facilitate new board members' orientation and onboarding
- Implement Diligent Communities platform
- Work with the Mayor's Office of Talent and Acquisition to fill the remaining three DC alternate vacant positions

CHALLENGES

- Implementing Diligent Community platform

Strategic Plan - Blueprint 2.0 Imperatives Legend:



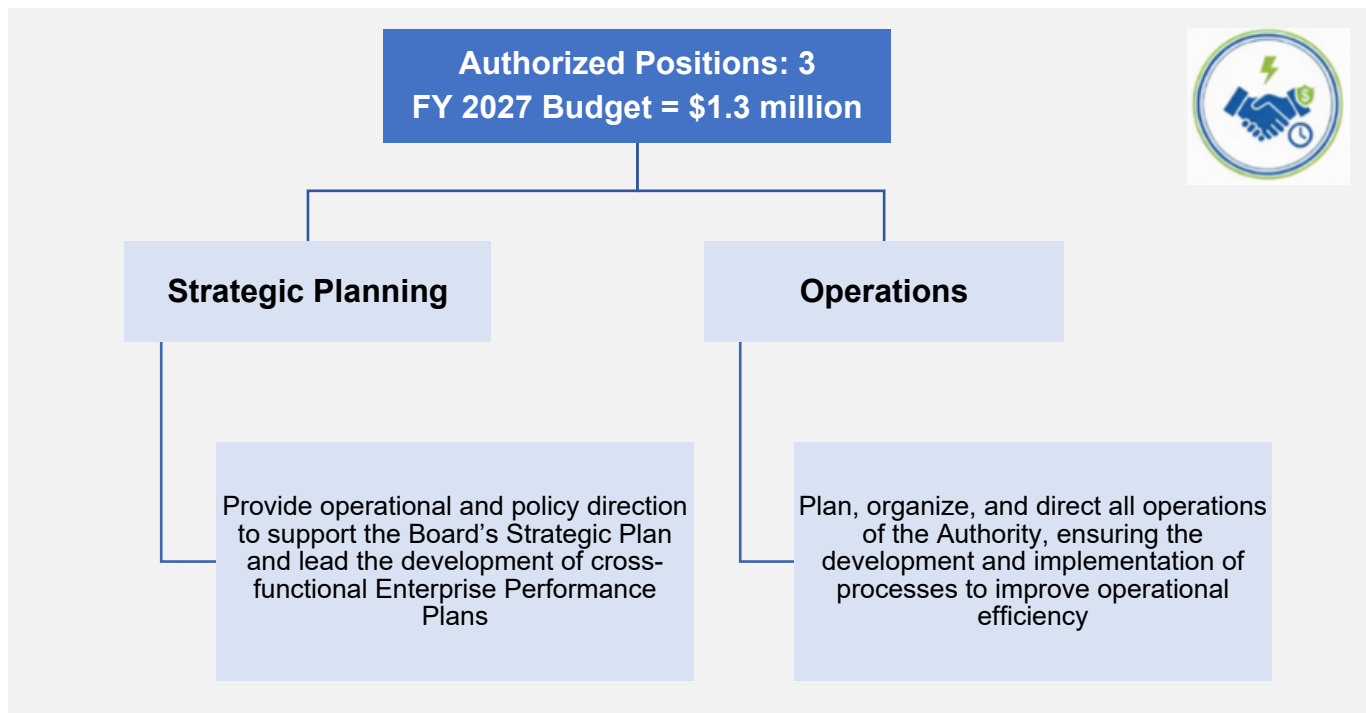
CLUSTER: INDEPENDENT OFFICES

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 2024	FY 2025	FY 2026	FY 2027	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%	Reliable

DEPARTMENT: OFFICE OF THE CHIEF EXECUTIVE OFFICER (CEO)

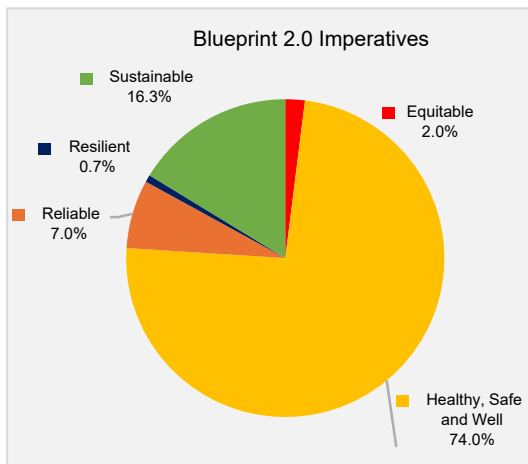
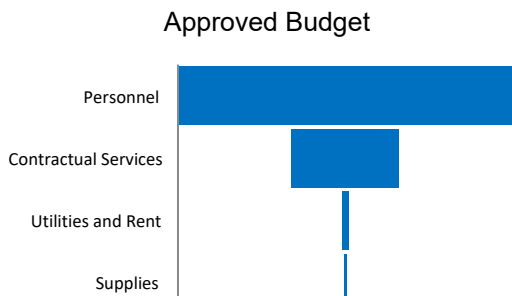
FY 2027 Operating Budget Overview

Personnel Services: Reflects salary adjustments based on reduced headcounts of vacant positions

Non-Personnel Services: Decrease due to budget realignment of authority memberships and employees related programs to other departments

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	4	3	4	3	1	25%
Personnel Services ALL	\$ 1,380	\$ 1,555	\$ 1,362	\$ 971	\$ 391	29%
Contractual Services	1,449	1,085	1,292	313	979	76%
Chemicals and Supplies	3	30	7	8	(1)	(14)%
Utilities and Rent	34	19	35	19	16	45%
Non Personnel Services	1,487	1,135	1,334	341	993	74%
Total O&M Expenditures	\$ 2,866	\$ 2,690	\$ 2,696	\$ 1,311	\$ 1,385	51%
Capital Equipment	-	-	-	-	-	-



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Strengthen administrative systems to support efficient operations and data-driven decision-making 🔄
- Enhance leadership development through initiatives such as Leading Blue, while strengthening labor-management partnerships and executive support structures 🟢
- Foster leadership dialogue by establishing a forum focused on the African American CEO leadership experience 🟢
- Strengthen collaboration with the Board, stakeholders, and global utility leaders 👥
- Advance watershed engagement initiatives, including the Anacostia freshwater mussel project 🦠
- Expand DC Water through strategic partnerships and regional initiatives such as the Women of Water event 👥

ACCOMPLISHMENTS

- Maintained financial stability during a \$51M shortfall while preserving jobs and strong credit ratings
- Achieved full compliance with regulatory and CIP requirements.
- Strengthened DC Water's national leadership and public engagement
- Advanced workforce development through leadership programs and internships

GOALS

- Commence construction of the Rock Creek Green Infrastructure Project to enhance the District's water management systems and environmental resilience

CHALLENGES

- Sustaining high water quality and regulatory compliance amid evolving federal requirements
- Need to secure a viable alternative water source for the District

Strategic Plan - Blueprint 2.0 Imperatives Legend:

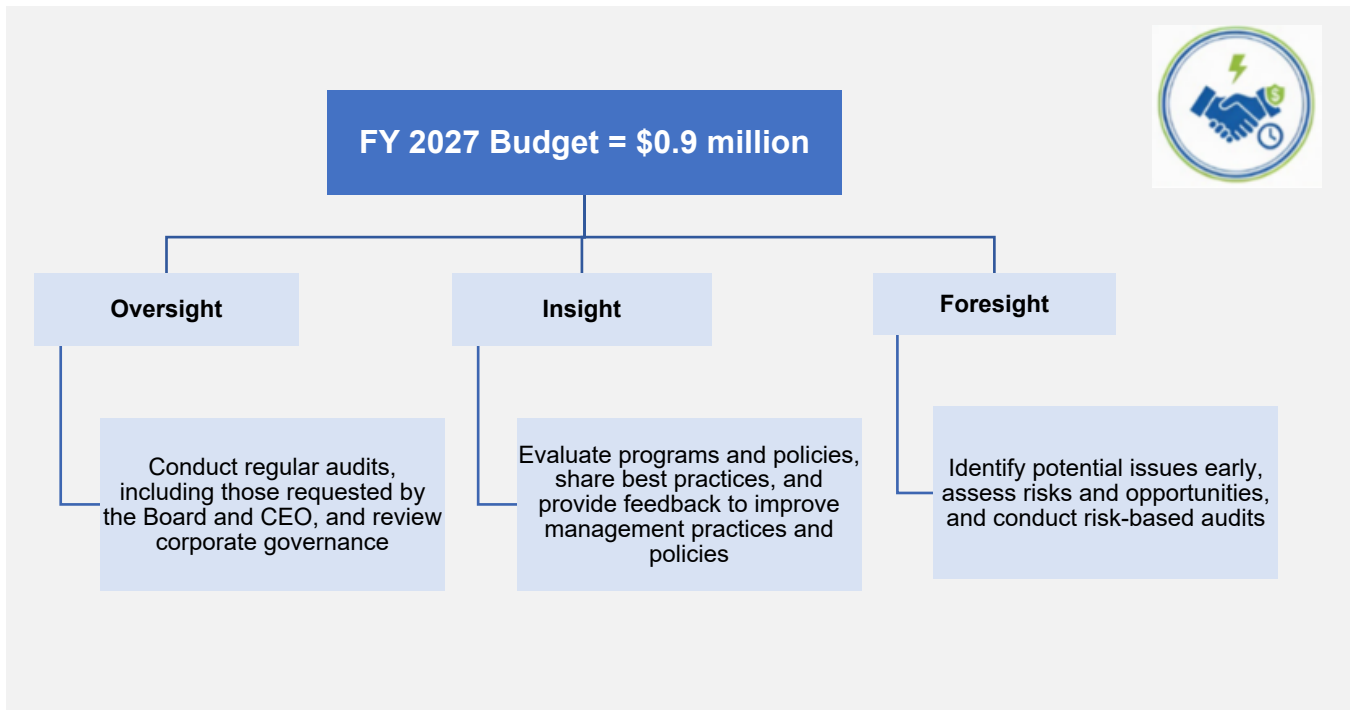


CLUSTER: INDEPENDENT OFFICES
DEPARTMENT: INTERNAL AUDIT

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Internal Audit Work Planned	10	9	11	10	Reliable

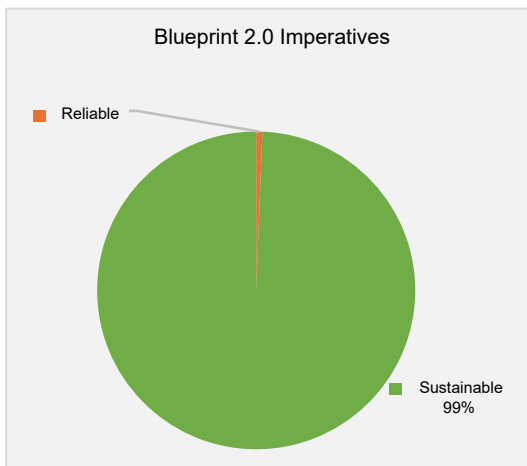
DEPARTMENT: INTERNAL AUDIT

FY 2027 Operating Budget Overview

Non-Personnel Services: Relatively flat

Capital Equipment: No activity

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	0	-	0	-	0	-
Personnel Services ALL	-	-	-	-	-	-
Contractual Services	815	772	818	864	(47)	(6)%
Non Personnel Services	815	772	818	864	(47)	(6)%
Total O&M Expenditures	\$ 815	\$ 772	\$ 818	\$ 864	\$ (47)	(6)%
Capital Equipment	-	-	-	-	-	-



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 2025

GOALS

- Successful completion of audit work planned for FY 2026



Strategic Plan - Blueprint 2.0 Imperatives Legend:

- Healthy, Safe and Well**
Reliable
Resilient
Equitable
Sustainable

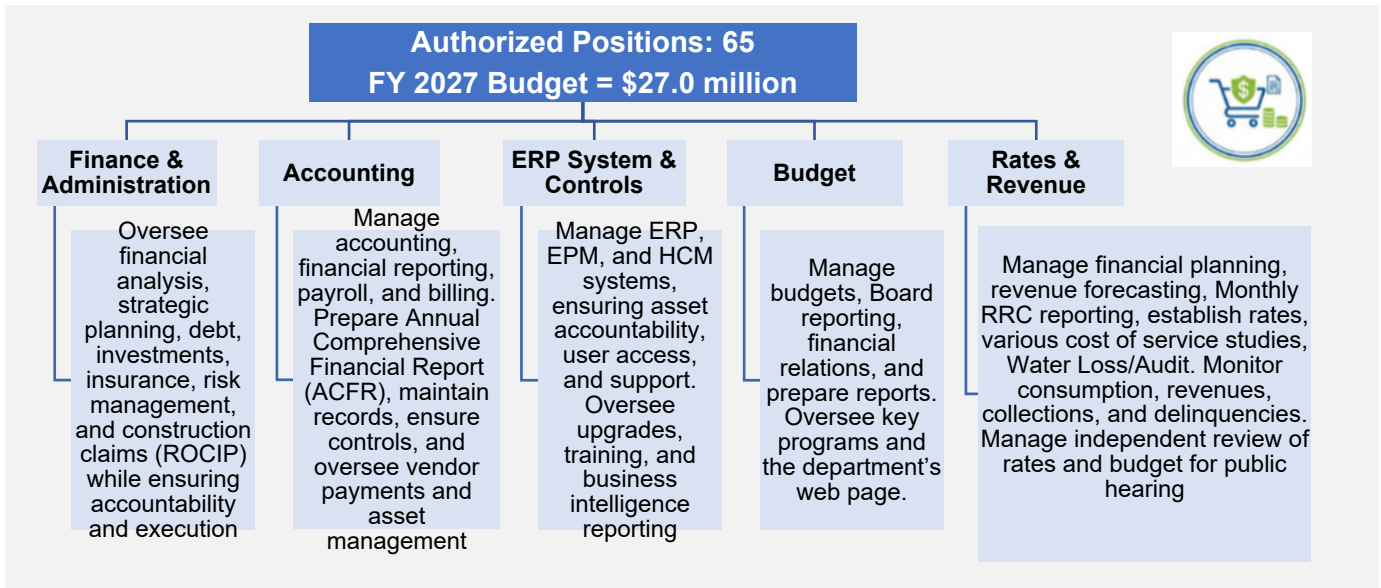
CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Ensure revenue projections and O&M expenditures are within budget	103%/97%	103%/93%	95%/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	395/400	436/404	376/380	351/368	Sustainable
Manage financial operations to ensure 160% combined debt service coverage	241%	240%	204%	180%	Sustainable
Meet or exceed 250 days operating & maintenance expenses per fiscal year	298 days	283 days	269 days	283 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

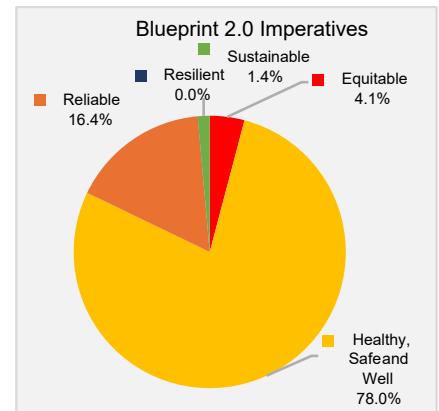
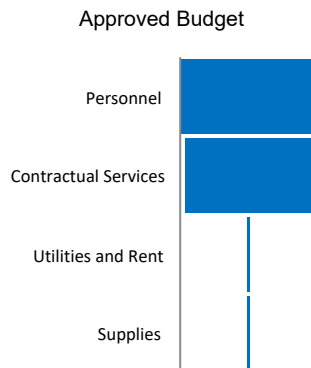
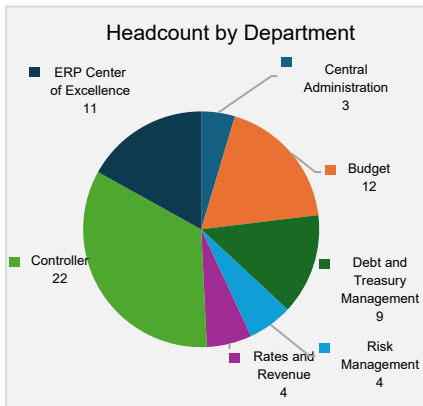
FY 2027 OPERATING BUDGET OVERVIEW

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

Non-Personnel Services: Decreased mainly in contractual costs for strategic, external audit, and software maintenance costs

Capital Equipment: Increased for Enterprise Resource Planning (ERP) Cloud Application

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	64	65	65	65	0	0%
Personnel Services ALL	\$ 11,164	\$ 12,183	\$ 13,781	\$ 13,993	\$ (212)	(2)%
Contractual Services	13,014	10,701	13,929	12,917	1,012	7%
Chemicals and Supplies	6	6	10	7	3	30%
Utilities and Rent	62	54	43	64	(21)	(49)%
Non Personnel Services	13,082	10,761	13,982	12,988	994	7%
Total O&M Expenditures	\$ 24,246	\$ 22,944	\$ 27,762	\$ 26,981	\$ 782	3%
Capital Equipment	\$ 7	\$ 169	\$ 6,065	\$ 7,922	\$ (1,856)	(31)%



improvements

ACCOMPLISHMENTS	GOALS	CHALLENGES
<ul style="list-style-type: none"> Earned GFOA 'Triple Crown' Award from Government Finance Officers Association for the second consecutive year (Certificate of Achievement for Excellence in Financial Reporting; Popular Annual Financial Report Award; Distinguished Budget Presentation Award) Received the 27th consecutive unqualified audit opinion on financial statements Received the 2nd consecutive "Special Recognition" award for its long-range financial plan 	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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
- Oversee debt compliance and Green Bond performance

Rates and Revenue

- Complete Cost of Service Studies for Water, Sewer, Clean Rivers Impervious Area Charge (CRIAC), Groundwater, High Flow Filter Backwash rates; System Availability Fee (SAF)
- Establish multi-year rates for FY 2027-2028
- Work with independent consultants for review of rates and budget for the public hearing

ERP Systems

- Support and enhance Enterprise Resource Planning (ERP), Enterprise Performance Management (EPM), Human Capital Management (HCM) systems and Talent Acquisition Applications
- Automate and Improve processes, reporting and implement dashboards reporting- Fusion Data Intelligence

Accounting

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

Budget

- Lead the development of the FY 2028 budget and ensure effective execution of FY 2027 operating and Capital Improvement Program budgets
- Streamline budget planning processes and implement improvements to budgeting systems for greater efficiency and accuracy

IMPACT OF OPERATIONAL PROGRAMS

- Strengthened financial management practices and greater organizational transparency
- More stable and predictable customer rates
- Improved system functionality, integration, and operational efficiency
- Strong audit performance and financial compliance
- Budgets closely aligned with organizational priorities and long-term goals

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

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



Strategic Plan - Blueprint 2.0 Imperatives Legend:

- Healthy, Safe and Well**
Reliable
Resilient
Equitable
Sustainable

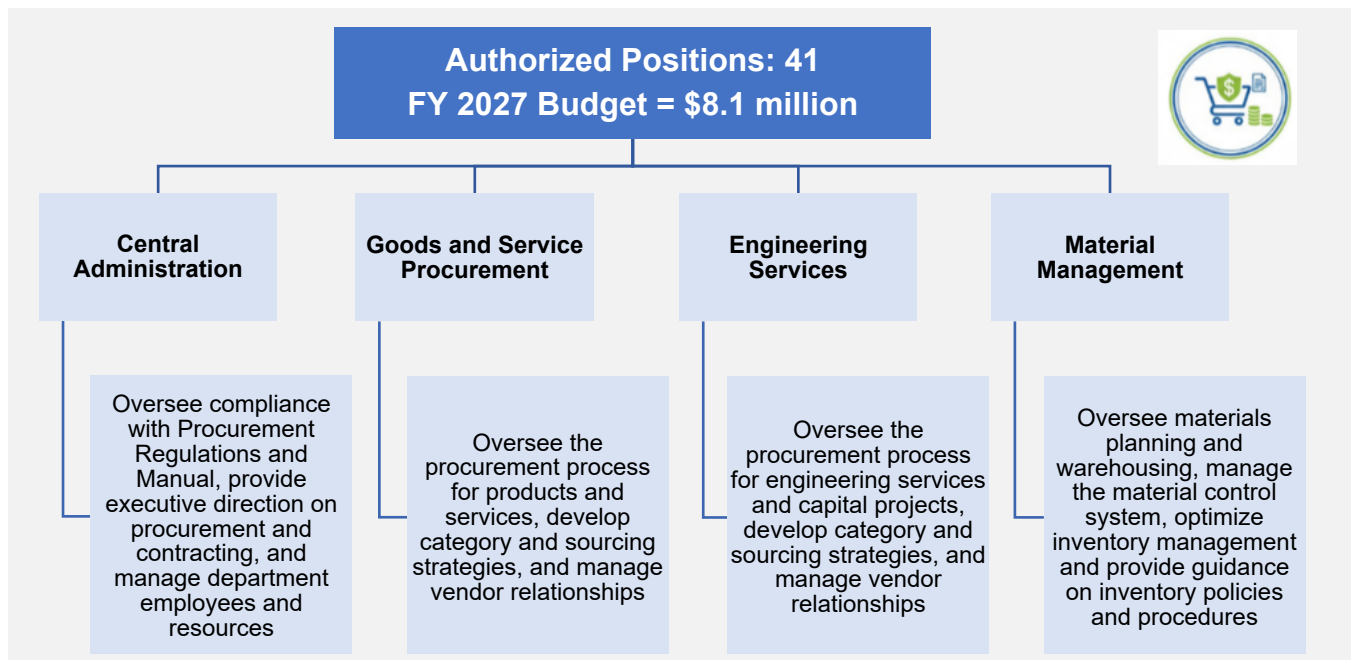
CLUSTER: FINANCE, PROCUREMENT AND COMPLIANCE

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 2024	FY 2025	FY 2026	FY 2027	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

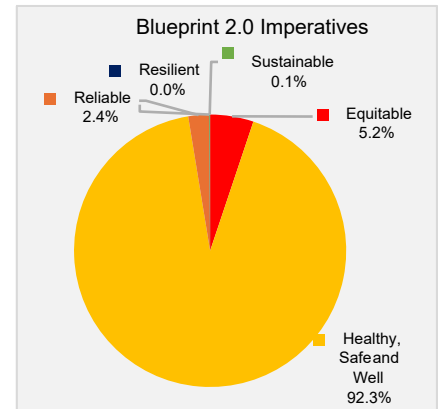
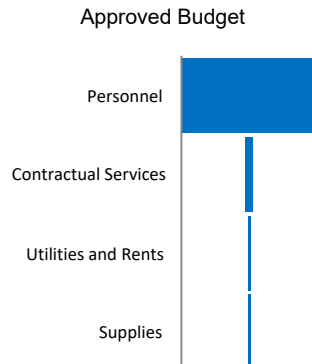
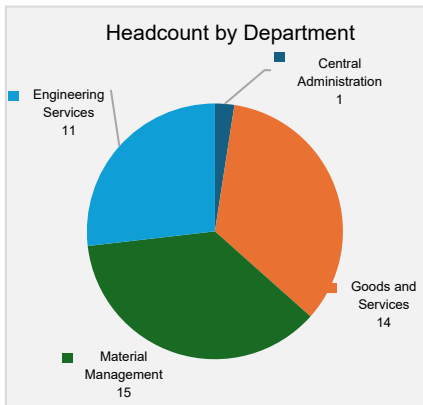
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Increased for salaries, benefits, overtime adjustments and two positions transferred from the Compliance department

Non-personnel Services: Decrease due to reduced contractor reliance in contractual services

Capital Equipment: No activity

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease Variance	%
Headcount: Authorized	35	39	39	41	(2)	(5)%
Personnel Services ALL	\$ 5,703	\$ 5,682	\$ 7,092	\$ 7,634	\$ (543)	(8)%
Contractual Services	721	916	494	394	99	20%
Chemicals and Supplies	19	16	11	13	(3)	(28)%
Utilities and Rent	46	39	49	44	5	9%
Non Personnel Services	786	972	553	452	101	18%
Total O&M Expenditures	\$ 6,490	\$ 6,654	\$ 7,644	\$ 8,086	\$ (442)	(6)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS GOALS CHALLENGES

- Develop and implement new Construction Manager at Risk (CMAR) and Progressive Design Build (PDB) Agreements and were able to successfully negotiate and award 2 CMAR and 1 PDB Agreement during the fiscal year.
- DC Water centralized its procurement into four Centers of Excellence, integrating all capital procurements into a unified organization to leverage industry best practices in category management.
- Managed a procurement portfolio for large goods and services exceeding \$485 million.

- Eliminate un-needed inventory and inventory duplications to result in a 25% inventory reduction
- Timely completion (within 30 days of forecasted date) of all required and/or planned contract actions including existing contract modifications/ amendments and new solicitations

- Maintaining a strong contractor base to ensure sufficient capacity to meet needs.
- Reliance on siloed systems (like spreadsheets and paper-based approvals) slows down the process and limits real-time visibility into project data

DEPARTMENT: PROCUREMENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Advance the Procurement Transformation effort to modernize end-to-end purchasing workflows, enhance supplier relationship management, and drive long-term cost efficiencies 🛠️
- Identify and create a new storage solution to replace the warehouse/yard 🛠️
- Full Implementation of configuration changes and feature functionality improvements to Oracle Procurement modules, focused on improving efficiency and work processes 🛠️
- Optimize organizational performance by closing the staffing gap, ensuring all critical roles are filled to support the successful delivery of FY 2027 mandates 🛠️

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



Strategic Plan - Blueprint 2.0 Imperatives Legend:

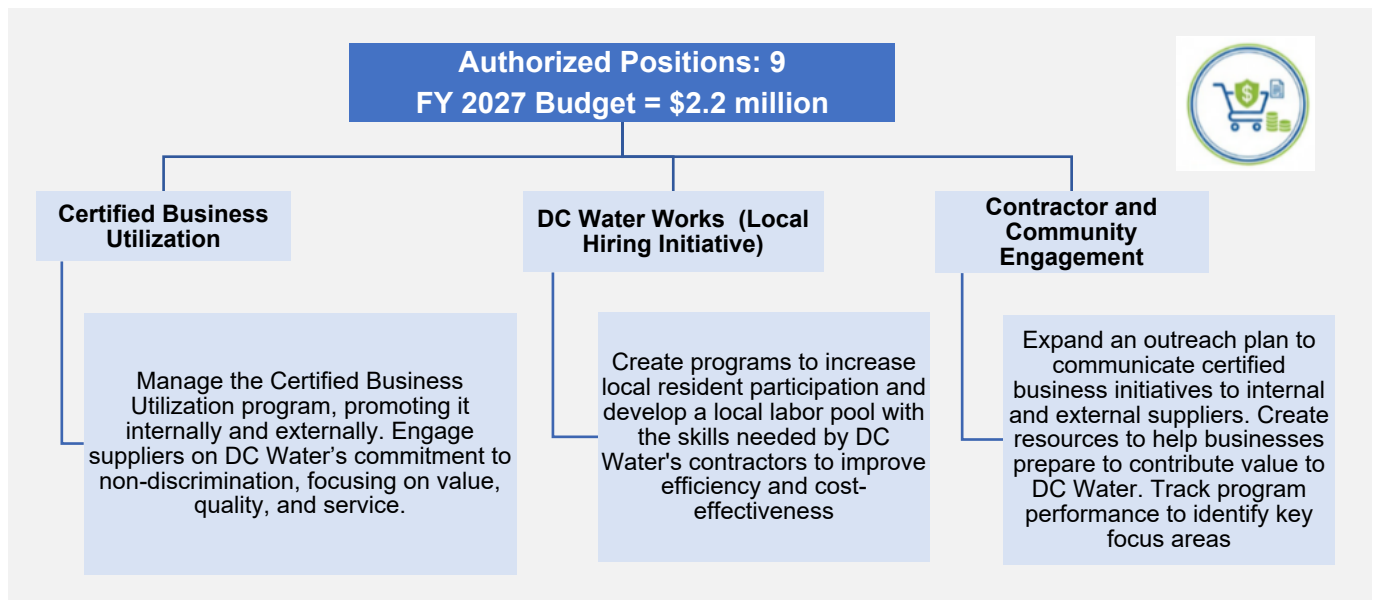
- Healthy, Safe and Well**
 Reliable
 Resilient
 Equitable
 Sustainable

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 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
Increase Proportion of certified firm participation	38.6	38.6	38	38	Equitable
Increase proportion of new jobs filled by local residents on DC Water projects	85.7	85.7	75	76	Sustainable
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%	88%	88%	Sustainable

DEPARTMENT: COMPLIANCE AND BUSINESS DEVELOPMENT

FY 2027 Operating Budget Overview

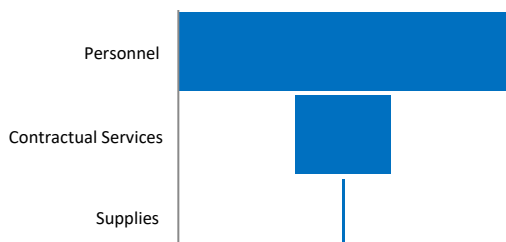
Personnel Services: Decreased slightly due to two position transfers to the Procurement department

Non-Personnel Services: Relatively flat

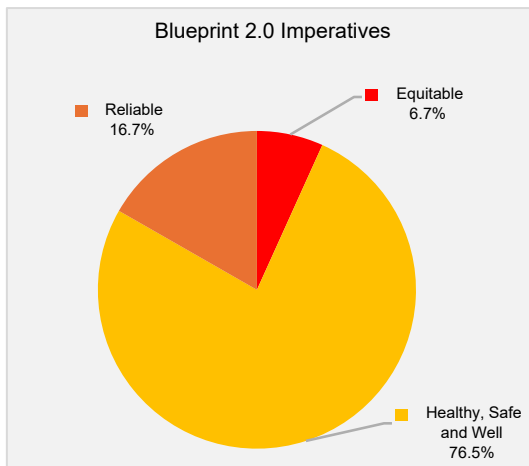
Capital Equipment: No activities

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	8	11	11	9	2	18%
Personnel Services ALL	\$ 1,211	\$ 1,020	\$ 1,965	\$ 1,674	\$ 292	15%
Contractual Services	472	280	502	486	16	3%
Chemicals and Supplies	4	4	10	9	1	10%
Non Personnel Services	476	283	512	495	17	3%
Total O&M Expenditures	\$ 1,687	\$ 1,304	\$ 2,477	\$ 2,169	\$ 308	12%
Capital Equipment	-	-	-	-	-	-

Approved Budget



Blueprint 2.0 Imperatives



MAJOR PLANNED ACTIVITIES AND CHANGES

- Partner with the Procurement Department throughout FY 2027 to refine the Contracting Officer's Technical Representative (COTR) training curriculum and implementation plan 🌱
- Expand the High School Workforce Development Program by identifying and onboarding two new school partners to increase student access to work-based learning opportunities 👥
- Refine the Mentor-Protégé standards to better encourage large prime contractors to provide technical, management, and financial assistance to certified firms, with a specific goal of establishing five new mentor-protégé relationships on DC Water projects 👥

ACCOMPLISHMENTS

- In FY 2025, DC Water awarded \$485.59M in contracts, including \$235.85M to local firms and \$101.41M to local certified firms 🌱
- DC Water contractors hired 102 workers in FY 2025, with 87% (89 hires) being local residents 🌱
- DC Water High School Engagement and Workforce Development Program launched in April 2025, enrolling four students; three were hired full-time and one will continue in FY 2026 🌱
- Lead Free DC Activators Cohort 2 had 12 participants, with 11 graduating and all securing jobs, including 10 with Lead Free DC contractors 🌱

GOALS

- Continue operating a successful certified business utilization and local hiring program 👥

CHALLENGES

- Heightened Legal & Constitutional Risks: Recent court decisions have struck down long-standing race- and gender-based presumptions, requiring programs to remove automatic eligibility tied to demographic groups
- DC Water must closely monitor Commercially Useful Function (CUF) requirements to ensure DBEs genuinely perform contracted work and to prevent fraud

Strategic Plan - Blueprint 2.0 Imperatives Legend:



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. The NRRF provides flexibility for departments to undertake projects using new revenues to be generated from non-ratepayer sources, including the 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 2027 Operating Budget Overview

Non-Personnel Services: There is a no change in the FY 2027 budget compared to the FY 2026 budget.

\$000's Description	FY 2024 Actual	FY 2025 Actual	FY 2026 Revised	FY 2027 Approved	(Increase)/Decrease	
					Variance	%
Headcount: Authorized	0	-	0	-	0	-
Personnel Services ALL	-	-	-	-	-	-
Contractual Services	-	-	200	200	0	0%
Non Personnel Services	-	0	200	200	0	0%
Total O&M Expenditures	-	\$ 0	\$ 200	\$ 200	\$ 0	0%
Capital Equipment	-	-	-	-	-	-



Dr. Chaudhry announces the launch of Pure Water DC



Bloom Greenhouse at Blue Plains

dc
Town Hall Meetings
Please join us!

let's talk

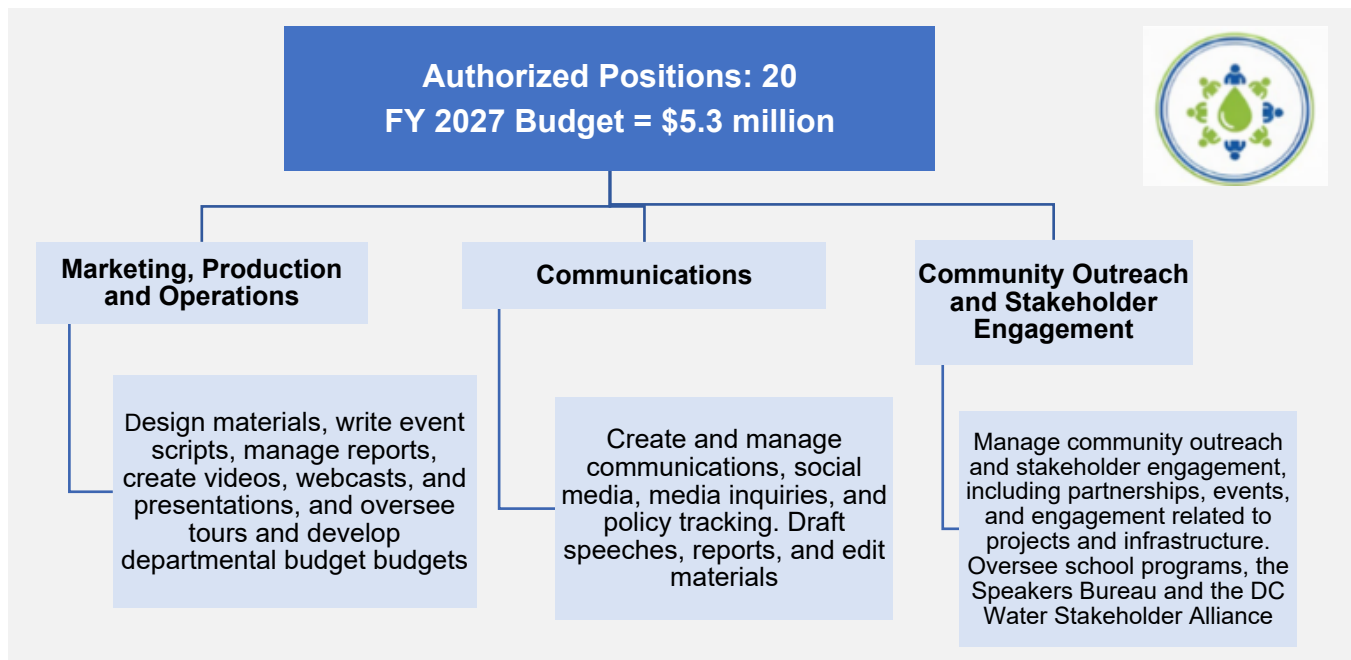
- water rates
- clean rivers
- drinking water
- infrastructure

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 2024	FY 2025	FY 2026	FY 2027	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	Healthy, Safe, and Well
Publication of Clean Rivers' Update	2	2	2	2	Healthy, Safe, and Well
Publication of Employee Newsletter	11	6	6	6	Healthy, Safe, and Well
Publication of Water Quality Report	1	1	1	1	Healthy, Safe, and Well
Community meetings outreach re: lead, rates, CSO CIP projects, etc.	115	193	100	100	Reliable

DEPARTMENT: MARKETING AND COMMUNICATIONS

FY 2027 Operating Budget Overview

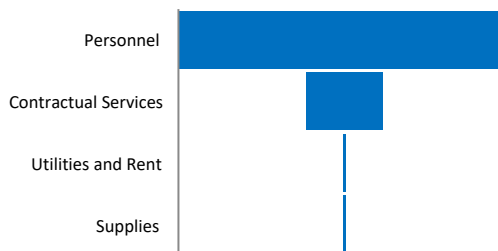
Personnel Services: Increase reflects adjustments to salaries and benefits

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

Capital Equipment: No activity

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	19	20	20	20	0	0%
Personnel Services ALL	\$ 2,714	\$ 3,548	\$ 3,825	\$ 4,253	\$ (428)	(11)%
Contractual Services	1,146	784	988	974	13	1%
Chemicals and Supplies	6	5	7	7	0	(4)%
Utilities and Rent	24	17	30	21	9	31%
Non Personnel Services	1,176	806	1,025	1,002	22	2%
Total O&M Expenditures	\$ 3,891	\$ 4,354	\$ 4,850	\$ 5,255	\$ (406)	(8)%
Capital Equipment	-	-	-	-	-	-

Approved Budget



MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Continue to implement a Strategic Communications Plan to support Blueprint 2.0, DC Water's strategic plan
- Lead strategic communications and stakeholder engagement for the Pure Water DC program and demonstration facility
- Work with the DC Clean Rivers Project team to engage with residents, businesses, and commuters impacted by construction of the Potomac River and Piney Branch tunnels
- Oversight of the Lead-Free DC program to remove lead from service lines in the District
- Support public engagement for the two-year rate proposal

ACCOMPLISHMENTS

- Hosted and/or attended 193 outreach events and community meetings
- Led public engagement to increase awareness and participation in the Lead-Free DC program and Customer Assistance Programs, highlighted by the celebration of the 10,000th lead service line replacement
- Planned and executed successful launch event for the Pure Water DC program
- Managed public outreach for high visibility construction projects
- Re-launched the DC Water Stakeholder Alliance and led quarterly meetings to promote dialogue, collaboration and stakeholder insight

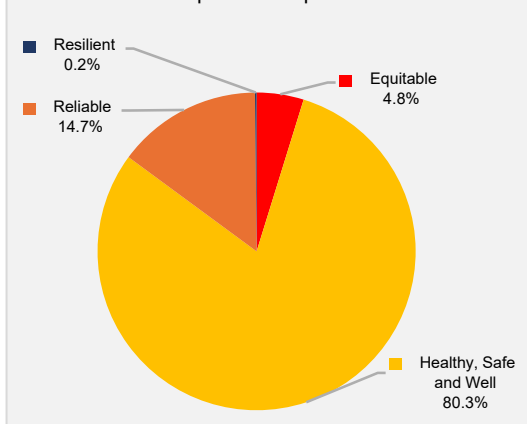
GOALS

- Continue communications initiatives and programs in support of DC Water's Strategic Plan and Imperatives
- Strengthened the DC Water brand by engaging customers, while improving internal communications to support higher employee engagement and satisfaction.

CHALLENGES

- Restoring trust lost due to the Potomac Interceptor sewage spill

Blueprint 2.0 Imperatives



Strategic Plan - Blueprint 2.0 Imperatives Legend:



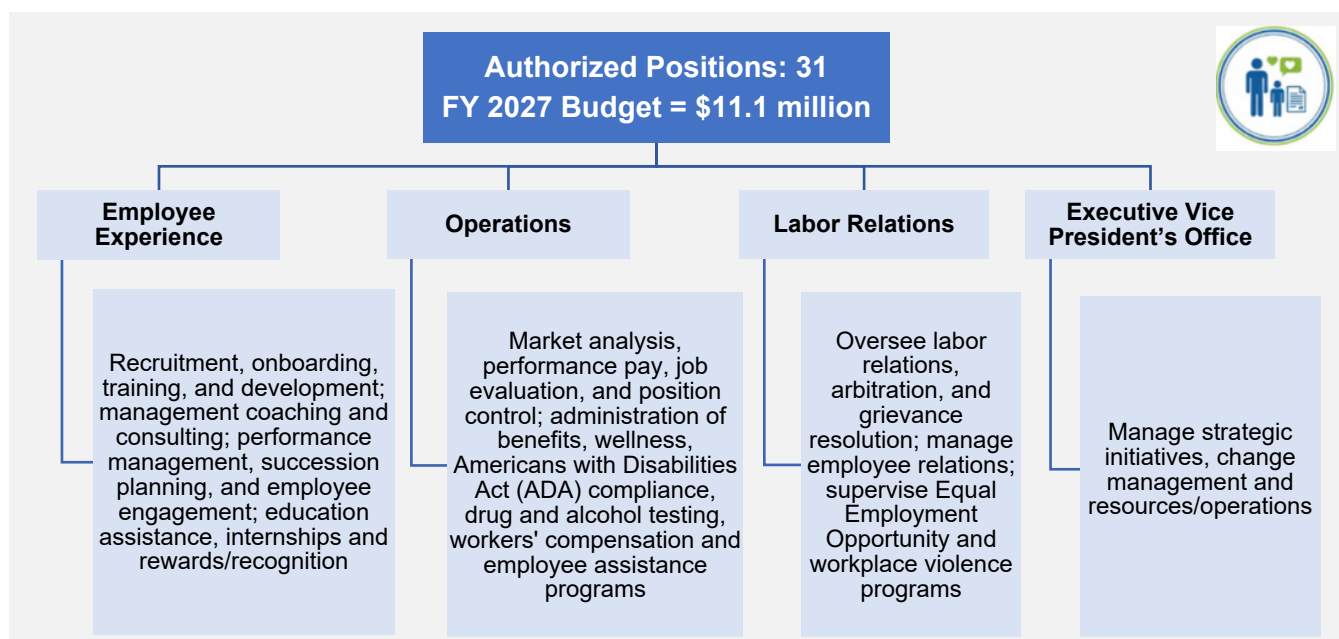
CLUSTER: PEOPLE AND TALENT

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 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, and help facilitate employees to achieve their individual and organizational goals

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	Blueprint 2.0 (Strategic Plan) Imperatives
TARGETED PERFORMANCE MEASURES	Results	Results	Targets	Targets	
An average of 60 days from job posting to offer acceptance	75	67	60	60	Reliable
Under the CBA we have 45 days to initiate disciplinary action	98%	100%	95%	95%	Equitable
Number of FTE employees contributing to 457(b) retirement plan	936	918	976	999	Reliable
Number of employees contributing 5% or more to 457(b) retirement plan	748	783	788	926	Reliable
Average mandatory training hours per Non-union FTE	5	5	5	5	Sustainable
Average mandatory training hours per Union FTE	1.5	1.5	2	2	Sustainable
Average DC Water Non-Union Employee Compensation vs Mid-Point Range	104.60%	105.7%	100%	100%	Equitable

DEPARTMENT: PEOPLE AND TALENT

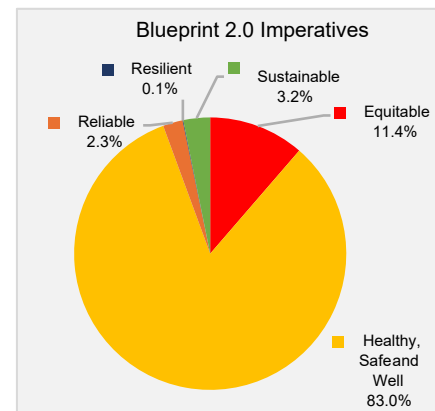
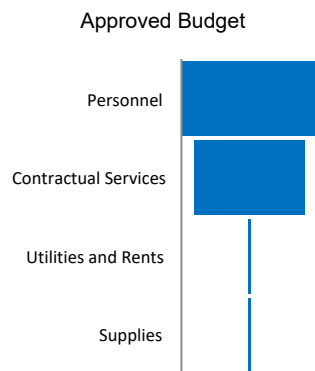
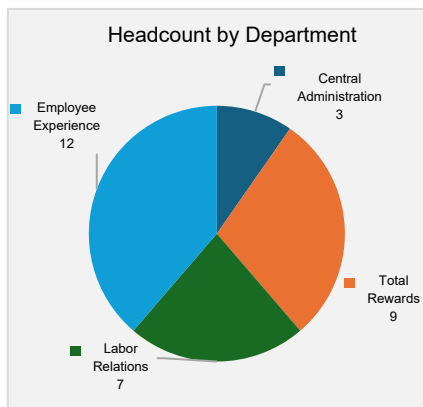
FY 2027 OPERATING BUDGET OVERVIEW

Personnel Services: Relatively flat

Non-Personnel Service: The growth in contractual services reflects the realignment and transfer of employee-related programs from other departments

Capital Equipment: No activity

\$000's Description	FY 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	33	31	31	31	0	0%
Personnel Services ALL	\$ 4,973	\$ 5,163	\$ 6,113	\$ 6,076	\$ 37	1%
Contractual Services	4,792	3,934	4,112	4,942	(830)	(20)%
Chemicals and Supplies	333	3	5	5	0	(1)%
Utilities and Rent	30	24	32	28	4	13%
Non Personnel Services	5,155	3,961	4,149	4,975	(826)	(20)%
Total O&M Expenditures	\$ 10,128	\$ 9,124	\$ 10,262	\$ 11,051	\$ (789)	(8)%
Capital Equipment	-	-	-	-	-	-



ACCOMPLISHMENTS

- Successfully led the organization through the full FY25 performance management cycle, ensuring consistency, transparency, and alignment with Advancing Blue goals.
- Launched the “Successor Academy” program. An Initiative aimed to advance successors on their career growth journeys while equipping them with the essential skills and knowledge needed for future leadership roles.

GOALS

- Support engagement surveys, focus groups, and action planning initiatives.
- Direct training and development resources toward critical workforce priorities and succession planning needs to support long term organizational readiness.

CHALLENGES

- Escalating costs for health insurance, retirement benefits, and wellness programs continue to put significant pressure on the HR budget.
- Unfilled positions and shifting organizational priorities can disrupt budget accuracy.
- Implementing effective employee engagement and retention strategies requires substantial financial investment and long term resource planning.

DEPARTMENT: PEOPLE AND TALENT

MAJOR PLANNED ACTIVITIES AND PROGRAM CHANGES

- Launch of Leading Blue, a leadership development initiative to prepare future leaders 🧡
- Refining HCM Strategy Implementation of Performance Management System 🧡
- Expand DC Water’s Career Ladder Program to support employee growth and internal advancement 🧡
- Optimize the position reclassification workflow to improve processing efficiency and service delivery 🧡
- Expand Non-Union Merit-Bonus program to also include Salary Equity Review 🧡
- Develop DC Water’s Market Pricing Initiative 🧡
- Facilitate Open Enrollment benefits education through centralized fairs and on-location sessions 👤👤
- Advance collective bargaining discussions to ensure fair, competitive, and sustainable labor agreements 🧡
- Implement leadership and team-building initiatives to support employee engagement and performance 👤👤
- Streamline Talent Acquisition processes 🧡
- Revamp the Compensation offer process for Non-Union hires 👤👤
- Implement post-recruitment surveys for hiring managers to improve the effectiveness of the hiring process 🧡
- Evaluate and update policies and procedures to improve clarity, efficiency, and organizational alignment 🧡

IMPACT OF OPERATIONAL PROGRAMS

- Strengthen wellness programs aligned with the Healthy, Safe, and Well imperative

IMPACT OF CAPITAL PROJECTS ON OPERATING BUDGET

No direct impact



Strategic Plan - Blueprint 2.0 Imperatives Legend:

Healthy, Safe and Well	Reliable	Resilient	Equitable	Sustainable
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DEPARTMENT: PEOPLE AND TALENT

FY 2026 AND FY 2027 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 2026 AND FY 2027 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, employee learning events, 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 Events – 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 2025 ACCOMPLISHMENTS

In FY25, the Learning & Development team advanced DC Water's organizational excellence through strategic program management, operational efficiency, and employee engagement initiatives. Key achievements included leading a highly successful performance management cycle with 100% goal-setting completion, achieving 98% compliance training completion, and reimagining critical development programs such as Leading Blue. The team processed over \$250,000 in tuition assistance, supported 14 summer interns, and enhanced onboarding processes through comprehensive needs assessment. These accomplishments reinforced DC Water's commitment to continuous improvement, employee development, and organizational alignment with strategic imperatives.

Advancing Blue: Performance Management

The organization successfully completed the full performance management cycle with strong alignment to Advancing Blue priorities. The team achieved 100 percent goal-setting completion and 98 percent mid-year check-ins among all non-union employees. Manager and employee experiences were enhanced through process streamlining in Oracle and targeted communications, guidance materials, and training focused on strengthening feedback and evaluation practices. Real-time support was provided throughout the cycle to ensure smooth navigation and issue resolution. Feedback collected from employees and managers will inform system and process improvements for FY 2026.

Annual Mandatory Compliance Training

Compliance training campaign reinforced accountability and adherence to organizational standards. The initiative achieved a 98 percent completion rate across all non-union employees and included clear, consistent communications and job aids designed to support timely and accurate course completion. All content complied with regulatory and policy requirements, reinforcing the Authority's commitment to ethical conduct and workplace responsibility.

Onboarding Excellence

The onboarding program was enhanced to provide a more unified and informative new-hire experience. Updates included a redesigned orientation deck, an expanded agenda incorporating Payroll and security training, and improved follow-up communication with new job aids, HRBP (Human Resource Business Partner) contacts, and a feedback survey. A leadership overview slide was added to strengthen understanding of the organizational structure. A comprehensive needs assessment—including targeted surveys and more than 20 hours of interviews—was conducted to guide future improvements, such as the development of a training lab and the introduction of monthly site tours.

Employee Engagement Initiatives

Employee engagement efforts played a key role in supporting organizational culture and visibility. The Open House event was successfully planned and executed with support from IT, Maintenance, and Marketing, featuring interactive activities that elevated awareness of L&D services. Collaboration with Marketing ensured broad promotion through Currents, screensavers, signage, and team directories. The People & Talent recognition program was reinforced by collecting 31 acknowledgments across team meetings, and additional events to further strengthen morale and team connection.

Training Delivery & Organizational Support

The Learning & Development team responded to significant organizational demand by managing 52 training requests between October 2024 and September 2025. Services included facilitated training, coaching engagements, Oracle registration support, and the delivery of 51 Lead & Learn sessions. Following the transition to Currents, the team collaborated with Marketing to streamline training announcements and maintain continuity in communication.

Leading Blue Relaunch

The Leading Blue management development program was relaunched with a fully redesigned structure, updated eligibility criteria, new modules, and clearly defined roles for mentors, champions, and selection committee members. IT and HR partnered to create a streamlined nomination and application process, while a comprehensive resource website and communications plan enhanced visibility. A successful relaunch reception was held in partnership with Marketing, and external vendors were engaged to support facilitation needs. Leading Blue received additional internal visibility through feature articles published in Focus magazine.



DEPARTMENT: PEOPLE AND TALENT

Summer Intern Program

Despite budget constraints that reduced the anticipated cohort size, the program successfully placed 14 interns across Operations and Finance. Interns supported Clean Water Technology initiatives and financial management efforts, bringing diverse academic backgrounds from both domestic and international institutions. The 12 week program concluded with the 2025 Intern Expo, where participants showcased their contributions and project outcomes.

Succession Planning & Development

The Successor Academy provided structured development opportunities aligned with DC Water's core values and essential skills. LinkedIn Learning licenses were extended through June 2026 to maximize learning opportunities, and monthly office hours created a consistent support channel for successors. All succession plans were entered into Oracle, fulfilling a CEO directed goal and strengthening the organization's pipeline of future leaders.

Tuition Assistance & Reimbursement Program (TARP)

TARP underwent significant modernization to improve usability, compliance, and long-term impact. Throughout the year, the program processed 115 applications totaling more than \$250,000 in educational funding. The integration of two separate systems improved data accuracy and tracking capabilities, while new program materials including updated policies, FAQs, and checklist enhanced clarity and alignment with organizational agreements. Strengthened partnerships with NACWA (National Association of Clean Water Agencies) and Webster University expanded access and visibility, and new compliance measures such as proof of completion reminders, long term impact surveys, and a monthly budget tracker increased accountability and transparency.

FY 2026 AND FY 2027 LEARNING & DEVELOPMENT BUDGET

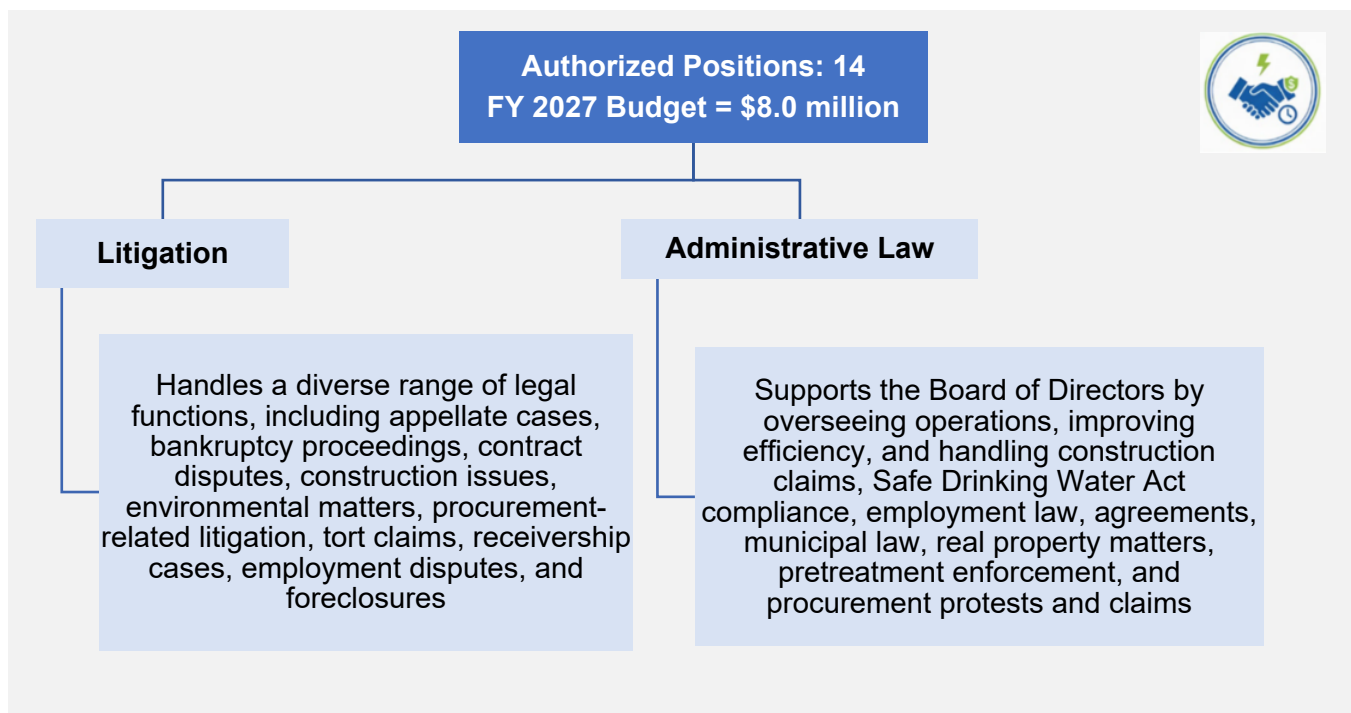
The approved fiscal year 27 training budget for the Authority is set at \$1.6 million. In FY28, we envision providing employees with the ability to maximize training and development funding through one centralized budget managed by the Learning and Development Branch within the People and Talent Department. This approach will empower us to optimize resources and foster a high-performing organization, enabling the workforce to go beyond initial job qualifications. Furthermore, this centralized budget management will support our succession planning efforts by ensuring that we have the necessary resources to develop future leaders through targeted training initiatives. By strategically managing the budget, we can enhance our workforce's capabilities and ensure a robust pipeline of talent for the Authority's future success.

CLUSTER: GOVERNMENT AND LEGAL AFFAIRS
DEPARTMENT: GOVERNMENT AND LEGAL AFFAIRS

Purpose: The Government and Legal Affairs Department at DC Water ensures regulatory compliance, manages government relations, provides advice and counsel to DC Water staff and Board of Directors, defends DC Water against administrative and legal disputes, asserts DC Water rights and privileges, 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 minimize liability exposure by recommending and implementing appropriate policies, practices, and procedures

Organization Structure



Key Performance Indicators (KPIs)

	FY 2024	FY 2025	FY 2026	FY 2027	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	Reliable

DEPARTMENT: GOVERNMENT AND LEGAL AFFAIRS

FY 2027 Operating Budget Overview

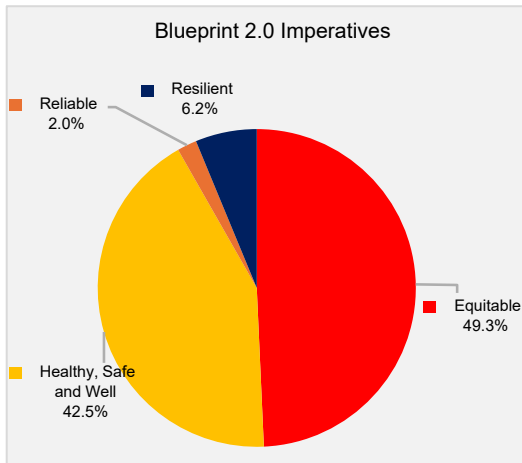
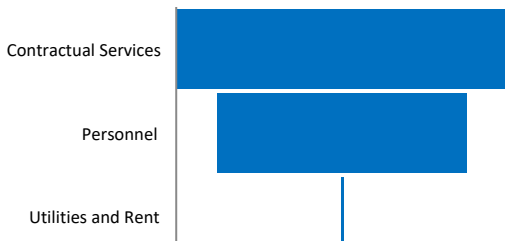
Personnel Services: Increase reflects salary and benefit adjustments

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 2024	FY 2025	FY 2026	FY 2027	(Increase)/Decrease	
	Actual	Actual	Revised	Approved	Variance	%
Headcount: Authorized	14	14	14	14	0	0%
Personnel Services ALL	\$ 3,207	\$ 3,031	\$ 3,580	\$ 3,438	\$ 142	4%
Contractual Services	2,697	3,706	4,759	4,578	181	4%
Chemicals and Supplies	1	4	-	5	(5)	-
Utilities and Rent	28	24	30	25	5	17%
Non Personnel Services	2,727	3,734	4,789	4,607	182	4%
Total O&M Expenditures	\$ 5,934	\$ 6,765	\$ 8,369	\$ 8,045	\$ 324	4%
Capital Equipment	-	-	-	-	-	-

Approved Budget



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 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
- 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

Strategic Plan - Blueprint 2.0 Imperatives Legend:





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