

District of Columbia Water and Sewer Authority Board of Directors

325th Meeting of the Board of Directors

Thursday, December 4, 2025 / 9:30am

This meeting will be available for viewing through a livestream: https://dcwater.com/watchboard-meetings

- Call to Order Unique Morris-Hughes, Chairperson I. Roll Call Michelle Rhodd, Board Secretary II. III. **Approval of the November 6, 2025 Meeting Minutes** IV. Chairperson's Overview ٧. **Committee Reports** Human Resources and Labor Relations Committee (Jed Ross) 1. Finance and Budget Committee (Anthony Giancola) 3. Environmental Quality and Operations Committee (Sarah Motsch) VI. **CEO and General Manager's Report (David L. Gadis)** Employee Engagement Survey Update......Amber Jackson
- VIII. Consent Item (Joint Use)

VII.

- Approval to Execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 1 of Contract No. 240080, Kokosing Industrial, Inc. -Resolution No. 25-61 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
- IX. Consent Item (Non-Joint Use)
 - Approval to Execute Design/Build Contract No. 250180, Solar Facilities at Fort Reno Reservoir, New Columbia Solar - Resolution No. 25-62 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
 - Approval to Execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 02 of Contract No. 240040, Division RC-T – Piney Branch Tunnel, Clark Construction Group - Resolution No. 25-63 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
 - 3. Approval to Execute Change Order No. 02 of Contract No. 190040, 66-inch 72inch Prestressed Concrete Cylinder Pipe (PCCP) N Street, Anchor Construction Corporation - Resolution No. 25-64 (Recommended by the Environmental Quality and Operations Committee 11-20-25)

- Approval to Increase Budget for the Master Service Agreement Program and Exercise Option Year 1 of Contract No. 230020, Small Diameter Water Main Replacement (SDWMR), Multiple Contractors, – Resolution No. 25-65 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
- Approval to Participate in the District Department of Transportation Project: Benning Road NE Reconstruction and Streetcar, Phase I from Anacostia Avenue, NE to Minnesota Avenue – Resolution No. 25-66 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
- Approval to Execute Construction Manager at Risk (CMAR) Preconstruction Services Contract No. 250070, Creekbed Infrastructure Rehabilitation, Halmar International, LLC – Resolution No. 25-67 (Recommended by the Environmental Quality and Operations Committee 11-20-25)
- Approval to Exercise Option Year No. 2 of Contract No. 10316, Supply and Delivery of Sand, Gravel, Stone, Topsoil and Cold Mix, ReAgg, LLC Resolution No. 25-68 (Recommended by the Environmental Quality and Operations Committee 11-20-25)

This meeting is governed by the Open Meetings Act. Please address any questions or complaints arising under this meeting to the Office of Open Government at opengovoffice@dc.gov.

*The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss certain matters, including but not limited to: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); terms for negotiating a contract, including an employment contract, under D.C. Official Code § 2-575(b)(2); obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security matters under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(10); third-party proprietary matters under D.C. Official Code § 2-575(b)(11); train and develop Board members and staff under D.C. Official Code § 2-575(b)(12); adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters or violations of laws or regulations where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14); and other matters provided under the Act.

Upcoming Committee Meetings | via Microsoft Teams

•	December 15 th @ 12:00 pm	Joint Meeting - Executive & Evaluation Committees
•	December 16 th @ 9:30 am	DC Retail Water and Sewer Rates Committee
•	December 16 th @ 11:00 am	Finance and Budget Committee
•	December 18 th @ 9:30 am	Environmental Quality and Operations Committee

Next Board of Directors' Meeting | In-person

January 8, 2025 @ 9:30 am

Budget Workshop Immediately Following the Board of Directors' Meeting



324TH BOARD OF DIRECTORS MEETING MINUTES OF THE MEETING NOVEMBER 6, 2025

(Via Microsoft Teams)

DIRECTORS PRESENT

District of Columbia Members

- 1. Unique Morris-Hughes, Principal, Board Chair
- 2. Rachna Bhatt, Principal
- 3. Anthony Giancola, Principal
- 4. Howard Gibbs, Principal
- 5. Richard Jackson, Principal
- 6. Jed Ross, Principal
- 7. Alex McPhail, Alternate
- 8. Jimmy Ortiz, Alternate
- 9. Rob Hawkins, Alternate

Prince George's County Members

- 1. Kevin Stephen, Principal
- 2. Samuel B. Moki, Principal
- 3. Oluseyi Olugbenle, Alternate

Montgomery County Members

- 1. Fariba Kassiri, Principal
- 2. Amy Stevens, Alternate

Fairfax County Members

- 1. Christopher Herrington, Principal
- 2. Sarah Motsch, Alternate

DC WATER STAFF

- 1. David L. Gadis, CEO/General Manager
- 2. Amber Jackson, Chief Legal Officer, & EVP Legal and Government Affairs & Interim Chief Legal Officer

- 3. Barbara Mitchell, Associate General Counsel and Director of Government & Legal Affairs
- 4. Matthew Brown, Chief Financial Officer and EVP Finance, Procurement, Compliance & Interim COO
- 5. Kirsten Williams, Chief Administrative Officer & EVP
- 6. Michelle Rhodd, Secretary to the Board
- 7. Debra Mathis, Assistant Secretay

The 324th meeting of the District of Columbia Water and Sewer Authority's Board of Directors was called to order by Chair Dr. Unique Morris-Hughes at 8:38 a.m. The meeting was held via Microsoft Teams. Assistant Secretary Debra Mathis called the roll, and a quorum was established.

I. CHAIRPERSON'S OVERVIEW

Dr. Morris-Hughes began her remarks by welcoming the new board members. Next she informed the Board that the Employee Survey results will be shared with the Governance Committee at its November 12 meeting. The results will be shared with the Board at the December board meeting as part of the Human Resources and Labor Relations Committee report.

Dr. Morris-Hughes continued her report noting that there will be a Blue Drop report and an update on the Billing and Disconnection Modernization Amendment Act later in the meeting.

II. COMMITTEE REPORTS

Meeting of the Governance Committee Reported by Unique Morris-Hughes

The Governance Committee met on October 8, 2025.

The Committee convened in an executive session to consult with an attorney to obtain legal advice and to preserve the attorney-client privilege between an attorney and a public body pursuant to DC Code 2-575 (4)(A) of the Open Meeting Act of 2010.

Meeting of the Finance and Budget Committee Reported by Anthony Giancola

The Finance and Budget Committee met on October 23, 2025.

Lola Oyeyemi, Vice President, Budget, presented the September 2025 Financial Report, highlighting that the fiscal year ended with favorable variances in revenues, expenditures,

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and capital disbursements. Based on preliminary numbers, the Authority ended the year with operating revenues of approximately \$978.5 million or 2.8% above the revised budget. Operating expenditures were \$737 million or 6.5% below budget and capital disbursements were \$584.1 million or 18.6% below budget

The Finance team continues to complete year-end closing activities in preparation for the financial audit and the green bond attestation. Work has begun on the FY 2027 operating budget, the 10-year capital budget requests, and the two-year rate proposals for presentation to the Board in January 2026. Chair Giancola noted that the vacancy rate report continues to use the value for positions under recruitment and requested a list of positions currently being recruited and vacant positions not under recruitment.

Ms. Oyeyemi reported that capital disbursements for the year were \$584.1 million or 81.4% of the budget, with the Capital Projects category ending at 83.3% of the budget. Chair Giancola requested an update on the finding that the Washington Aqueduct is not spending all of the funding provided by the Authority. Matthew Brown, Chief Financial Officer and Interim Chief Operating Officer, discussed efforts to better understand the Aqueduct's capital program, noting that DC Water has asked the Aqueduct to reduce its billing and use existing liquidity to fund its current and pending projects.

Delinquent accounts totaled \$33.4 million or 11,414 accounts at the end of the year. Multifamily accounts accounted for 46% of the balance.

Ms. Oyeyemi concluded with a review of the committee work plan for 2026, and highlights of Finance team's accomplishments in 2025, including the reaffirmation of the Authority's bond ratings, a 27th consecutive unqualified audit opinion, publication of streamlined budget documents, elimination of 45 hard-to-fill positions, and earning the second consecutive Triple Crown Award from the Government Finance Officers Association.

Meeting of the Audit and Risk Committee Reported by Christopher Herrington

The Audit and Risk Committee met on October 22, 2025.

The Enterprise Risk Management (ERM) team provided an update on the non-revenue water (NRW) initiative to treat and mitigate identified risk drivers resulting in significant non-revenue water losses. As of the end of FY 2025, NRW accounted for approximately 36% of supplied water representing both real and apparent losses. The Authority aims to reduce NRW to below 10% with an interim goal of 15%, aligning with an industry standard of 10 to 18%. Metering issues will be addressed first as they are key to distinguishing real from apparent losses.

The Committee also received an update on the bottoms-up approach, which elevates operational and tactical risk insights from staff to governance leadership. Departmental roadshows to support the bottoms-up approach began in April 2025 to introduce the framework to frontline employees. These were followed by ERM refresher training in August. A similar rollout strategy will be used to expand usage of the Origami risk management tool. ERM 101 training reached 98% of non-union employees and ERM 201 sessions engaged 116 of 291 employees at Grade 17 and above. ERM 202 sessions are planned for Q2. Board training will begin with the Audit and Risk Committee and potentially expand to the full Board, at the Board Chair's discretion.

Cherry Bekaert provided an internal audit update, including a closeout of the FY 2025 audit plan. Six audits were completed in 2025, including one management assessment and the FY 2026 risk assessment. The budget monitoring, contract compliance, and third-party vendor management are complete and undergoing management review. The strategic plan monitoring audit resulted in one medium-risk finding, two low-risk findings, and one low-risk process improvement recommendation. There are seven open high-risk audit findings, one from FY 2023, and six from FY 2025. In the last quarter, seven prior audit findings were moved to closed or pending validation, and there are no longer any open audit findings prior to FY 2023.

The Fraud, Waste, and Abuse Hotline received 19 calls in the fiscal year, two of which represented the same case. Fifteen cases are closed and four remain open, pending further investigation.

The Committee received an update on the risk assessment results and the proposed FY 2026 audit plan. Board participation in the risk survey improved over FY 2024. The top identified risk themes were Financials & Reporting, Legal & Regulatory Compliance, and People/Culture. The Board also identified Operational, Cybersecurity, and Governance Reporting & Communication while DC Water leadership identified Pressure to Perform and Reputational Risk.

The Committee met in executive session to discuss facility security matters.

Meeting of the DC Retail Water and Sewer Rates Committee Reported by Howard Gibbs

The DC Retail Water and Sewer Rates Committee met on October 28, 2025.

Syed Khalil, Vice President, Rates and Revenue, presented the monthly financial report for the period ending September 30, 2025. Overall, year-to-date revenue was favorable to the budget by 2.8%. The largest positive variance was in the Residential, Commercial, and Multi-Family category, driven by higher Clean Rivers and Impervious Area Charge

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revenue. Unfavorable variances were reported in the district government and DC Housing Authority categories.

Delinquent accounts increased by \$0.8 million in September compared to August. Delinquencies in the Commercial category rose by \$1.9 million, primarily due to an ongoing issue with Georgetown University having moved a meter without DC Water's knowledge or authorization. The meter was not read for an extended period, leading to \$2.1 million in disputed charges. Billing for these charges is paused pending a resolution. Delinquencies in the Multi-Family category decreased by \$1 million and Residential category delinquencies decreased by \$0.1 million.

Mr. Khalil also reviewed the developer development deposits report. Meisha Thomas, Director of Customer Care, presented an overview of FY 2025 DC Water's Customer Assistance Programs (CAPs) and collection activity performance. DC Water's CAPs were noted to align with five Environmental Protection Agency-recognized customer assistance models. The Payment Plan Incentive Program will increase to a 50% benefit, as authorized by the Board of Directors in October 2025.

Mr. Khalil also reviewed the proposed committee work plan for FY 2026.

III. SWEARING IN OF NEW BOARD MEMBERS

Vida Rangel of the Mayor's Office of Talent and Appointments (MOTA) on behalf of Mayor Muriel Bowser swore in three new members of the DC Water Board representing Prince George's County: Kevin Stephen, Prinicipal, Samuel Moki, Prinicipal and Oluseyi Olugbenle, Alternate. Dr. Morris-Hughes noted that there are five remaing Board vacancies to be filled.

IV. CEO AND GENERAL MANAGER'S REPORT

CEO and General Manager David L. Gadis presented the report and began by thanking the Board for approval of the three-year extension on his contract.

Mr. Gadis highlighted Chair Morris-Hughes recent interview with Dmitriy Borovik of Deloitte and Touche featured in the *Wall Street Journal*'s newsletter titled *Sustainable Business*. He noted that the story reflected very well on both Dr. Morris-Hughes and the Authority and was the Authority's first appearance in the *Wall Street Journal*.

On October 9, 2025, Lead Free DC celebrated the completion of 10,000 lead service line replacements. NFL Hall of Famer Darrell Green attended the Authority's press conference, surprising a DC resident with a DC Water and Commanders gift basket. To date, 10,486 replacements have been completed, which is over 25% of the project goal.

Green, who wore number 28 in his Commanders career, pledged to return when the total reaches 28,000.

On October 7, 2025, Mr. Gadis welcomed Abdullah Al-Abdulkarim, president of the Saudi Water Authority, and his delegation for a tour of the Blue Plains Wastewater Treatment Plant and a presentation at DC Water's headquarters.

DC Water is working to secure an additional drinking water source and improve regional resilience by pursuing multiple strategies that can be implemented concurrently. The Pure Water DC program will kick off on November 19, 2025, with an expert panel event about water resilience in Washington.

On October 16, 2025, DC Water joined water sector organizations in highlighting the national day of action, Imagine a Day Without Water, which highlights the central role water plays in daily life and the need for continued investment in water infrastructure. A pop-up event in Franklin Park engaged pedestrians and park visitors on the importance of water, water infrastructure, and the professionals who support water delivery. The Marketing and Communications team supported the effort through a media advisory.

Board member Christopher Herrington asked whether the Pure Water event on November 19, 2025, would feature a working group or an expert panel, and Mr. Gadis confirmed both. Mr. Herrington also inquired about plans to improve coordination with the Washington Aqueduct. Mr. Gadis described a meeting with Aqueduct principals on November 5, 2025, highlighting the region's limited water reserves and DC's unique vulnerability as the only major US city without a second water source. He noted that on July 3, 2024, DC was within 30 minutes of being out of water and emphasized the importance of ongoing collaboration for second-source initiatives. Mr. Herrington requested regular updates for the Board on regional partnerships and any fiscal impacts on the Authority from negotiations with the Washington Aqueduct. Wayne Griffith, Chief of Staff and EVP, Strategy and Performance, highlighted the Authority's Water Resource Action Plan (WRAP) to ensure an understanding of constraints for any new initiatives through comprehensive stakeholder engagement.

Board member Anthony Giancola expressed appreciation for the updated CEO Report, which shows the true staff vacancies for July, August, and September of 2025. He inquired about footnotes in the report for which there were no related notes. Amber Jackson, Chief People Officer and Executive Vice-President, People & Talent, will revise the report and provide an update for Mr. Giancola.

V. DC WATER BILLING AND DISCONNECTION ACT

Barbara Mitchell, Director and Associate General Counsel, discussed Washington DC Council Bill B26-0443, the DC Water Billing and Disconnection Modernization Amendment Act of 2025, recently introduced by Councilmember Charles Allen.

DC Council received a letter from Dr. Morris-Hughes and Mr. Gadis outlining the Authority's initial response to the bill, which has six council co-sponsors and proposes major changes to customer service assistance programs regarding disconnections, liens, and billing. DC Water's preliminary review raises concerns that the bill could undermine the Authority's financial independence and introduce provisions that may be infeasible to implement.

Key provisions of the bill include mandatory debt amnesty programs, allowing tenants and condominium owners to establish direct accounts with DC Water regardless of master metering or owner objections, and restricting liens and foreclosures until outstanding balances reach \$25,000 and \$75,000, respectively. Disconnections would require additional checks to protect vulnerable residents.

Meetings have taken place with Mr. Allen to clarify the bill's intent and discuss potential revisions. Further review is planned as the bill moves through the legislative process.

Board member Jed Ross inquired about the likelihood of the bill's passing. Ms. Mitchell noted that Mr. Allen does not expect it to be enacted as written and supports continued discussions to revise the bill to address both DC Water's concerns and DC Council's objectives. There are also ongoing negotiations with the district government about addressing DC Water's \$34 to \$35 million in customer delinquencies. Mr. Giancola inquired whether DC Council might be approached for prepayment of DC Water's delinquent accounts. Ms. Mitchell noted that while a hypothetical direct payment from the city could resolve past dues, future delinquency prevention requires additional strategies.

Ms. Mitchell stated that the rationale behind the bill stems from concerns following DC Water's reinstatement of disconnections for multi-family residences, which revealed significant landlord—tenant issues in the district. Organizations such as the Office of the Tenant Advocate and the Children's Law Center influenced the bill's development, aiming to protect tenant rights. While there is agreement on the need to support tenants, the Authority emphasizes that enforcement processes should not be used to solve broader social issues. The Authority seeks to address legislative concerns while maintaining necessary enforcement rights.

VI. BLUE DROP UPDATE

Chris Peot, Interim Blue Drop President, presented the update beginning with a brief history of the program.

In November 2016, the DC Water Board unanimously resolved to establish Blue Drop as a non-profit organization. Blue Drop received both direct and in-kind funding from DC Water through 2019, achieving self-sufficiency by May of that year. The Board then recommended finding new revenue streams to help control customer rates, protect intellectual property through patents, and manage Bloom as an asset rather than a liability. The Department of Resource Recovery participated in leveraging underutilized assets. Blue Drop's mission includes rate relief for all IMA partners, promoting innovation, sharing knowledge, and encouraging resource conservation while operating efficiently as a lean non-profit organization.

DC Water provided about \$1.5 million in startup funds. IMA partners did not contribute but benefited from operational savings, including credits of \$10.5 million issued in January 2025 to IMA partners based on accumulated net Blue Drop revenue.

Key cost savings came from building new digesters that produce both Bloom-generated electricity and are registered as a renewable energy source that generates renewable energy credits. Blue Drop's management of biosolids as an asset has both generated income and mitigated disposal costs.

Chair Morris-Hughes noted that the data-heavy report might be better presented at a dedicated meeting with the Board to allow for an extended presentation and question and answer opportunities. She confirmed that a meeting would be scheduled within two to three weeks to present the full Blue Drop update.

VII. APPROVE MINUTES

Dr. Morris-Hughes asked for a motion to approve the minutes of the Board meeting held on October 7, 2025, and the Special Board meeting held on October 29, 2025.

Upon a motion duly made the Board of Directors approved the minutes of the October 7, 2025, and the minutes of the October 29, 2025, Special Meeting as presented.

VIII. ADJOURN

There being no further business to come before the Board, the meeting adjourned at 9:35 a.m.

Michelle Rhodd Secretary to the Board of Directors

Follow-Up Actions:

- 1. Amber Jackson will revise the footnotes in the CEO's staffing report and provide an update for Mr. Giancola.
- 2. Chair Morris-Hughes will schedule a meeting of the Board to review the Blue Drop update that will take place within the next two to three weeks.



MINUTES OF THE MEETING HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE NOVEMBER 12, 2025

(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

- 1. Jed Ross, Principal, Chair, District of Columbia
- 2. Howard Gibbs, Principal, Vice Chair, District of Columbia

OTHER BOARD MEMBERS PRESENT

1. Unique Morris-Hughes, Principal, District of Columbia

DC WATER STAFF

- 1. David L. Gadis, CEO and General Manager
- 2. Lola Oyeyemi, Vice-President, Budget, Finance
- 3. Kirsten Williams, Chief Administration Officer and EVP
- 4. Amber Jackson, Chief People Officer and EVP & Interim Chief Legal Officer
- Barbara Mitchell, Associate General Counsel and Director of Government and Legal Affairs
- 6. Michelle Rhodd, Secretary to the Board

The DC Human Resources and Labor Relations Committee meeting was called to order by Chairperson Jed Ross at 9:32 AM. Board Secretary Michelle Rhodd called the roll.

I. HR UPDATE

Amber Jackson, Chief People Officer and EVP and Interim Chief Legal Officer, presented the HR update and the DC Water employee engagement survey and departmental responses report. She began by noting that employee engagement in wellness programming continues to grow, benefiting the workforce and supporting the Authority's critical work. She then summarized the survey's findings.

Survey Overview and Participation

In early 2025, the Authority conducted the employee pulse survey to gather feedback across key areas. Before launching the survey, it was piloted at a leadership retreat in

2024 to refine questions on culture, leadership, performance management, and communication/feedback, and to assess the Authority's employee pulse. Union leadership was involved in the pilot to ensure their input was considered. A Likert scale with options from 1 (strongly disagree) through 5 (strongly agree) was selected for the response metric.

The survey targeted all DC Water employees and apprentices, but not contractors, and ran in two phases. It was first offered from February 3 to 21, 2025, then reopened to gather additional responses from employees who had missed the deadline.

The four main focus areas shaped both the survey content and analysis of results.

There was higher participation among non-union employees (60%) than among union staff (39.5%). Most respondents (77%) were not lead workers, indicating feedback largely came from individual contributors who do not supervise other employees. The supervisor to non-supervisor ratio was 429 to 215, reflecting the workforce composition. The gender and tenure breakdown showed a higher proportion of male participants, matching staff demographics. Employees with one to six years of service were the largest group surveyed, followed by those in the 6-to-10- and 11-to-16-year ranges.

The average employee score across all topic areas was 3.9 out of 5, suggesting a generally positive perception of DC Water's work environment. Ms. Jackson noted that the purpose of the survey was to gather feedback for targeted improvement and while no area received a perfect score, it is encouraging that scores indicate satisfaction. Among the four focus areas, "Culture and Place" scored highest at 4.3, showing strong employee appreciation for the workplace culture. "Leadership" and "Performance Management" both received a score of 3.7, while "Communication and Feedback" scored 3.9.

The survey included 17 statements and none scored below 3. This indicates no major negative sentiment, but Ms. Jackson noted room for growth.

Committee member Howard Gibbs noted several statements that scored between 3.3 and 3.6 and suggested that these items, along with any others that scored below 4, should be a focus going forward.

Board Chair Dr. Unique Morris-Hughes asked for more details on what the 3.9 average score indicates. Ms. Jackson clarified that this was the average score across the 17 statements for all employees as a measure of employee satisfaction. Dr. Morris-Hughes also inquired whether the survey had been developed in-house. Ms. Jackson stated that an external contractor assisted with survey design and analysis. For future surveys, she noted it would be useful to track scores of 1 or 2 to determine where additional attention is needed. The next survey will be a full engagement survey, whereas the recent survey took an employee pulse approach.

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Ms. Jackson then discussed the response rate and reported that of 1,200 Authority employees, 664 responded to the survey request. Of these responses, 81% went on to complete the survey. She confirmed that the results were analyzed to identify differences in responses between union and non-union employees and that she would share this analysis, along with the survey response rates, with the Committee.

Key Strengths and Areas for Improvement

The survey highlighted several strengths. First, DC Water employees are proud of their work and aligned with the organization's mission. They recognize how their roles contribute to overall success, reflecting strong engagement. The survey also revealed that managerial support is effective, with staff valuing communication, feedback, and approachability. The IT and Office Marketing and Communication (OMAC) Departments, in particular, received consistently high marks for leadership and culture.

Ms. Jackson noted that these surveys would continue to be administered at regular intervals, using the same questions to help track trends and identify areas for improvement through year-over-year comparisons. Mr. Gibbs highlighted the benefit of repeating a survey after any organizational changes to assess their impact.

Areas for improvement identified by the responses included the "Communication and Leadership" category as well as fostering stronger connections between upper management and employees. Ms. Jackson noted that efforts are underway to ensure information flows throughout the organization. "Career Development and Pay" raised some concerns, such as limited growth opportunities and pay disparities, that Ms. Jackson noted are being addressed. The category "Recognition and Work-Life Balance," particularly telework dissatisfaction, remain priorities.

Strategic Framework

A strategic framework called the "Now, Next, Later" model was implemented organization-wide to systematically address survey feedback. This approach categorizes responses by immediacy: "Now" for actions within the current fiscal year (FY 2025), "Next" for the following year (FY 2026), and "Later" for initiatives that require two or more years.

Organizational and Departmental Response

A dedicated committee reviewed the survey results, developed action plans with input from each department, and ensured ongoing follow-up and accountability. Each cluster created tailored action plans, with executive leaders collaborating with HR to address specific departmental needs. The Authority also held town halls to communicate survey results and responsive actions, notably reinstating telework options in the COO cluster in response to employee feedback on work-life balance. Regular all-hands meetings and site visits were established to maintain open communication, allow employee questions,

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and foster engagement across teams.

To further express appreciation for employees, the Authority also hosted a tailgate event that was well attended. Ms. Jackson noted that CEO David Gadis has asked that similar events be held regularly, and Mr. Gadis encouraged more Board members to attend future events. Mr. Gibbs reported that he attended the tailgate event and noticed that employees were very positive and willing to share their feedback.

Ms. Jackson also noted that in response to comments recorded in the survey, Mr. Gadis had reinstated use of the side door to accommodate those who park in the lot behind the loading dock.

She then shared highlights of initiatives from various departments. Within the Chief Administration Officer cluster, meetings, customer care initiatives, and all-hands took place. There were also departmental updates, including team meetings to share and reflect on survey results. People and Talent hosted a well-attended meet-and-greet open house in September to address survey concerns regarding responsibilities, performance, and compensation.

The Chief Operation Officer cluster held town halls and launched professional development opportunities, including a successor academy with expanded LinkedIn Learning access that was negotiated under budget constraints. On-site rotations and leadership meet-and-greets continue across Authority campuses. On-the-Spot Award amounts for employee recognition are under review for adjustment due to inflation, and performance management improvements are being drafted to align employee goals with Board strategy. Efforts to improve employee engagement include field outreach and partnering with OMAC to refine communication beyond email, leveraging artificial intelligence (AI) tools such as Copilot for efficiency, and emphasizing governance and privacy measures, especially regarding data security with platforms such as ChatGPT. Governance is ongoing, with collaboration among IT, legal, and executive leadership to ensure appropriate use of technology and protect the privacy of both customers and employees.

In response to a question from Mr. Ross, Ms. Jackson clarified that ChatGPT is not approved for use at DC Water as per consultation with legal counsel. Any Al currently approved for use must be closed source.

Some longer-term actions include developing an organizational calendar and planning regular employee surveys. To ensure standardization and build trust, an external vendor will conduct the surveys. Revisions to performance management are also planned to include goal and competency weighting. Once standardized and implemented consistently, this data will help identify individual needs within the Authority. *Conclusions and Next Steps*

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Ms. Jackson concluded that overall, the survey reveals that employees are dedicated to their work and DC Water leadership is focused on transparency and fairness. Survey results were first shared with the staff because it was their feedback. Leadership is actively developing action plans, which employees appreciate as a sign of commitment to improving their work environment. While she noted that perfection is not possible, the aim is to work toward a supportive culture. To accomplish this, a strategic response plan was introduced to address the survey feedback. Some employees have recognized that the Authority has responded quickly where possible and provided plans for longer-term issues.

Mr. Gadis praised Ms. Jackson and her team for their handling of the survey. He noted that an employee's relationship with the Authority begins when they are hired and that DC Water has improved its onboarding processes to foster employee engagement. He also praised leadership for being open to hearing employee concerns.

II. OTHER BUSINESS

Mr. Ross noted a follow-up action from the prior meeting for Ms. Jackson to provide an update on the resolution of issues with sick leave and overtime calculations and asked that she continue to provide updates on these issues once every two months.

III. ADJOURNMENT

There was no other business to come before the Committee. The meeting adjourned at 10:34 AM.

Follow-up Actions:

- 1. Ms. Jackson confirmed that the results were analyzed to identify differences in response for union and non-union employees and confirmed that she would share this analysis, along with the employee response rates to the survey, with the Committee.
- 2. Ms. Jackson will provide an update on a resolution to issues with sick leave and overtime calculations, and will provide regular updates to the Committee on these items every two months.



MINUTES OF THE MEETING FINANCE AND BUDGET COMMITTEE NOVEMBER 18, 2025

(Via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

- 1. Anthony Giancola, Principal, Chair, District of Columbia
- 2. Richard Jackson, Principal, District of Columbia

OTHER BOARD MEMBER PRESENT

1. Unique Morris-Hughes, Principal, District of Columbia

DC WATER STAFF

- 1. David L. Gadis, CEO and General Manager
- 2. Matthew Brown, Chief Finance Officer & EVP and Interim Chief Operating Officer
- 3. Kirsten Williams, Chief Administration Officer & EVP
- 4. Amber Jackson, Chief People Officer & EVP and Interim Chief Legal Officer
- 5. Lola Oyeyemi, Vice-President, Budget
- 6. Moussa Wone, Chief Engineer and Vice President
- 7. Paul Guttridge, Director, Shared Services and Asset Management
- 8. Meisha Thomas, Director, Customer Care
- 9. Michelle Rhodd, Secretary to the Board

Anthony Giancola, Chair, called the meeting to order at 9:30 AM. The meeting was conducted via MS Teams. Secretary to the Board Michelle Rhodd called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Vice President, Budget, presented the October 2025 Financial Report. As of the end of October 2025, with approximately 8.3 percent of the fiscal year completed, total operating revenues were \$98.8 million or 9.8 percent of the budget; operating expenditures were \$53.7 million or 6.4 percent of the budget; and capital disbursements were \$40.4 million or 4.4 percent of the budget.

Ms. Oyeyemi noted that the financial results were compared against the approved budget, which is under review as part of the ongoing FY 2027 budget process. A revised FY 2026 budget and new 10-year Capital Improvement Plan will be presented to the Board at the

Budget Workshop in January 2026. The Finance team is also working on year-end closing activities, including the financial statement audit that will be completed in December 2025.

Total operating revenues were \$98.8 million, representing 9.8 percent of the budget. While the federal government usually makes its quarterly payment in October, due to the Federal Government shutdown, DC Water received a partial payment of \$19.2 million. With the recent reopening of the federal government, full payment is expected this quarter. The favorable variance in the Residential/Commercial/Multi-Family customer category was due to higher consumption. Wholesale revenue was \$8.2 million or 6.7 percent of the budget. The variance was due to Fairfax and Loudoun County making their first quarterly payment early in October 2025, rather than as scheduled in November 2025. The unfavorable variance for the DC Housing Authority was due to lower consumption as previously reported.

Total operating expenditure was \$53.7 million or 6.4 percent of the budget. Detailed variance explanations will be provided in future reports. Of the authorized headcount of 1,283 positions, 1,116 positions were filled as of the end of October for a vacancy rate of 13.1 percent. Capital disbursements totaled \$40.4 million or 4.4 percent of the budget. Ms. Oyeyemi reminded the Committee that the capital budget will be revised as part of the on-going budget process.

The total cash balance for the month of October was \$798.8 million, including the Rate Stabilization Fund (RSF) balance of \$40.64 million, operating reserves and other reserve accounts. The total operating interest income was \$1.2 million, compared to the annual budget of \$8.8 million.

The delinquent accounts balance decreased significantly to \$30.7 million from \$33.4 million at the end of October, mainly driven by the \$2.2 million CSX Railroad settlement. Developer deposits totaled approximately \$33.5 million in credit balances (liability) and approximately \$11.5 million in debit balances (receivables). In October 2025, 53 accounts were processed for approximately \$824,000 in permit refunds.

In response to a question from Committee Chair, Anthony Giancola, Meisha D. Thomas, Director of Customer Care, elaborated on the railroad settlement, noting that Amtrak had disputed whether its baluster rails qualified for impervious area charges for over 10 years. After court hearings and discussions, the parties settled in October with a \$1.4 million payment. The original request was \$2.2 million; DC Water adjusted approximately \$700,000 through the settlement. CSX also resolved its 10-year case in 2024 and is now paying the impervious area charge going forward. Ms. Thomas noted that a secondary settlement on other CSX accounts was expected to close soon for a lower dollar value.

Minutes of the November 18, 2025, Finance and Budget Committee Meeting
Page 2 of 4

II. CAPITAL IMPROVEMENT PROGRAM (CIP) QUARTERLY UPDATE

Paul Guttridge, Director, Shared Services and Asset Management, provided the FY 2025 Capital Improvement Plan (CIP) report beginning with the Process Facilities Program update. Several Construction Manager at Risk (CMAR) contracts are being finalized. Mr. Guttridge noted that CMAR contracts are those in which both a designer and a contractor are under contract with DC Water and collaborate to incorporate the contractor's input to produce a more constructible design. CMAR contracts are being used for the Headworks and Primary Upgrades portfolio and the Filtration and Disinfection Upgrades portfolios. Design is also underway on the third and final section of the floodwall, which will encapsulate the entire Blue Plains area to protect against a 500-year flood event.

Mr. Giancola asked whether the floodwall would be upgraded to withstand a 1,000-year storm. Mr. Guttridge noted the wall's height is two feet above the 500 year flood level to allow for a wave action. Committee member Richard Jackson stated that, based on new modeling tools created by the Department of the Energy and the Environment (DOEE), the floodwall being built by DC Water is sufficient. Moussa Wone, Chief Engineer and Vice President, noted that the freeboard above the wall is an additional safety measure put in place.

Mr. Guttridge continued with the Sewer Program updates report. Repairs to the Anacostia Force Main at Ponds Street are now complete, and work is proceeding on high priority structural lining and air release valves. Mr. Guttridge noted that corrosion has been found in the upper sections of the pipe, where an air gap allows higher hydrogen sulfide (H₂S) levels, The replacement air valves will help to alleviate the gas buildup. Negotiations are continuing for the approximately \$500 million Anacostia Area Sewer Rehab PDB contract, and procurement planning is underway for the \$400 million-plus Rock Creek Area Sewer Rehabilitation contract. The FY 2025 sewer inspection totals include 45 miles of local sewers, 32 miles of very large sewers, and 1,979 manholes. Recent inspections of the Little Falls Trunk Sewer revealed significant corrosion in the steep-slope segments due to increased H₂S. Approximately 1,000 linear feet require rehabilitation.

For the water program, work continues to replace small-diameter water mains. A package for a progressive design-build project for these mains will be presented to the Environmental Quality and Operations (EQ&OPS) Committee in January 2026. A recent accomplishment was the replacement of a 36-inch valve, which required years of planning, coordination with the Washinton Aqueduct and was completed in two days. A flow meter was also replaced on the Francis Scott Key Bridge. During the replacement, a coupling failed and caused flooding in the work chamber. All safety protocols were followed, and there were no injuries.

Minutes of the November 18, 2025, Finance and Budget Committee Meeting Page **3** of **4**

As part of the DC Clean Rivers Project, the Piney Branch Tunnel project is underway. A contract amendment for the construction Guaranteed Maximum Price (GMP) of \$259 million will be presented to EQ&OPS Committee in November 2025. The Lead Free DC Program has replaced 10,486 lead service lines, reaching 25.5 percent project completion.

Mr. Guttridge reviewed the FY 2025 CIP Disbursement Performance report. Overall, program disbursements through the end of Q4 2025 totaled \$545 million, or 84 percent of the overall budget. The Clean Rivers project achieved 73 percent of the budget, mainly due to slower-than-anticipated progress at the Potomac River Tunnel. The project is now on schedule and aims to make up the shortfall. Spending in the Sewer Area was 77 percent of the budget due to the change in the strategy for the Potomac Interceptor Program.

FY 2025 KPI performance included 52 KPIs, of which 19 were completed within the threshold and 31 were not met. Mr. Guttridge noted that two KPIs were delayed due to issues obtaining permits, nine were delayed due to changes in the contract delivery model, and six were delayed due to changes related to the facilities master planning renewal. The remaining 14 KPIs were delayed for various reasons.

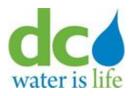
In response to a question from Mr. Giancola, Mr. Guttridge stated that seven miles of small-diameter water mains were replaced in 2025, against a target of eleven miles.

III. AGENDA FOR THE DECEMBER 2025 COMMITTEE MEETING

The agenda for the meeting on December 16, 2025, includes the November 2025 Financial Report and any other items the Committee wishes to discuss.

IV. ADJOURNMENT

The meeting adjourned at 9:50 AM.



MINUTES OF THE MEETING ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE November 20, 2025

(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

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

OTHER BOARD MEMBER PRESENT

1. Unique Morris-Hughes, Board Chair, Principal, District of Columbia

DC WATER STAFF PRESENT

- 1. Matthew Brown, Chief Financial Officer and Interim Chief Operating Officer
- 2. Michelle Rhodd, Secretary to the Board
- 3. Moussa Wone, Vice President Engineering and Clean Rivers, Chief Engineer
- 4. Barbara Mitchell, Director and Associate General Counsel
- 5. Kirsten Williams. Chief Administrative Officer and EVP
- 6. Amber Jackson, Chief People Officer and Interim Chief Legal Officer

The Environmental Quality and Operations Committee meeting was called to order by Sarah Motsch, Chairperson at 9:30 AM. The meeting was held via Microsoft Teams. Michelle Rhodd, Secretary to the Board called the roll.

I. BPAWTP PERFORMANCE UPDATE

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for October 2025, treating an average daily flow of 258 million gallons (MGD) with a peak flow of 431 MGD recorded on October 30th, 2025. October was a moderately wet month as 1.9 inches of rain was recorded and 88MG were captured in the tunnel with 0 overflows. For October, electrical generation onsite was still low; 18% due to equipment failures at the facility last month. Solar generation averaged 0.56 MW as winter output declines, while total power use averaged 27.07 MW.

with 22.11 MW purchased from Pepco. Updated FY25 power-purchase savings now total 3.4 million dollars.

Mr. Passarelli reported that Blue Drop sold 5,309 tons of Bloom in October, beginning the new fiscal year toward a goal of 62,000 tons. DC Water produced 14,241tons of biosolids, with 8,932 tons land-applied through contracts.

Committee member Howard Gibbs asked about overall FY25 savings and whether Bloom sales met the annual goal. Mr. Passarelli confirmed that sales fell short due to lower spring volumes and committed to providing the final figures.

II. CIP QUARTERLY REPORT

Paul Guttridge, Director of Shared Services and Asset Management, presented the CIP quarterly update with support from Moussa Wone, Chief Engineer and Vice President. Mr. Guttridge provided an overview of the Process Facilities Program, noting progress on Construction Manager at Risk (CMAR) contracts for Headworks and Primary Treatment Upgrades and continued work on the final segment of the Blue Plains 500-year flood wall. Request For Qualifications are in progress for the Miscellaneous Facility Upgrades 9 program.

Mr. Guttridge summarized the Sewer Program, including recent Anacostia Force Main (AFM) emergency work, AFM planned air-release valve replacements, the upcoming \$500 million Anacostia Area sewer rehabilitation, and future work on the Rock Creek Main Interceptor. FY25 inspection goals were met with 45 miles of local sewers and 32 miles of large sewers assessed.

Mr. Guttridge then provided a brief Water Program update, highlighting progress on Small Diameter Water Main replacements, preparation of a major Progressive Design Build (PDB) contract, a 36-inch valve replacement requiring multi-year planning, and a Key Bridge water main incident that was safely managed. For Clean Rivers, he noted that the Piney Branch Tunnel construction Guaranteed Maximum Price (GMP) fact sheet will be submitted this month and reported that nearly 10,500 lead service lines have been replaced to date representing just over 25 percent completion.

He reported FY25 disbursements at 84 percent (\$545 million) of baseline, with underspending tied to Potomac River Tunnel excavation delays and a revised approach to the Potomac Interceptor. Schedule KPI delays were mainly related to permitting, delivery-method changes, and master-planning updates. During discussion, Committee member Amy Stevens asked whether the baseline reflected actual or projected spending. Mr. Guttridge clarified the slide was mislabeled and should have shown actuals. Ms. Stevens also asked if lower spending indicated delays.

Minutes of the November 20, 2025, Environmental Quality & Operations Committee Meeting

Mr. Guttridge explained that spending is not always a reliable indicator of project performance. Dr. Wone added that recovery schedules are required when delays affect the critical path and described recent issues affecting Potomac Tunnel and Interceptor work.

Kevin Bellamy, Director of Procurement, clarified that the Anacostia PDB contractor selection is still in active procurement.

III. FACT SHEET: FILTRATION AND DISINFECTION UPGRADES CMAR PORTFOLIO

Ryu Suzuki, Director of Wastewater Engineering, provided an update on the Filtration and Disinfection Construction Manager at Risk (CMAR) project, DC Water's first CMAR contract at Blue Plains. He explained that the filtration system is the final treatment step before discharge, and recent underdrain failures require a full rebuild. The project will replace underdrains in seventy-two filter cells and upgrade associated equipment, with construction phased over five years due to operational constraints. The CMAR partner began pre-construction in June, and after open-book pricing reviews, the Guaranteed Maximum Price (GMP) was finalized at 140 million dollars. CMAR also allowed late design adjustments without added cost.

Mr. Suzuki said most work is low risk, though some work beneath the facility during a planned outage is higher risk, and that operational risks from additional underdrain failures are the larger concern.

Mr. Gibbs asked how often filter beds need rehabilitation and requested clarification on DBE/WBE calculations. Mr. Suzuki explained that filter systems typically last about twenty years, but the selected design should last significantly longer. He also noted that bonds, insurance, CMAR project management, and filter media are excluded from the participation denominator because they are not sub contractable scope.

Board Chair Unique Morris-Hughes asked about the timing of legal review. Mr. Guttridge confirmed that legal sufficiency is completed before fact sheets go to the Board, and Amber Jackson Chief People Officer and EVP and Interim Chief Legal Officer added that legal review now occurs earlier in the process. Mr. Guttridge agreed to note this on future fact sheets.

Mr. Suzuki concluded that the project is ready to move into construction and will follow standard Blue Plains cost-sharing arrangements.

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IV. FACT SHEET: FT RENO RESERVOIR SOLAR INSTALLATION

Chris Peot, Director of Resource Recovery, provided an overview of the Fort Reno Solar Design-Build project and requested approval to advance the contract award to New Columbia Solar, the highest-rated proposer. He explained that DC's Solar Renewable Energy Credits create strong financial returns, and DC Water has been building its solar program to capture this value. Previous efforts at Blue Plains and Brentwood informed the financial model now used for DC Water's first self-funded solar installation at Fort Reno, which is expected to produce nearly one megawatt of power and meet most onsite energy needs.

During discussion, Committee member Amy Stevens asked why revenue from the project would not be shared across IMA partners. Mr. Peot clarified that Fort Reno is not a joint-use facility, so all benefits remain with DC Water ratepayers. Mr. Gibbs noted that the site's status as a water reservoir confirms its non-joint-use designation.

V. FACT SHEET: DIVISION RC-T PINEY BRANCH TUNNEL

Jeffrey Peterson, Director, Clean Rivers, presented the Piney Branch Tunnel project and the Guaranteed Maximum Price (GMP) construction amendment for approval. He noted that this final Clean Rivers tunnel will control CSO 49 with an expected 96 percent overflow reduction. The project includes a 2,300-foot, 22-foot diameter rock tunnel to be built from 2025 to 2029 under the Construction Manager at Risk (CMAR) delivery method. Pre-construction work is complete, and the negotiated GMP is 253 million dollars, bringing the total project cost to 282 million dollars. The project is non-joint-use.

Mr. Gibbs asked where the tunnel discharges and why the existing system cannot carry the flow. Mr. Peterson explained that the tunnel will connect by gravity to the East Rock Creek Diversion Sewer, which currently lacks capacity during storm events.

Ms. Stevens asked about a discrepancy between the construction schedule and the consent decree deadline. Mr. Peterson acknowledged a slide error, and Dr. Wone clarified that the correct consent decree deadline is November 2029.

Mr. Gibbs asked about schedule confidence. Mr. Peterson said DC Water will work closely with the contractor to maintain the schedule, while Dr. Wone noted that the contract includes some float between substantial completion and the consent decree milestone.

Committee member Alexander McPhail asked if EPA is flexible with extensions. Mr. Peterson said EPA has historically been rigid, but discussions could occur if needed.

Minutes of the November 20, 2025, Environmental Quality & Operations Committee Meeting

VI. CONTRACT NO. 230020 – SMALL DIAMETER WATER MAIN REPLACEMENT (SDWMR) MSA – MULTIPLE CONTRACTORS

In addition to the requested Master Service Agreement program's 53 million dollars increase, staff requested approval for the contracting officer to be granted authority to include additional qualified firms to the agreement. The Board currently approves qualified firm additions.

Committee Chair Sarah Motsch asked what triggers opening prequalification. Staff said it would be based on market needs, vendor interest, and workload, likely on an annual or biennial cycle.

Korey Gray, Vice President and Chief Procurement Officer, emphasized that additions would follow a structured process, balancing fairness for existing firms with the need for added capacity. When Ms. Motsch asked if more firms are needed, he noted that growing workload may require expanding beyond the current eleven contractors.

VII. DDOT PARTICIPATION: BENNING ROAD NE RECONSTRUCTION AND STREETCAR, PHASE I- FROM ANACOSTIA AVENUE, NE TO MINNESOTA AVENUE - DDOT

Mr. Gibbs asked why DDOT is expanding the streetcar if the system may be phased out. Mr. Guttridge replied that DDOT is still advancing the project, and if priorities change, DC Water would not need to proceed with relocations. Mr. Gibbs also asked whether federal funds could support the work or be shared under the MOU. Mr. Guttridge explained that DDOT's grants typically fund paving, not water-main work, and DC Water already uses all of its own federal grants. Mr. Elledge added that eligibility for Federal Highway Administration funding has been discussed, but DDOT must lead any such application.

VIII. CONTRACT NO. 250070 – CREEKBED INFRASTRUCTURE REHABILITATION – HALMAR INTERNATIONAL, LLC

Mr. Gibbs asked what specific asset was at risk. Mr. Suzuki confirmed it involves a major sewer line running through National Park Service land. He explained that the creek's shifting course is eroding the embankment and threatening the sewer. Mr. Suzuki said the work will realign the sewer and include extensive stream restoration to protect it.

IX. CONTRACT NO. 190040 - 66-INCH 72-INCH PCCP N STREET - ANCHOR CONSTRUCTION CORPORATION

Dr. Morris-Hughes asked for clarification on whether the change order would extend the contract by two years and double its value. Will Elledge, Director Water Program and Lead Free DC clarified that the change order increases the contract value by about 25 percent (from 2.9 million to 3.6 million) and extends the total contract duration to three years and seven months.

The Committee recommended all action items to the Board for approval.

X. OTHER BUSINESS/EMERGING ISSUES

Dr. McPhail raised two follow-up items for future meetings: a request for a briefing on the high number of manual meter reads and an update on the non-revenue water initiative.

XI. ADJOURNMENT

The meeting adjourned at 10:54 am.

325th Meeting of the Board of Directors - VI. CEO and General Manager's Report (David L. Gadis)

dCd CEO's Report

DECEMBER 2025



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

CEO's Report

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DECEMBER 2025

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ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

dC Highlights

Chair Morris-Hughes, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for December 2025. This report captures the highlights of the team's efforts over the past month, across the five cascading imperatives of the Blueprint 2.0 strategic plan: **Equitable, Sustainable, Resilient, Reliable, and Healthy, Safe and Well**. There are also individual reports from Finance and Procurement; Administrative; Customer Care; Information Technology; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.





2025 National Leadership Award from the National Forum for Black Public Administrators

On Thursday, November 13, I was honored to receive the 2025 Leadership Award from the National Forum for Black Public Administrators (NFBPA). This award is given to individuals whose vision and dedication create lasting community impact, and the selection specifically cited our transformative Clean Rivers Project, pioneering green infrastructure, and workforce development programs.

In my acceptance remarks, I emphasized that our success is attributable to not only the talent and effort of Team Blue, it is also reflective of the support and alignment with our Board of Directors.



Potomac River Tunnel Boring Machine "Mary" Blessing Ceremony



On Monday, November 3, DC Water marked a major milestone in the Clean Rivers Program with the ceremonial blessing of Mary, the tunnel boring machine that will excavate the northern leg of the Potomac River Tunnel Project. The event, held at West Potomac Park, was led by **Mayor Muriel Bowser**, who christened the machine with DC tap water to symbolize the District's commitment to cleaner waterways.

Dr. Unique N. Morris-Hughes (Board Chair), and other District leaders joined the ceremony celebrating the start of tunneling on this transformative project. Once complete, the 5.5-mile tunnel will prevent nearly one billion gallons of combined sewage and stormwater from entering the Potomac River each year.

Mary will tunnel north under West Potomac Park, while her sister TBM, Emily, is being prepared in Germany to dig south. The event was coordinated by DC Water's Outreach and Communications teams, in partnership with District agencies – special thanks to all staff who helped make this milestone celebration a success.

dC Highlights



Pure Water DC Launches New Era of Water Resilience for the Region





On November 20, DC Water convened a regional panel of industry experts, utilities, and federal and state regulators to discuss one of the most urgent challenges facing the region: securing a second source of drinking water for the District. The conversation centered on practical strategies to strengthen resilience, with a major focus on advanced water reuse, a proven method that purifies water to drinking standards and is gaining traction nationwide.

During the event, DC Water highlighted the Pure Water DC strategy, which outlines longterm solutions to improve the region's water supply resilience.

The Authority has committed \$21 million over the next three years to pilot technologies, advance research, and engage regulators and the public. A key element of this work is the Pure Water DC Discovery Center, which will break ground in 2026 as a hub for innovation, education, and collaboration.



dc Highlights



Reliable Progress Towards a Healthier Potomac

On Wednesday, November 12, DC Water was proud to join the Potomac Conservancy for the release of its 2025 Potomac River Report Card, which assigned the river an encouraging 'B' grade.

Dr. Moussa Wone (Vice President, Clean Rivers) represented the Authority, sharing how our strategic investments are directly contributing to the river's improved health.

This 'B' grade is a significant milestone. While the District comprises only 0.5 percent of the Potomac sewershed, our impact is disproportionately large. Our Clean Rivers projects have already reduced untreated stormwater and sewage entering the Anacostia River – a major Potomac tributary – by 98 percent.



Healthy, Safe and Well

North Carolina Honors DC Water IMT for Tropical Storm Helene Support

On October 31, DC Water was recognized by North Carolina Emergency Management for the deployment of our Incident Management Team (IMT) to Asheville, NC, from October 14–28, 2024, following Tropical Storm



Helene. Todd Brown, Assistant Director of Operations for North Carolina Emergency Management, presented a plaque and tokens of appreciation to DC Water staff, including **Gregory Vernon** (Manager, EMT), **Sarah Franzheim** (Emergency Planning Coordinator, OEM), **Monique Mirabeau** (Program Manager, Maintenance Operations), and **Christopher Coit** (Manager, Water Distribution).

The recognition highlights the critical role of DC Water's support under the Emergency Management Assistance Compact (EMAC), enabling coordination across city, county, state, and federal agencies to restore drinking water services and support disaster recovery efforts. Mr. Brown expressed deep gratitude for the dedication and professionalism of our deployed staff and those supporting from DC.

The commemorative plaque states, in part, "The support that you and your agency provided was critical to restoring essential lifelines, reestablishing

communications and services, and saving countless lives." This humbling honor reflects the dedication of our teams, and the vital role DC Water plays in emergency response and regional resilience.

3

dc. Divisions

The CEO report includes service level based key performance indicators. These are indicators for which the teams have established or confirmed response and resolution times in which to perform the related work. This is assisting us in identifying productivity and resource needs as well as benchmarking ourselves against other utilities. It is important to note that where teams may not meet the Service Level Targets set for a specific metric, it does not mean the work is not getting accomplished. The teams are doing a tremendous job and continue to strive to meet high performance expectations.

The data in the CEOs Monthly Report reflects the most recent information available at the time of production and printing.



Financial Metrics

Metric	Target	July-25	Aug-25	Sept-25	Oct-25
Operating Cash Balance (Millions \$)	\$325.6	\$377.1	\$363.5	\$333.7	\$410.6
Delinquent Account Receivables (%) †	3.30%	4.18%	4.12%	4.16%	3.85%
On-time Vendor Payments (%) ****	97%	97%	96%	96%	96%
Investment Earnings Data (Millions \$)	\$8.8	\$12.2	\$13.6	\$14.8	\$1.2
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.0%	3.7%	3.7%	3.6%
Core Investment Yield Data (%) - Actual Monthly Yield ††	3.82%	4.5%	3.6%	4.1%	4.1%
Short Term Investment Yield Data (%)- Merrill Lynch 3-Month Treasury Index *		4.3%	4.1%	3.9%	3.8%
Short Term Investment Yield Data (%) - Actual Monthly Yield ††	4.06%	3.9%	4.1%	3.9%	3.9%
Days of Cash on Hand** and ***	282**	372	358	331	372***

Notes

- * Represent annual Treasury Index targets developed and provided by the Authority's investment advisor
- ** 282 days of cash is the Board policy requirement for annual days of operating reserves excluding the Rate Stabilization
- ***372 days of cash is made up of 33 days in the Rate Stabilization Fund and 339 days in the operating cash balance. In adherence to debt covenants, the Authority is required to spend bond proceeds to reimburse itself for capital expenditures from the cash balance account within three years to close out the Series 2022 Bonds. Finance reimbursed \$68.1 million in October 2025.
- **** One-time vendor payment performance was impacted by the year-end closeout activities including payments of accrued invoices.

Metrics Explanations:

- † Delinquent account receivables as a percentage of 12-month rolling average retail revenue. The delinquent account receivables increased due to the impact of COVID-19.
- † † Investment earnings lag the benchmarks. We are in a rising interest rate environment. As lower yielding investments are sold and reinvested, performance is expected to improve.

Finance Highlights

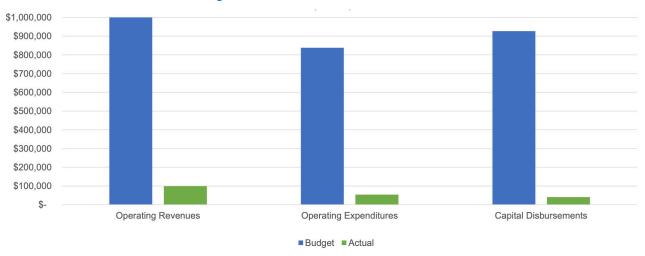
FY 2026 Financial Performance

At this early stage in the fiscal year, DC Water is on track with its budget. As of the end of October 2025, with eight percent of the fiscal year completed, total operating revenues were \$98.8 million or 9.8 percent of the budget. The higher receipts are due to higher consumption in the Residential, Commercial and Multi-family categories as compared to the budget. In addition, Fairfax and Loudoun County made their first quarterly payment early in October 2025 instead of as scheduled in November 2025.

Total operating expenditure was \$53.7 million or 6.4 percent and capital disbursements were \$40.4 million or 4.4 percent of the respective budgets.



FY 2026 Year to Date Performance Budget vs. Actuals (\$000's)



FY 2027 Budget Process

The Proposed FY 2027 Operating Expenditure, Two-Year Rates, Ten-Year Capital Improvement Program and Financial Plan are being finalized. Management will deliver the budget and rates proposal to the Board of Directors during the Budget Workshop on January 8, 2026, immediately after the Board meeting. The details of the budget and rates proposal will be reviewed with the various Board Committees over a two-month process with budget adoption anticipated by the full board on March 5, 2026.

Procurement and Compliance

In October, the DC Water Board approved six procurement actions. The total value of the eligible procurement actions was \$22.19 million. Of this total, the planned certified firm participation is \$8.20 million (in prime and subcontracting opportunities).



Highlights

Certified Firm Participation

- In October, 17 certified firms won awards (contracts and subcontracts) on DC Water projects.
- One certified firm won an award as a prime contractor with DC Water.



Highlights -continued

Process Improvement

- Procurement and Compliance are continuing to work with the EPMO to review, revise, and update the
 department's processes and procedures. Current efforts have shifted to streamlining our procurement process –
 reviewing forms and internal procedures and leveraging technology to build efficiency and reduce the number of
 forms required.
- In October, Procurement and Compliance achieved \$188k in savings through Cost Reduction and avoidance.
- Continuing efforts on the JPMorgan Commercial Card implementation currently preparing communication to cardholders to collect their home addresses for compliance with OFAC regulations.
- Collaborating with the Center of Excellence on the Redwood Requisition Module upgrade and the Procurement Metrics Dashboard in Oracle.
- In October, G&S Produced 274 POs; M&M Produced 369 POs.

Outreach and Engagement

- District Connect Matchmaker: Melda Al Khalili and Shawn King participated in the annual District Connect on October 23, 2025. The event, hosted by the District of Columbia's Department of Small and Local Business Development (DSLBD), served as a forum for connecting District-based Certified Business Enterprises (CBEs) with contracting opportunities offered by government agencies, prime contractors, and universities. DC Water representatives were on hand to engage with local businesses, share information about upcoming procurement needs, and discuss the pathways for vendors to work with the Authority.
- 2025 DCQI Metropolitan Project Opportunities Meeting: Kevin Bellamy presented to the attendees at the DCQI Meeting on October 1, 2025. The Meeting was held at The Westin DC Downtown in Washington, D.C. and provided an opportunity for attendees to learn about upcoming transportation and utility projects and to provide a platform for members to meet with various agency leaders.
- Oracle AI Conference: Scott Kang attended the Oracle AI 2025. The conference, which took place in Las Vegas from October 13–16, 2025, served as a forum for Oracle partners to explore the latest developments in enterprise AI. During the conference DC Water participated in workshops focused on Oracle's built-in AI and Generative AI (GenAI) features, as well as guided learning for user training, and analytics for data-driven decision-making.
- DC Water Procurement Fair: On Tuesday, October 28, 2025, DC Water hosted a procurement fair at its headquarters at 1385 Canal Street SE, Washington, DC. The event, held from 9:00 a.m. to 1:00 p.m., was designed to connect certified and non-certified firms with business development support and contracting/subcontracting opportunities with the Authority.

The fair provided a valuable opportunity for attendees to learn about DC Water's procurement process and upcoming projects. The Fair featured a plenary session with panel discussions covering a broad range of topics including an overview of the Capital Improvement Plan (CIP), "Navigating DC Water's Procurement Process" and "Lessons learned from Successful DC Water Contractors." Additionally, there were 140 match-maker sessions between primes and subs as well as five different breakout sessions covering three different topics: Artificial Intelligence, Banking/ Access to Capital, and Bonding Support.

In all 264 representatives from 154 firms attended the event and was able to network, build potential partnerships, and gain insights into how to become an approved vendor.

The successful event underscored our commitment to promoting the economy of the District of Columbia and the region it serves and an example of multiple DC Water teams: Procurement and Compliance, Engineering, Facilities, IT, and Marketing working together in support of a common goal. Special thanks to acting COO Matthew Brown for his leadership, the DC Water Procurement Fair Planning Team: Michelle Germany (Team Lead), Ravyn Cunningham, Esther Garrett, Dar'Nita Manago, Jamal Jones, Jean Randall, and Sharon Talley.

• Continued our "Vendor Day" contractor engagement efforts. During this reporting period, meetings were held with six new and existing contractors interested in capital procurement and Goods and Service opportunities.



Procurement and Business Development - continued

Upcoming Business Opportunities: All current and planned solicitations are available at **dcwater.com/procurement**. Those upcoming in the next three months are shown below.

Goods and Services:

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Estimated Total Contract Value	Inclusion Program	Planned Solicitation Month and Year
Fleet Management Information System	Fleet Management Information System for the management of the DC Water Fleet	Request For Proposal	Master Service Agreement	5 years	\$1-\$5M	DBE/WBE	October, 2025
Electric Energy Services and Electricity Generation and Transmission	Qualified firm to provide on-going need for retail electricity services	Request For Proposal	Master Service Agreement	3 Year Base + Option Years	> \$10M	DBE/WBE	October, 2025
Industrial High Pressure and Vacuum Truck Services	Industrial High Pressure and Vacuum Truck Services to structures and equipment	Request For Proposal	Master Service Agreement	2-year Base + Option years	>\$1M	DBE/WBE	October, 2025
Boat Repair	Marine Vessel Maintenance and Repair Services	Request For Quote	Contract	1 year	< \$1M	DBE/WBE	October, 2025
Uniforms	Work Uniforms and Accessories	Request For Proposal	Master Purchase Agreement	5 years	\$1-\$5M	DBE/WBE	November, 2025
HVAC Maintenance & Repair Services	Provide maintenance and repairs to all HVAC systems throughout the Authority	Request For Proposal	Master Purchase Agreement	5 years	\$1-\$5M	DBE/WBE	November, 2025
ROCIP VI and OCIP Insurance Premiums	Insurance Broker that provides coverage for capital construction contractors and subcontractors	Request For Proposal	Master Service Agreement	3 Years Base + Option Years	>\$1M	DBE/WBE	November, 2025
Valve and Fire Hydrant Assessment and Maintenance and Unidirectional Flushing Services	Locating, assessing, documenting, reconditioning and repair of select water and wastewater infrastructure which includes over 40,000 isolation valves, 6,000 control valves and 9,800 fire hydrants.	Request For Proposal	Master Service Agreement	5+ years	> \$10M	DBE/WBE	November, 2025

- procurement continued



Finance, Procurement, and Compliance

Procurement and Business Development - continued

Capital Projects:

Planned Solicitation	Project Title / Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Inclusion Program
Oct-25	Pure Water DC Discovery Center. DC Water is exploring potable water reuse among a portfolio of solutions to augment water supply resilience for the Washington region. The Pure Water DC Discovery Center will have a dual purpose: testing treatment technologies and configurations to create purified water, and a nucleus for the communications and public education campaign.	RFQ/RFP	Progressive Design Build (PDB)	\$8M - \$10M	DBE/ WBE
Nov-25	Anacostia Force Main High Priority Project. This Project is designed to rehabilitate force mains and associated structures that have outlived its design life and/or are defective. The Project will use the CMAR method, with the CMAR partnering with DC Water and the Sewer Program (SPM) to deliver preconstruction and construction services.	Competitive Task Order	Construction CMAR MSA for Qualified Contractors	\$6M - \$8M	DBE/ WBE
Nov-25	Green Infrastructure Maintenance Contract. The purpose of the contract is to maintain DC Water-constructed Green Infrastructure (GI) facilities installed pursuant to the Long- Term Control Plan Consent Decree and other facilities installed to comply with District stormwater regulations as part of Clean Rivers construction projects.	RFQ/RFP	Cost Reimbursement Maintenance Services	\$3M - \$5M	DBE/ WBE
Nov-25	Miscellaneous Facilities Upgrade Phase 9 (MFU-9). This procurement will solicit qualified contractors for multiple contracts to perform urgent, emergency and non-emergency rehabilitation and upgrades to the Blue Plains AWTP, sanitary sewer pump stations, stormwater pump stations, and water facilities including, but not limited to, architectural, structural, process equipment, piping systems, electrical, mechanical, HVAC, instrumentation and controls.	RFQ	Construction MSA	\$170M - \$215M	DBE/ WBE

- procurement continued



Finance, Procurement, and Compliance

Procurement and Business Development - Capital Projects continued

Planned Solicitation	Project Title / Description	Solicitation Type	Construction MSA for Qualified Contractors	Estimated Contract / Program Value	Inclusion Program
Dec-25	Small Diameter Water Main (SDWM). Replacement - 19C: ~ 6.06 miles of small diameter water mains twelve inches in diameter and smaller and associated valves and appurtenances.	Competitive Task Order	Construction Management at Risk (CMAR)	\$20M - \$24M	DBE/ WBE
Dec-25	230030.15 Lead Service Line Replacement. Contract: Construction Package 22. This Task Order will support the LFDC Capital Improvement Project and Emergency Repair Replacement (CIPERR) program for both the private and public side work	Competitive Task Order	Construction MSA for Qualified Contractors	\$30M - \$35M	DBE/ WBE
Dec-25	230030.16 Lead Service Line Replacement. Contract: Construction Package 23. This Task Order will support the LFDC Capital Improvement Project and Emergency Repair Replacement (CIPERR) program for both the private and public side work	Competitive Task Order	Construction MSA for Qualified Contractors	\$30M - \$35M	DBE/ WBE



In October, DC Water Contractors filled ten new positions. Seven of those positions, or 70 percent, were filled by local residents. The table highlights the total new hires for October 2025:

Location	# of New Hires
District of Columbia	3
Prince George's County	3
Montgomery County	1
Fairfax County	0
Loudoun County	0
Outside the User Jurisdiction	3



Administration

Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	Sept-25	Oct-25
FACILITIES: Preventive Maintenance Completion Rate	90%	98%	99%
FACILITIES: Service Request Completion Rate	90%	90%	93%
FLEET: Priority One Vehicles In-Service	90%	84%	89%
FLEET: Technician Resource Allocation	50-90%	50%	54%
FLEET: Technician Productivity	81%	79%	79%
SAFETY: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 2.5	2.32	1.85
SAFETY: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.1	1.49	0
SAFETY: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.4	0.9	1.2
SAFETY: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.0	0.4	1.2
SECURITY: Security Camera operational uptime	90%	97%	96%
SECURITY: Smart card readers operational uptime	90%	97%	97%
SECURITY: Percent of security investigations completed within 21 days	95%	100%	100%

Fleet Metric 1: Priority One (P1) Unit Availability measures the percentage of units available to meet the organization's operational mission. The target is 90 percent. In October, 89 percent of P1 vehicles were available for operation. The expectation is that technicians will continue to spend at least 50 percent of their hours focused on serving P1 vehicles.

Fleet Metric 2: Priority 1 Assignment ensures the technician resources are allotted appropriately to the immediate service and repair of P1 units. In this period, 54.3 percent of the technician hours were allocated to P1 vehicles, (prior month 51 percent). The target is at least 50 percent to support the goal of minimizing unit downtime. Technician's remaining hours are split between servicing P2 &P3 units, representing 70 percent of the fleet.

Fleet Metric 3: Productivity tracks technicians on productive versus nonproductive activities, which may be defined as lunch, breaks, and on-site but unassigned duties while clocked in. In this period 79 percent of the technician hours were classed as productive, (prior month 79 percent). This variation can be explained that anything above 81 percent implies that technicians may be working through breaks/lunch. Taking scheduled breaks is a mandatory, safety requirement, especially when operating heavy machinery. Any drop may be interpreted as idle, non-productive time, and potential lack of supervision. The target ensures the balance of productive work vs necessary breaks.

While focusing on routine maintenance, 81 units arrived for unscheduled services including oil and filter changes, battery and safety checks, fluid top offs, and repair of seasonal equipment. Fleet responded to 43 roadside assistance calls and 30 fuel requests. Additionally, nine units were sent to auction, pending sale. We received \$26,350 for previous units auctioned.



Customer Care

To boost awareness of our DC Water Cares Assistance programs, we:

- Delivered 15,279 flyers via Lead-Free DC Activators.
- Promoted assistance during customer calls and emails
- Added SPLASH donation reminders to daily Currents emails. Reminders will run through December for internal donations.
- Produced and shared social media posts for X, Bluesky, Facebook, and Stories to promote DC Water Cares and led an October SPLASH donation campaign.

Update on Utility Assistance Enrollment:

Due to a temporary pause in LIHEAP funding, DOEE paused new utility assistance enrollments until November 1, 2025. To prevent customers from

being penalized by this delay, CAP assistance applications submitted in November

will be retroactively enrolled starting from October. Any eligibility approvals received after November will be processed according to the terms outlined in the MOU.

October participation reflects applicants approved at September's end for the new fiscal year.





Customer Assistance Programs (CAP)

Program	FY2025 Enrolled	FY2025 Dollars	Oct. Enrolled	Oct. Dollars	# FY26 Enrolled	FY2026 Dollars	FY2026 Budget
CAP +	2174	\$1,537,636	5	\$79,219	5	\$79,219	\$2,700,000
CAPI	1,863	\$1,225,594	8	\$58,450	8	\$58,450	\$2,100,000
CAP II	238	\$102,654	2	\$5,231	2	\$5,231	\$200,000
CAP III	54	\$5,749		\$-	-	\$-	\$10,000
Non Profit CRIAC Relief	174	\$900,902		\$-	-	\$-	\$843,133

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)

Because CAP eligibility approvals were delayed, the Leak Assessment and Repair program had no qualified applicants in October. We expect to assist more customers from November, as CAP-approved participants are referred to DC Water.

Department Successes:

- In October, Customer Care marked Customer Service Week with the theme "Mission Possible," featuring virtual games, a lunch hosted by Chief Administrative Officer Kirsten B. Williams, and recognition for each team member's contributions.
- The Customer Care team collected \$9.5 million from 5,320 delinquent accounts in FY25 and began the new fiscal year by resolving \$1.6 million in aged delinquencies.

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Metrics:

The team aimed to meet monthly metrics but, due to October global and regional outages on Amazon Web Services and Microsoft Azure, missed the Abandon Rate by one percent and Average Wait Time by eight seconds.

Key Performance Indicators

Metric	Target/ Service Level	Aug 25	Sept 25	Oct 25
% of bills issued on time (w/in 5 days)	97%	99.12%	99.3%	99.47%
% unbilled	< 2%	0.5%	0.2%	0.1%
# of bill investigations (Disputes)	trend only	212	191	208
% Bill Investigations/Dispute Resolution <= 30 Days	80%	90%	85%	100%
% of calls answered in 60 Seconds (Call Center) (revised)	75%	82%	81%	78%
Monthly call volume served (Call Center)	trend only	10,971	11,337	10,899
Average Wait Time (minutes) (revised)	<0:50	:37	:39	:58
Abandon rate	3%	2%	2%	4%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	100%	100%

The Payment Plan Incentive Program participant and payment distribution:

(Starting in FY26, the incentive increases from 40 percent to 50 percent)

The Payment Plan Incentive Program

Adjustment Year	No. Accounts that Received Credits*	Adjustments
FY 2024	470	\$122,307
FY 2025	2250	\$601,461
FY 2026	523	\$153,696

FY 2026 Payment Plan Incentive Program

-	_	
Adjustment Month	No. Accounts that Received Credits*	Adjustments
Oct-25	114	\$35,091
Nov-25	409	\$118,605
FY26 Distribution	523	\$153,696

 $^{^{\}star}$ This is the total number of distributions. (47 New accounts with no previous credits.)



Information Technology

IT Monthly Report

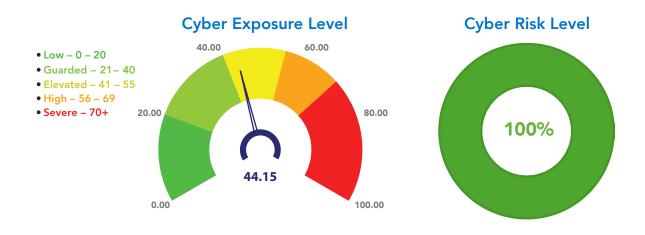
Metric	Target	Aug 25	Sept 25	Oct 25
Number of tickets submitted	Trend only	883	1035	1011
Number of open tickets	Trend only	29	50	19
SLA Compliance Rate	98%	97.60%	100%	100%
Number of active projects	Trend only	12	12	11
Number of completed projects	Trend only	4	4	0
On schedule performance	90%	91.67%	91.67%	90.91%
On budget performance	90%	91.67%	100%	91%
Cyber Awareness Training Compliance	97%	95%	94%	93%

Cyber Security Risk Profile

October Highlights:

Cyber Exposure Level: The current exposure score is 44.15, indicating a slightly elevated risk. This suggests a moderate potential for increased cyber threats such as hacking, viruses, or other malicious activities. While these threats are possible, no active exploits have been identified.

Cyber Risk Level: All assessed systems were classified as having a Low-Medium Risk. This indicates that any potential harm or negative impact is minimal and can typically be managed with standard precautions and controls.





Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators

Metric	Target/Service Level	July-25	Aug-25	Sept-25	Oct-25
Wastewater (Operations				
NPDES Permit Compliance , percent number of days	100%	100%	100%	100%	100%
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	23%	25%	15%	18%
Reactive Maintenance , percent of total maintenance hours	<20%	34%	30%	29%	29%
Critical Asset Availability , percent of total critical assets at the Blue Plains AWTP	>95%	96%	96%	95%	96%
Sewer Op	erations		'		
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%
*NPDES Permit Requirement to clean catch basins in the MSR area Annually	14,700	14,922	15,024	15,108	44
*NPDES Permit Requirement to inspect the catch basins in the Combined Sewer Anacostia Tributary area twice annually.	11,400	6,051	7,922	9,725	4,369
*NPDES Permit Requirements to clean 85% of Catch Basins in the Combined Sewer area annually	9,095	7,093	7,730	8,917	2,882
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	8.2	7.8	13	7.66
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	4	4	3	4
SSO's to Body of Water	Report	2	4	2	0
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	2.1	2.4	2.6	0.3
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0.76	0.98	1.2	0
Combined Sewer Overflows (CSOs)/Dry Weather Overflows	0	0	0	0	0

^{*} Month-to-Month Cumulative Total for Catch Basin Inspection and Cleaning

Key Performance Indicators continued -



Operations and Engineering

Water Services, Sewer and Pumping Operations, Wastewater Treatment, Engineering, DC Clean Rivers

Key Performance Indicators continued

Metric	Target/Service Level	July-25	Aug-25	Sept- 25	Oct-25
Pumping	Operations	•			
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	21%	22%	20%	13%
Critical Asset Availability	>95%	98%	98%	98%	98%
Water (Operations				
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	29	24	11	16
Approved Hydrant Flow Tests (Non-Winter Months)	>180	112	198	185	183
Fire Hydrant Operational Rate	99%	99.92	99.91%	99.9%	99.83%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	86%	84%	85%	97%
Water Main Breaks	<28/Month	25	26	17	19
Water Main Break Rate /100 Miles (National Average is 25)	25	47.34	47.57	46.95	46.57
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit	Operations				
Overall On-time completion of Permit Reviews	90%	99%	99.5%	100%	98%
Lead	Free DC				
Lead Service Line Replacements	100%*	53%	67%	82%	95%
Material Verifications	100%*	79%	35%	62%	82%
Right-of-Entry Authorizations	100%*	78%	84%	235%	192%
Payment Time	30 Days	23.5	26.7	27	25.8
Public Events & Presentations	N/A	14	14	9	21

^{*} Target is to complete 100% of the planned activity in each month

Explanation of Missed Targets

Wastewater Operations Reactive Maintenance (<20 percent): DC Water has adopted a manufacturing industry best practice benchmark of less than 20% reactive maintenance hours as a percentage of total maintenance hours. To our knowledge, there is no similar benchmark used in the public water utility sector. Blue Plains manages around 45,000 assets within our asset management/maintenance management system, and this stringent industrial benchmark is tracked as a marker for continuous improvement. Over the last four fiscal years, we have observed a descending trend in the percentage of total reactive maintenance hours, measured at an annual average, at the Blue Plains Advanced Wastewater Treatment Plant. The goal is to remain on the reduction path towards a benchmark that is appropriate for Blue Plains

Total Fire Hydrants Replaced: In October, 16 hydrants were replaced. Several replacements were rescheduled for weekend/evening dates and times due to priority customers.

Lead Service Line Replacements: In October, LFDC completed 356 LSRs. Authorization to resume work on two previously paused contracts was received on July 29. Since then, production has increased month-over-month.



DC Water Capital Improvement Program

Water, Sewer, Blue Plains, Lead Free DC and DC Clean Rivers





- LFDC completed 356 LSRs in October.
- Two new construction packages received Notice to Proceed.
- In October, outreach operations resulted in over 28,500 touchpoints with over 8,500 in-person engagements.
- Celebration event held to recognize the 10,000th lead service line replacement in the program.
- LFDC participated in 21 stakeholder engagement events in October including 13 Community Events & Pop-Up Events, 2 Civic & Citizens Association Engagements, 2 CBO Engagements, two ANC Presentations - 3D & 3E, one Quarterly Webinar, and one LFDC Speaking Engagement.



Updates on Consent Decree Projects

Potomac River Tunnel Contract B – Tunnel System Construction:

- Potomac River Tunnel is an 18' diameter, 5.5-mile-long tunnel designed to provide additional storage and conveyance for the sewer system and reduce CSO discharges into the Potomac River.
- Rock excavation at the TMS shaft, and two starter tunnels from the OMS shaft, at the West Potomac Park site continue. North TBM and gantry assembly is ongoing. Setup of the slurry treatment plant and high-voltage substation continues. Installation of other mining support facilities such as the grout plant, muck storage bin, HV substation, gantry crane system and the slurry treatment plant are ongoing.
- CSO-020: Site is currently utilized for parking, miscellaneous storage & subcontractor (Brayman) office trailer.
- CSO-022: Secant pile installation for shaft SOE has been completed and guide walls started for the approach channel.
- CSO-028: Completed pad preparation for the shaft secant pile SOE installation. Secant pile installation for drop shaft is ongoing.
- CSO-029: Tree removal, site clearing and setup is complete. Installation of rock bolt dowels on the slope above Canal Road is ongoing.

Piney Branch Tunnel:

(A minimum 4.2-million-gallon tunnel to control CSO 049, the largest CSO to Rock Creek)

- Preconstruction services are ongoing. The Guaranteed Maximum Price (GMP) was received on August 29, 2025.
- The Early Work Package Notice to Proceed for Site Access was issued on November 5, 2025. Work includes tree removal, roadway relocation, site setup, and design of temporary support of excavation.
- Clean Rivers received the approved Special Use Permit form the National Park Service (NPS). NPS staff have been able to work with DC Water to advance the permit despite the current Federal Government shutdown.



People and Talent

Highlights & Initiatives



Employee Engagement

The Benefits Fair was held on October 22 at HQO (2nd Floor) from 10 AM – 2 PM. It was a huge success, breaking records with 332 employees attending. Shuttle service was provided from Blue Plains and Bryant Street to make it easy for everyone to join.

We also brought Open Enrollment to employees who could not make it to HQO. Tours were conducted from October 27th – November 5th at the following locations: Bryant Street, Fleet, Fort Reno, Blue Plains, and Ames Place.

People and Talent Metrics

People and Talent has developed Cluster specific score cards measuring various items across talent management, employee/labor relations, compliance and employee engagement. The metrics are aligned with BluePrint 2.0, the Authority's strategic imperatives and the HCM Strategy.

Metric	Target	Aug-25	Sept-25	Oct-25
Vacancies	N/A	153	154	169
FTEs	N/A	1129	1128	1116
*Vacancy Rate	10%	11.93%	12.01%	13.15%
Temporary Alternative Duty Program (TAD) ²	50% of WC claims eligible for TAD program	86%	86%	89%

^{*}Reflects recommended position eliminations in the approved FY26 Budget.

Metric	Q1	Q2	Q3	Q4
Self-Identified Veterans (Active)	28	29	26	26
Female Workforce (Active)	22.8%	22.9%	22.8%	22.8%

Key Performance Indicators (KPI Benchmark)

KPI Definition	Business Relevance
² Percentage of Workers' Compensation claims eligible for placement into TAD program	The more claims eligible for TAD program will reduce overall Workers' Compensation costs and claim exposure for the Authority, leading to realized financial savings.

Annual Turnover Metrics						
Year	2020	2021	2022	2023	2024	
Involuntary (Dismissal, Medical Disqualification)	0.58%	1.01%	0.78%	1.97%	1.92%	
Voluntary (Resignation, Retirement)	4.08%	4.15%	5.77%	5.55%	5.93%	
Other (Death)	0.25%	0.55%	0.10%	0.09%	0.26%	
Total Turnover Rate	4.92%	5.71%	6.65%	7.61%	8.11%	

NOTE: AWWA Turnover Benchmark: 7%



People and Talent

Key Performance Indicators by Cluster

Cluster	Metric	Sept-25	Oct-25
	Total cost of tuition assistance/ reimbursement	\$14,423.63	\$26,262.99
	Total # of employees participating in tuition assistance/reimbursement	9	12
	Total # of employees seeking associates degree	0	0
Learning &	Total # of employees seeking a bachelor's degree	1	2
Development	Total # of employees seeking a master's degree	3	2
	Total # of employees seeking a doctorate degree	0	1
	Total # of employees seeking a certification	4	2
	Total # of employees participating in external training	1	4
	Hires	9 (4 external, 5 internal)	4 (2 external, 2 internal)
Talent Acquisition	Positions Under Recruitment*	78 (56 of 78 positions are moving through the recruitment process)	74 (56 of 74 positions are moving through the recruitment process)
	Separations	10	10
Separations	Term Reasons	 7 voluntary (5 resignations & 2 retirements) 3 involuntary (dismissals) 	 8 voluntary (8 resignations) 2 involuntary (dismissals)
Benefits – Retirement	457(b) Pre-Tax	874 Employees Participated	868 Employees Participated
Plan Participation	457(b) Roth	123 Employees Participated	125 Employees Participated



Government and Legal Affairs

Government Affairs Highlights

1. Meeting with Eleanor Holmes Norton Staffer for Secondary Source:

On October 9, Govt. Affairs team met with a staffer from Congresswoman Eleanor Holmes Norton's office to discuss the secondary source for the regional resilience study. After the meeting, we shared the slides from the last session hosted by USACE and MWCOG in mid-July, which included all regional partners. Of particular note, the last slide outlined the updated study schedule extending through 2030, and highlighted that "study costs are being re-evaluated in light of alternative screening.

Our current understanding is that recent guidance issued by the Office of the Assistant Secretary of the Army for Civil Works directly impacts USACE feasibility studies. The potential schedule and cost adjustments are a result of this guidance, particularly around the shift from a 50-50 cost share split to a 90-10 cost split between federal and non-federal partners. Govt. Affairs will continue to follow up with COG to determine the next steps and keep all stakeholders informed as the situation evolves.

2. Update on Government Affairs Review and Engagement Regarding B26-443B26-443, the "DC Water Billing and Disconnection Modernization Amendment Act of 2025"

On October 21, Council Chairperson Allen introduced B26-443, the "DC Water Billing and Disconnection Modernization Amendment Act of 2025", co-sponsored by six Councilmembers (Frumin, Pinto, Nadeau, R. White, Lewis George, and T. White). This legislation proposes sweeping changes to DC Water's billing, disconnection, lien, and customer assistance processes. While framed as a consumer protection measure, Government Affairs' initial review raised serious concerns about its impact on DC Water's financial independence, Board authority, and operational feasibility.

The Government Affairs team, along with SET members, met with Chairperson Allen to review and discuss key aspects of the proposed legislation. Government Affairs will draft a redline of suggested amendments and join Stakeholder Engagement to educate Council staff members about the disconnection process in the coming months.

3. Meeting with Councilmember Bonds for Grandview Apartment Condominium:

Government Affairs, Customer Service and Stakeholder Engagement met with Councilmember Bonds to discuss the Grandview Apartment Condominiums at 1262 and 1380 Talbert Ct SE. The discussion centered on issues such as meter testing, service line configurations, the cause of unusual consumption patterns and meter sizing.



Government and Legal Affairs

General Litigation includes cases filed by and against DC Water. DGLA tracks all ongoing litigation and provides quarterly updates.*

	1st Quarter	2nd Quarter	3rd Quarter	4rd Quarter	FY 2025 YTD
Cases Managed	35	32	33	33	49
New Cases	3	3	4	11	21
Cases Closed	6	3	10	5	24
Amount Demanded of DC Water in Closed Cases	\$1,184,637.55	\$2,950,000.00	\$4,227,500.00	\$780,000.00	\$9,142,137.55
Amount Paid by DC Water in Closed Cases	\$80,000.00	\$15,000.00	\$126,500.00	\$194,000.00	\$415,500.00

^{*}This data is current as of 9/30/25.

Revenue Recovery Cases

Currently, DGLA is managing 196 open foreclosure cases and 104 active bankruptcy cases. In FY 2025, \$1,578,372.78 was collected in receivership cases.

FY 25 Receivership Review*

Active Receiverships Appointed by Court	11 (ongoing)
Payment Plans Established	27
Pending Hearing to Appoint Receivership	0

^{*}Receivership data is updated quarterly. This data is current as of 6/30/25.

Freedom of Information Act

DGLA manages requests from the public for information as required by the DC Freedom of Information Act (FOIA). FOIA requests received in October 2025 related to a wide range of issues, including DC Water infrastructure, employee records, and contracts.

FOIA Data

Open Requests	90
Requests Opened this Month	16
Requests Closed this Month	8

Other Legal Matters

Type of Legal Matter	# Reviewed/ Processed
Contracts	15
Agreements	4
Easements	3
Subpoenas	0



Internal Audit

Internal Audit CEO Report October 2025

This timeline represents the FY 2026 audit plan and the status of each project. The Cherry Bekaert Internal Audit team is executing the FY 2026 internal audit plan, following up on prior audit findings and monitoring the hotline.

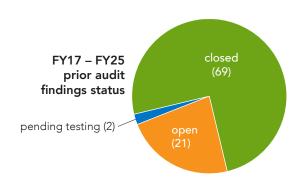


Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open		
Work Order Management Audit - DWO	7/27/2023	1		
Fleet Management Audit	10/27/2023	2		
Work Order Management Audit	4/11/2025	7		
Safety Audit	6/18/2025	5		
Strategic Plan Monitoring Audit 9/29/2025				
Third-Party Vendor Management Audit 11/6/2025				
At least one original remediation target date has been extended.				

1 Finding Closed this month:

• 1 FY25 Safety Audit Finding



In total, 75 percent of all prior audit findings from FY23-FY25 are closed. Management's target closure rate is 95 percent.

The total audit findings were previously tracked from FY17 through FY25, including issues that have since been resolved beginning in FY17. With the shift to a shorter reporting window, the closure rate has dropped noticeably this month to 75%.

"Pending Testing" indicates that Management represents that the Action Plan is completed, but Internal Audit has not yet performed testing to validate the status.



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FY23-FY24 Open High Risk Prior Audit Findings*

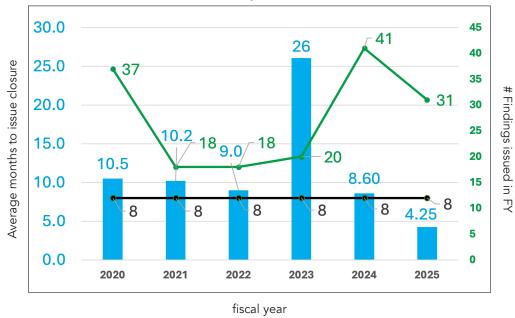
	Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions		
				Lack of current policies and procedures	9/1/2024	9/30/2025	1		
1	2023	10/26/2023	Fleet Management Audit	Fleet has drafted a RACI and 15 Authority wide Fleet policies. Legal provided commentary on the Fleet policies submitted and as a re to allow time to implement edits identified during Legal's review. The extension will allow time for these changes to be made in collabo final review of the updated policies and standard operating procedures.					
	2025	4/15/2025		Unaudited Maximo User Access Listing	11/30/2025				
2			Work Order Management-	Lack of Current Asset Retirement and Disposal Standard Operating Procedures (SOPs)	3/31/2026				
2			4/10/2020	4/15/2025	4/15/2025	Facilities Audit	Facilities team is currently working towards completing the set action plans.		
				Training records not being maintained	9/30/2026				
						Training matrix not routinely updated	1/31/2026		
2	2025	6/18/2025	Safety Audit	Lack of monitoring for corrective actions	1/31/2026				
3	2020	6/16/2023	Salety Addit	Safety team is currently working towards completing the set action plans.					

^{*}Note: The audit findings reported above represent open findings through the FY25 Audit Plan year.

Time to closure by fiscal year

The graph below illustrates the average number of quarters from audit finding issuance to audit finding closure year-over year as of November 2025. Management has made significant improvements to achieve timelier audit finding closure as illustrated by the decline from FY23 to FY24.

Internal Audit follow up remediation FY20-FY25



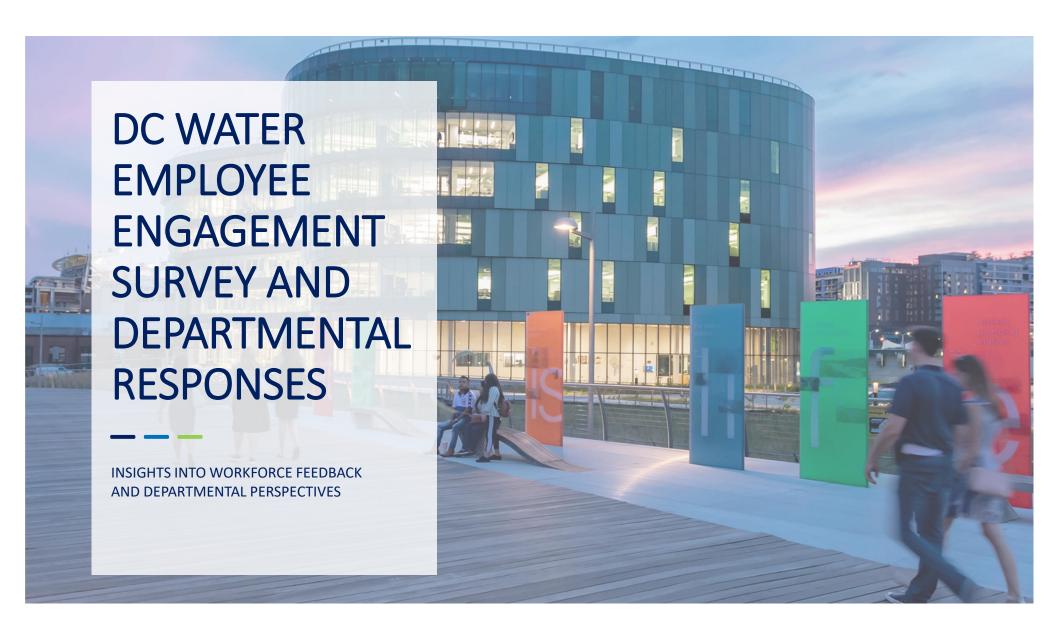
^{*}Management goal is eight months from issue to closure



51

^{**}Data before FY2023 was provided by RSM





EXECUTIVE SUMMARY

PURPOSE AND GOALS



Overview of Survey Findings

The presentation summarizes key insights from the Employee Pulse Survey and departmental engagement efforts organization-wide.

Aligning Executive Leadership

Sharing findings with leadership helps unify approaches to addressing employee concerns and workplace culture challenges.

Goals for Transparency and Development

The goal is to ensure transparency, promote fairness, and support employee development through initiatives and collaboration.

SURVEY OVERVIEW AND PARTICIPATION

SURVEY BACKGROUND

Pilot Phase (Nov 2024 – Jan 2025)

A preliminary survey was piloted with the Senior Executive Team (SET) and key Leadership personnel to assess clarity, relevance, and alignment with organizational goals.

Pilot survey tested at the Leadership Retreat in Nov 2024 with 209 Respondents

Focus Areas Identified

Through leadership input and workforce insight, four key focus areas were prioritized:

Culture, Leadership, Performance Management, and Communication & Feedback.

Stakeholder Engagement

After testing the Pilot Survey, the refined survey was socialized with Union Leadership for transparency and alignment with broader workforce interests.

Their feedback informed refinements and helped build trust and buy-in ahead of full deployment.

Refinement & Calibration

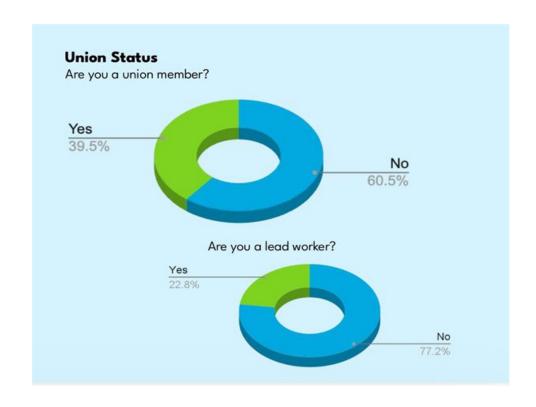
Survey questions were refined to ensure they were inclusive, actionable, and clearly worded.

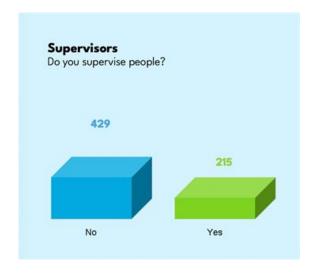
An Internal Best Practice Rating Scale was established to benchmark future results and track progress.

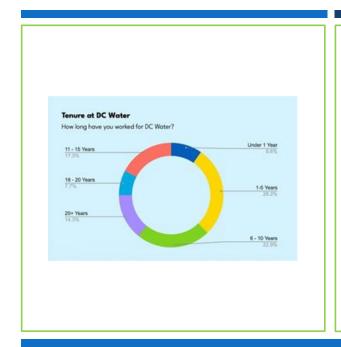


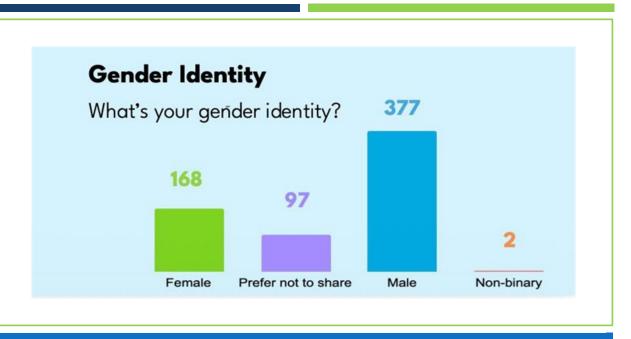


SURVEY PARTICIPATION INFORMATION









SURVEY PARTICIPATION INFORMATION



3.9

Average overall score for four key focus areas

OVERALL SCORE

SURVEY OVERVIEW



Statement	Score
I feel comfortable speaking up about issues that affect my job	3.9
I am informed about decisions that affect my work	3.6
I receive transparent and proactive communications that are relevant to my job	3.9
My manager and I have open and honest dialogue	4.2
My performance reviews are fair and appropriate	3.6
I know what is expected of me at work	4.2
I get immediate feedback about my performance	3.6
There are professional growth and career development opportunities for me here at DC Water	3.4
The Senior Leaders value people as their most important resource	3.3
I get the recognition I need from my manager	3.8
I have the communication I need from my manager to get my job done	4
My manager values me as an important resource	4
I am proud to work here.	4.3
The salary and benefits at DC Water meet me and my family's needs.	3.7
I enjoy working with my team	4.4
I feel accepted by my coworkers.	4.4
I understand how my job helps DC Water achieve success.	4.6

SURVEY STATEMENTS

KEY STRENGTHS AND AREAS FOR IMPROVEMENT

STRENGTHS IDENTIFIED IN THE SURVEY



Employee Pride and Mission Alignment

Employees feel proud working at the company and understand how their roles align with organizational goals.



Strong Managerial Support

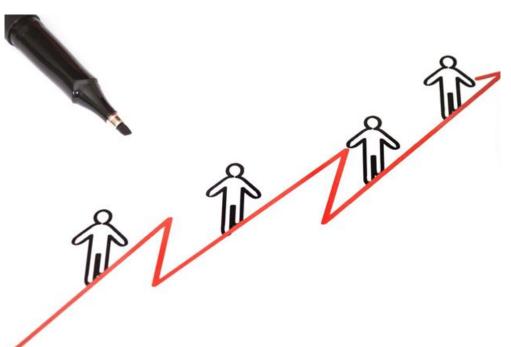
Direct managers are praised for effective communication, support, and constructive feedback practices.



High Department Engagement

IT and Marketing & Communications departments consistently show high engagement and strong leadership.

OPPORTUNITIES FOR IMPROVEMENT



Communication and Leadership

Communication breakdowns and leadership quality concerns highlight the need for transparency and fairness improvements.

Career Development and Pay

Employees feel frustrated due to limited career growth and perceived pay disparities in the organization.

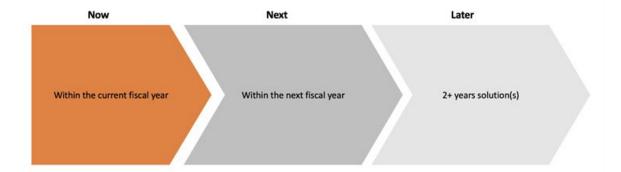
Recognition and Work-Life Balance

Lack of employee recognition and dissatisfaction with telework flexibility affect overall job satisfaction.

STRATEGIC FRAMEWORK

NOW, NEXT, LATER

Prioritizes work, communicate effectively and manage expectations by visually organizing projects across different time horizons.



ORGANIZATIONAL AND DEPARTMENTAL RESPONSE

ORGANIZATIONAL SURVEY RESPONSE HIGHLIGHTS

- Onsite Town Halls (8/18–8/20) Core theme:
 Embracing Change: Building a Stronger Future
 Together
- Reinstituted telework for the COO cluster
- EVP Led All-Hands (varied by department)
- SET Site Visits (rotating campuses)
- Employee Appreciation Tailgate (9/17)
- Reopening of the side door to enhance accessibility

Leadership Engagement

Increasing visibility and encouraging employee engagement

DEPARTMENTAL ENGAGEMENT HIGHLIGHTS



CAO

Survey results shared with directors and managers.

Departmental meetings held:

- Customer Care (6/18)
- Facilities (9/23)



Engineering

All Hands (9/3) introduced Acting COO.

Direct Q&A with leadership encouraged open dialogue.



OGLA

Leadership met with teams to reflect on survey results.

Emphasis on aligning with organizational values and staff support.



P&T, Labor & Compliance

Hosted Meet & Greet (9/24) and Screening Day (7/9).

Launched Successor Academy via LinkedIn Learning.

Developing training for people managers (launch by year-end).

BUILDING ON FEEDBACK



COO Office

Q1 FY26 All Hands to address key organizational topics.

Task force formed to review desk audits and compensation equity.

Reinforced commitment to fairness and transparency.



P&T Ongoing Engagement

Office coverage maintained 5 days/week.

Job rotations to bridge office and field staff experiences.

Enhanced wellness support and employee development opportunities.



Looking Ahead:

Continued emphasis on collaboration, communication, and culture.

NOW: IMMEDIATE AND SHORT-TERM ACTIONS (FY 2025)

Town Hall Meetings

Host bi-annual town halls featuring leadership at multiple locations to foster communication and engagement.

Professional Development Initiatives

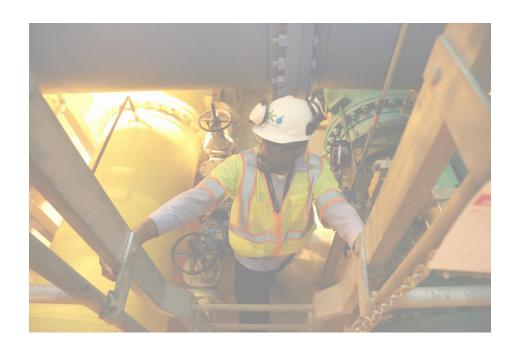
Implemented Success Academy and LinkedIn Learning to support employee growth and succession planning.

Onsite Rotations and Meet & Greets

Onsite rotations and after-meeting activities to build connections between office and field staff.

Employee Recognition Enhancement

Increase On-the-Spot Award amounts to better recognize and motivate employee contributions.



NEXT: MID-TERM ACTIONS (FY 2026)

Performance Management

Align Authority's performance evaluation process and goals with the Board directed goals for the CEO.

Employee Engagement

Reimagine Employee engagement to effectively reach all employees.

AI-Powered Tools for Efficiency

Al tools like Copilot and ChatGPT will be used to enhance operational efficiency and manage employee lifecycle.



LATER: LONG-TERM ACTIONS (2+ YEARS)

Organizational Calendar & Survey

An organizational calendar will track activities, and the People and Talent team will manage regular engagement surveys.

Balanced Goals and Competencies

Implement a 50/50 split between goals and competencies to ensure holistic employee evaluation.

Data-Driven Decision Making

Use cluster-specific data to align evaluations with organizational priorities and employee contributions.



CONCLUSION AND NEXT STEPS

SUMMARY AND LEADERSHIP CONSIDERATIONS



Commitment to Work Environment

DC Water is dedicated to maintaining a transparent, fair, and supportive workplace culture for all employees.

Strategic Improvement Roadmap

Insights from surveys and engagement activities guide strategic improvements for organizational growth.

Leadership Alignment and Execution

Leadership is encouraged to align on Now/Next/Later initiatives and prioritize their timely execution.

Enhancing Culture and Satisfaction

Addressing employee concerns and building strengths supports culture improvement and long-term success.

Presented and Adopted: December 4, 2025
SUBJECT: Approval to Execute Construction Manager at Risk
(CMAR) Guaranteed Maximum Price Amendment No. 1 of
Contract No. 240080, Kokosing Industrial, Inc.

#25-61 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority,
("DC Water") at its meeting held on December 4, 2025, upon consideration of a joint-use
matter, decided by a vote of () in favor and () opposed to approve executing
Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 1 of
Contract No. 240080, Kokosing Industrial Inc,

Be it resolved that:

The Board of Directors hereby authorizes the CEO and General Manager to execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 1 of Contract No. 240080, Kokosing Industrial, Inc. The purpose of this contract is to upgrade the filtration and disinfection facility, extending its lifespan and ensuring ongoing compliance with the plant's discharge permit. The total value of this amendment is \$140.341.201.00.

amenament is ψ1+0,0+1,201.00.	
This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY **BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

ACTION REQUESTED

CONSTRUCTION MANAGER AT RISK (CMAR)GUARANTEED MAXUIMUM PRICE **AMENDMENT NO. 1**

Filtration and Disinfection Upgrades CMAR Portfolio (Joint Use)

Approval to execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price (GMP) Amendment No. 1 for \$140,341,201.00

CONTRACTOR/SUB/VENDOR INFORMATION PRIME: PARTICIPATION: Kokosing Industrial, Inc. DBE - 31%* 6235 Westerville. WBE - 3%* Westerville, OH 43081

\$ Preconstruction Services Value: 440,000.00 GMP Amendment 1 Value: \$140,341,201.00 Total Contract Value, including this Amendment: \$140,781,201.00 **Preconstruction Services Duration** 150 Days (5 Months)

1,825 Days (5 years 0 Months) Anticipated GMP Amendment 1 Start Date (NTP): 01-27-2026

Anticipated GMP Amendment 1 Completion Date: 01-27-2031

Purpose of the Contract:

GMP Amendment 1 Duration:

To rehabilitate and extend the service life of the Filtration and Disinfection Facility and allow for continued compliance with the Plant's discharge permit.

Contract Scope:

- Phase 1 Pre-Construction services and Phase 2 Construction services.
- Rehabilitate 72 filter cells at the Multimedia Filtration Facility.
- Ultrasonic level sensor removal & replacement, low level switch and filter differential pressure transmitter removals. Includes integrator programming.
- Concrete and expansion joint rehabilitation for filter walls and floors, gullet walls, flume channels and conduits and replacement of the walkway sections.
- Rehabilitate washwater trough anchors and add bracing.
- Demolition of existing and installation of new underdrain system and sand media within the effluent filters including the startup of the filter system.
- Various Valve & Valve Actuator Rehabilitation/Replacement.
- Increase washwater relief gooseneck piping sizing.
- Install high rate washwater flow, energy dissipating baffles.
- Replace the existing ventilation in the gallery and blower building.
- Includes Misc. Metals, Misc. Process Pipe, and Structural Concrete Rehabilitation Outside of Filter Cells to support Filter Rehabilitation.
- Allowance for Blowers (6) and Pumps (8) equipment procurement.

Page **1** of **4**

articipation does not include the "excluded" portions of the project. See Attachment B for a list of excluded items. Currently, \$20.5M has been identified for certified firm participation (See Attachment A). Certified firm participation will be finalized as the project moves forward and additional scope has been identified. The prime contractor has committed to exercising "Good Faith Efforts" and work with DC Water to meet and exceed this goal.

Federal Grant Status:

CMAR contracts are not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Fixed Price / Guaranteed Max Price	Award Based On:	Best Value
Commodity:	Construction Contract Number: 240080		240080
Contractor Market:	Open Market	•	·

BUDGET INFORMATION				
Funding: Capital Department: Wastewater Engineering				
Service Area:	Wastewater Treatment	Department He	ad: Ryu Suzuki	
Project:	ΙΥ			

ESTIMATED USER SHARE INFORMATION			
User	Share %	Dollar Amount	
District of Columbia	41.22%	\$ 57,848,643.05	
Federal Funds	0.00%	\$ 0.00	
Washington Suburban Sanitary Commission	45.84%	\$ 64,332,406.54	
Fairfax County	8.38%	\$ 11,760,592.64	
Loudoun County & Potomac Interceptor	4.56%	\$ 6,399,558.77	
Total Estimated Dollar Amount	100.00%	\$ 140,341,201.00	

Signed by:	Signed by:
Moussa Wone 11/14/2025	lola Oyeyemi 11/14/2025
oussa Wone Date	Matthew T. Brown Date
nief Engineer and Vice President	Chief Financial Officer and Interim Chief Operating Officer
DocuSigned by:	

11/14/2025 Korey R. Gray Date David L. Gadis Chief Executive Officer and General Manager

Vice President of Compliance and Chief Procurement Officer

ATTACHMENT A

CONSTRUCTION MANAGER AT RISK (CMAR) GUARANTEED MAXUIMUM PRICE AMENDMENT NO. 1 LIST OF CERTIFIED FIRM SUBCONTRACTORS

FIRM	CERTIFICATION	PARTICIPATION
ADA Contracting Virginia Beach, VA	DBE	4.07%
Bulldog Trucking Beltsville, MD	DBE	0.46%
COM-Bro Elkridge, Maryland	DBE	2.21%
DZ-FDT, LLC Linthicum Heights, MD	DBE	5.51%
I&B Associates Washington, DC 20012	DBE	0.88%
MAC Electric, LLC Gaithersburg, MD	DBE	0.46%
PL Associates Edgewood, MD	DBE	2.72%
R&R Contracting Utilities Baltimore, Maryland	DBE	0.63%
Subtotal DBE		16.94%
AD Torres Severn, Maryland	WBE	0.17%
Ecotech Hydro Excavation, LLC Quarryville, PA	WBE	1.79%
Subtotal WBE		1.96%
Other identified Scopes of Work are being negotiated	DBE/WBE	15.11%

Page 3 of 4

240080 Fact Sheet - Filtration and Disinfection Upgrades CMAR Portfolio

Prepared October 24, 2025

ATTACHMENT B LIST OF EXCLUDED ITEMS

Kokosing Industrial, Inc. has committed to meeting or exceeding the certified business utilization goals for this project as final designs are completed, and construction needs are identified. Kokosing Industrial, Inc. will partner with DC Water to identify certified businesses that are eligible and interested in bidding on specific portions of work.

The following table provides a summary of several major project items that are excluded from consideration of the certified business utilization goals.

Description	Amount	Explanation	
CMAR Fee	\$6,182,113	Fees exempt from project-specific subcontracting goals because it represents the prime contractor's internal costs for management, oversight, and general conditions, which are not services procured from external subcontractors.	
CMAR Contingency	\$3,483,333	Pool of funds for unplanned work, and not allocated to specific subcontracting goals in advance. As portions of the contingency are used for defined work, certified business goals will be established.	
Bond and Insurance	\$1,635,787	Bond and insurance costs are excluded because they are considered a direct cost to the prime contractor for risk management, rather than a subcontract for performance of work.	
CMAR General Conditions and Expenses	\$12,142,600	The prime contractor's indirect costs and project management functions, rather than specific scopes of construction work.	
Filter Media	\$6,587,750	Raw materials, parts, and components that are acquired	
Process Control Equipment and Parts and Commissioning	\$1,368,800	directly from the manufacturer and treated as "costs of materials" rather than subcontracting opportunities.	
Total Ineligible Costs	\$31,535,383		

Presented and Adopted: December 4, 2025
SUBJECT: Approval to Execute Design/Build Contract No. 250180,
Solar Facilities at Fort Reno Reservoir, New Columbia
Solar

#25-62
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority	ty,
("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint	int
use matter, decided by a vote of () in favor and () opposed to appro-	ve
executing Design/Build Contract No. 250180, New Columbia Solar.	

Be it resolved that:

The Board of Directors hereby authorizes the CEO and General Manager to execute Design/Build Contract No. 250180, New Columbia Solar. The purpose of this contract is to install solar panels atop Fort Reno reservoir. DC Water will own and operate Fort Reno Solar, deciding how to use the power generated. Power will primarily support the Fort Reno Facility; surplus will go to the grid for net metering back to another DC Water facility or to the DC Solar for All program, based on economic feasibility. The contract total value is not-to-exceed \$4,000,000.00.

is not-to-exceed \$4,000,000.00.	ioniio reasibility. The contract total va
This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

DESIGN/BUILD CONTRACT:

Ft Reno Solar (Non-Joint Use)

Approval to execute a design/build contract for solar facilities at the Ft Reno reservoir not to exceed \$4,000,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION			
PRIME:	SUBS:	PARTICIPATION:	
New Columbia Solar, 705 Edgewood St NE Suite 110, Washington, DC 20017	PEER Consultants Washington D.C. WBE	10.0%	

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$ 4,000,000.00

Contract Time: 550 Days (1 Years, 6 Months)

Anticipated Contract Start Date (NTP): December 15, 2025
Anticipated Contract Completion Date: June 30, 2027

Bid Opening Date:

Bids Received: 1

Other Bid Received

RWH Energy \$ 7,598,605.00

Purpose of the Contract:

Installation of solar panels on top of Ft Reno reservoir. Ft Reno Solar will be owned and operated by DC Water and DC Water will determine how best to use the power generated on the site. The power will serve the needs of the Ft Reno Facility, with excess power sent to the grid either for net metering back to another DC Water facility or for the DC Solar for All program, depending upon the economics at time of completion. This project has a payback period of approximately 5 years and a lifespan of 25 years.

Contract Scope:

Design and construction for ground-mount solar panels on top of the Ft Reno reservoir cover, while preserving or replacing the existing functioning green roof. The design work will inform and determine the necessary expenditure for Phase II construction. The construction costs must adhere to the goals of the project, which are to have a simple payback period of less than ten years and currently construction costs are anticipated to fall under this threshold, however, If after design the construction estimates do not allow for DC Water to meet this goal, the project will not move forward.

PROCUREMENT INFORMATION				
Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder	
Commodity:	Design/Const. Contract Number: 250180			
Contractor Market:	Open Market			

BUDGET INFORMATION

Funding:	Non-Process Capital	Department: Resource	ce Recovery
Service Area:	Ft Reno	Department Head:	Chris Peot
Project:	SF		

*ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 4,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 4,000,000.00

Eirsten B. Williams, Esq. 11/10/2025

Kirsten B. Williams

Date

Chief Administrative Officer and Executive Vice President

DocuSigned by:

11/10/2025

Forcy Gray Korey R. Gray

Date

Vice President of Compliance and Chief Procurement Officer

Matthew T. Brown

Chief Financial Officer and Interim

Chief Operating Officer

12/1/2025

Chief Executive Officer and General Manager

Presented and Adopted: December 4, 2025
SUBJECT: Approval to Execute Construction Manager at Risk
(CMAR) Guaranteed Maximum Price Amendment No. 02 of
Contract No. 240040, Division RC-T – Piney Branch
Tunnel, Clark Construction Group

#25-63 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve executing Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 02 of Contract No. 240040, Clark Construction Group.

The Board of Directors hereby authorizes the CEO and General Manager to execute

The Board of Directors hereby authorizes the CEO and General Manager to execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price Amendment No. 02 of Contract No. 240040, Clark Construction Group. The contract's purpose is to build the Piney Branch Tunnel for the DC Clean Rivers Project, as mandated by a Consent Decree. The total value of this amendment is \$253,297,731.00.

This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION MANAGER AT RISK (CMAR) – GUARANTEED MAXUIMUM PRICE AMENDMENT NO. 2:

Division RC-T – Piney Branch Tunnel (Non-Joint Use)

Approval to execute Construction Manager at Risk (CMAR) Guaranteed Maximum Price (GMP) Amendment No. 2 for \$253,297,731.00

PRIME: Clark Construction Group 7900 Westpark Drive, Suite T300 McLean, VA 22102 SEE NOTE * PARTICIPATION* Design 28% DBE 4%WBE Construction 32% DBE

6% WBE

DESCRIPTION AND PURPOSE

Preconstruction Services Value: \$971,412.00

Early Work Package Amendment 1 Value: \$27,730,857.00

GMP Amendment 2 Value: \$253,297,731.00

Total Contract Value, including this Amendment: \$282,000,000.00

Preconstruction Services Duration 335 Days (11 Months)

Early Work Package Amendment 1 Duration 360 Days (11 Months 25 days)
GMP Amendment 2 Duration: 1,398 Days (3 years 10 Months)

Anticipated GMP Amendment 2 Start Date (NTP): 01-09-2026

Anticipated GMP Amendment 2 Completion Date: 11-07-2029

Purpose of the Contract:

- · Construct Piney Branch Tunnel for DC Clean Rivers Project.
- This work is required by a Consent Decree.

Contract Scope:

- Construction of 22-foot finished diameter Piney Branch Tunnel, approximately 2,300 feet long
- Construction of diversion facilities and drop shaft at Combined Sewer Overflow (CSO) 049, as well as dewatering facilities and shafts at Park Road in Rock Creek Park
- Construction of four CSO warning lights in Rock Creek Park.

Federal Grant Status:

Construction Contract is eligible for Federal appropriations.

^{*} Utilization goals for this project were set at 28% DBE and 4% WBE for design and 32% DBE and 6% WBE for construction. The prime has committed to working with DC Water to meet or exceed the utilization goals as tasks come online.

PROCUREMENT INFORMATION			
Contract Type: GMP/Lump Sum Award Based On: Best Value			
Commodity:	Construction	Contract Number:	240040
Contractor Market:	Open Market		

BUDGET INFORMATION

Funding:	Capital	Department:	Clean Ri	vers
Service Area:	Combined Sewer Overflow	Department Ho	ead:	Jeff Peterson
Project:	DZ			

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$253,297,731.00
Federal Funds	0.00%	\$0.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun County & Potomac Interceptor	0.00%	\$0.00
Total Estimated Dollar Amount	100.00%	\$253,297,731.00

Signed by: 11/10/2025

Moussa Wone 11/10/2025

/ Moussa Wone Date

Chief Engineer and Vice President

Docusigned by:

11/10/2025

40BDAE0B31E6429

Korey R. Gray

Date

Korey R. Gray Vice President of Compliance and Chief Procurement Officer

--- DocuSigned by:

Matthew T. Brown Date

Chief Financial Officer and Interim

Chief Operating Officer

12/1/2025

David L. Gadis Date Chief Executive Officer and General Manager

Presented and Adopted: December 4, 2025

SUBJECT: Approval to Execute Change Order No. 02 of Contract No. 190040, 66-Inch 72-Inch Prestressed Concrete Cylinder Pipe (PCCP) N Street, Anchor Construction Corporation

#25-64 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve executing Change Order No. 02 of Contract No. 190040, Anchor Construction Corporation.

The Board of Directors hereby authorizes the CEO and General Manager to execute Change Order No. 02 of Contract No. 190040, Anchor Construction Corporation. This contract covers the rehabilitation and replacement of defective pipe segments to extend the lifespan of the N Street NW and NE Prestressed Concrete Cylinder Pipe as part of DC Water's large-diameter water main program. The total value of Change Order No. 02 is \$756,179.00.

This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

66-INCH 72-INCH PRESTRESSED CONCRETE CYLINDER PIPE (PCCP) N STREET (Non-Joint Use)

Approval to execute Change Order No. 02 for \$756,179.00. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION			
PRIME: Anchor Construction Corporation 2254 25 th Place NE Washington, DC 20018	SUBS: Keys Materials & Utilities, Inc Mt. Airy, MD	DBE	PARTICIPATION: 82.5%

DESCRIPTION AND PURPOSE Original Contract Value: \$2,913,020.00 **Total of Previous Change Orders:** \$ 0.00 **Current Contract Value:** \$2,913,020.00 Value of this Change Order: \$ 756,179.00 Total Contract Value, including this CO: \$3,669,199.00 Original Contract Time: 362 Days (1 Year, 0 Months) Time extension, this CO: 682 Days Total CO contract time extension: 1,327 Days (3 Years, 7 Months) Contract Start Date (NTP): 06-17-2021 **Anticipated Contract Completion Date:** 01-31-2026 Cumulative CO % of Original Contract: 26% Contract completion %: 5%

Purpose of the Contract:

As part of DC Water's continuing implementation of the large diameter water main rehabilitation program, this contract will implement rehabilitation and replacement of pipe segments identified with structural defects to extend the service life of the N Street NW and NE Prestressed Concrete Cylinder Pipe (PCCP) transmission main.

Original Contract Scope:

- Perform watermain shutdown, dewatering, and disinfection.
- Rehabilitate ten (10) pipe segments using internal bonded Carbon Fiber Reinforced Polymer (CFRP) on the existing 66" to 72" PCCP pipe.
- Install one (1) 66" butterfly valve and replacement of 50 feet of a 66" watermain.
- Install one (1) 2" Air release valve.
- Excavate paved over access manhole for access to PCCP pipe.
- Excavate a test pit to locate and verify a pipe location

Previous Change Order Scope:

645 days contract time extension due to delays associated with 66-inch butterfly valve supply chain
issues, restrictions on transmission main outages, necessary for construction, due to operational
constraints, and scheduling conflicts with the United States Army Corps of Engineers' Washington
Aqueduct planned maintenance work.

Current Change Order Scope:

- The rehabilitation work requires man-entry of the water main to perform the needed repairs, however, efforts to isolate the 66/72-Inch transmission mains were not successful due to leakages and existing valves not holding.
- Due to the inability to isolate the transmissions mains and the critical conditions of the mains (during assessments it was discovered the majority of the reinforcing wires had failed) it was decided that an additional valve is needed to provide double shut for man-entry.
- This additional valve will also provide operations with added flexibility for future maintenance isolation for emergency work.

PROCUREMENT INFORMATION			
Contract Type:	Fixed Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	190040
Contractor Market: Open Market			

BUDGET INFORMATION				
Funding:	Capital	Department:	Water P	rogram and LFDC
Service Area:	Water	Department H	ead:	William Elledge
Project:	FT			

ESTIMATED USER SHARE INFORMATION			
User	Share %	Dollar Amount	
District of Columbia	100.00%	\$ 756,179.00	
Washington Suburban Sanitary Commission	0.00%	\$	
Fairfax County	0.00%	\$	
Loudoun County & Potomac Interceptor	0.00%	\$	
Total Estimated Dollar Amount	100.00%	\$ 756,179.00	

Moussa Wow 11/10/2025

B417976AE4B8407 Date

Chief Engineer and Vice President

Matthew T. Brown Chief Financial Officer and Interim Chief Operating Officer

DocuSigned by:

korey Gray 11/10/2025

Korey R. Gray Vice President of Compliance and Chief Procurement Officer 12/1/2025
David L. Gadis
Date

David L. Gadis
Chief Executive Officer and General Manager

Date

Presented and Adopted: December 4, 2025
SUBJECT: Approval of Budget Increase for the Master Service
Program and Exercise Option Year 1 of Contract No.
230020, Small Diameter Water Main Replacement
(SDWMR), Multiple Contractors

#25-65
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve a Budget Increase for the Master Service Program and Exercise Option Year 1 of Contract No. 230020, Multiple Contractors.

The Board of Directors hereby authorizes the CEO and General Manager to execute a Budget Increase for the Master Service Program and Exercise Option Year 1 of Contract No. 230020, Multiple Contractors. This Master Service Agreement Program is designed to improve the efficiency and responsiveness of small diameter water main replacements by engaging qualified contractors, establishing task order-based construction agreements, involving suppliers early in the process, and expediting project delivery through streamlined bidding and award procedures. The total value of this amendment is not-to-exceed \$53,000,000.00.

This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION CONTRACT AMENDMENT 2:

SMALL DIAMETER WATER MAIN REPLACEMENT (SDWMR) MASTER SERVICE AGREEMENT (MSA) PROGRAM (Non-Joint Use)

Approval of the budget increase amount not-to-exceed \$53,000,000.00 for the task order-based Small Diameter Water Main Replacement (SDWMR) MSA program and to exercise Option Year 1. The amendment exceeds the Chief Executive Officer and General Manager's approval authority. The Procurement Department requests that the Vice President and Chief Procurement Officer be granted administrative authority to approve the qualification of additional contractors for inclusion in the MSA program. This delegation will enable timely decision making, promote competitive participation, and ensure sufficient contractor capacity to meet program delivery goals efficiently.

PRIME: See Attachment A for list of PRIME Qualified Contractor Participation SUBS: Subs will be identified for each task order awarded.* PARTICIPATION: See Notes Below*

^{*} Eleven firms were prequalified to participate in the Small Diameter Water Main Replacement Program. Each of the eleven demonstrated a history of successfully meeting established goals for DBE/WBE utilization. Additionally, the qualified firms agreed to work with DC Water to actively engage the certified business community and meet/exceed the utilization goals established for each task order they are awarded.

the utilization goals established for each task order they are awarded.				
DESCRIPT	DESCRIPTION AND PURPOSE			
Original Program Value, Not-to-Exceed	\$ 120,000,000.00			
Value of past Amendments	\$ 0,000,000.00			
Value of this Amendment, Not-to-Exceed	\$ 53,000,000.00			
Current Program Value, including this Amendment	\$ 173,000,000.00			
Original Program Time:	2,190 Days (3 yrs + 3 renewal periods of 1 yr)			
No. of Option Years in Contract:	3			
Option Years Exercised:	1			
Program Start Date (NTP):	01-18-2023			
Program Completion Date (Including Option Years):	01-18-2029			

Purpose of the Program:

The Small Diameter Water Main Replacement Program was solicited to qualify contractors with SDWMR experience and to establish task order-based construction agreements to address small diameter water mains that have experienced failures, have a history of low water pressure, or have water quality issues. DC Water's intends to improve the agility and flexibility of its Small Diameter Water Main Replacement Program by implementing the following fundamental changes to address current supply chain risks.

- Qualification process to identify and engage a pool of multiple contractors who have the capacity, capability and experience needed to successfully complete a SDWMR project.
- Issuance of master service agreements that will allow early engagement with Suppliers for materials planning
 and constructability /risk mitigation during project planning phase and the opportunity to efficiently compete
 for SDWMR projects as task orders.
- Implementation of a competitive task order process for SDWMR projects that will allow qualified contractors to compete through a concise task order rotational bidding and award process, intended streamlining bid execution to award and NTP within 30 days of bid close, reducing lead times.

Original Contract Scope:

- Replace 33 miles of water mains ranging from four (4) inch to twelve (12) inches and associated valves and appurtenances.
- Replace water services 2" and smaller in public and private space as needed.

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- Replace curb stop / curb stop box, meter box and penetration through building wall and connection to first
 fitting inside the building including installation of a shut-off valve and pressure reducing valve.
- Provide permanent pavement and surface restoration.

Previous Amendment No. 01

 Amendment No. 01 approved the qualification of 4 additional contractors, for a total of 11 prequalified contractors.

Current Amendment No. 02

The remaining funds under the MSA are insufficient to cover new task orders and additional unplanned work such as:

- Projects SDWMR 19B and SDWMR 19C for a total of 10 miles of small-diameter water main replacement.
- Water Main on Bridges Repair Contract I and Water Main on Bridges Repair Contract II
- Increasing the original planned work from 33 miles to 35 miles (Increase of 2 miles) of water mains ranging from four (4) inch to twelve (12) inches and associated valves and appurtenances.
- Dead End Elimination Large Diameter Water Main abandonment with flowable fill and the installation of Ductile Iron Pipe.
- Additional work added to contracts SDWM16B and SDWM16C as more areas were identified.

Federal Grant Status:

Construction contract is funded in part by a Federal grant.

PROCUREMENT INFORMATION				
Contract Type: Fixed Price Award Based On: Lowest responsive, Responsible Bidder				
Commodity:	Construction Contract Number: 230020			
Contractor Market:	Open Market			

BUDGET INFORMATION			
Funding:	Capital	Department:	Water Program and Lead Free DC
Service Area:	Water	Department Head:	William Elledge
Project:	KF, ST, FT		

ESTIMATED USER SHARE INFORMATION

SDWMR 19B, Water Main on Bridges Repair Contract I & II

User	Share %	Dollar Amount
District of Columbia	20.00%	\$ 5,735,600.00
Federal Funds	80.00%	\$22,942,400.00
Total Estimated Dollar Amount	100.00%	\$28,678,000.00

SDWMR 19C

User	Share %	Dollar Amount
District of Columbia	0.00%	\$ 0.00
Federal Funds	100.00%	\$24,322,000.00
Total Estimated Dollar Amount	100.00%	\$24,322,000.00

Total Combined Allocation

User	Share %	Dollar Amount
District of Columbia	10.82%	\$ 5,735,600.00
Federal Funds	89.18%	\$47,264,400.00
Total Estimated Dollar Amount	100.00%	\$53,000,000.00

Signed by:

Moussa Wone

11/10/2025

Moussa Wone

Date

Chief Engineer and Vice President

Corry Gray

Korey R. Gray

Date
Vice President of Compliance and Chief

Procurement Officer

— DocuSigned by:

11/12/2025

Matthew 1. Brown Chief Financial Officer and Interim

Chief Operating Officer

W. L. Jos

David L. Gadis Date
Chief Executive Officer and General Manager

Fact Sheet 230020 SDWMR MSA Amendment 2

Prepared: September 22, 2025

Date

SMALL DIAMETER WATER MAIN REPLACEMENT PROGRAM CONSTRUCTION CONTRACT AMENDMENT 2:

Attachment A

	<u>Contractors</u>				
1	Anchor Construction Co Inc. 2254 25 th Place NE Washington, DC 20018	8	Allan Myers VA, Inc. 301 Concourse Boulevard, Suite 300 Glen-Allen, VA 23059		
2	Capitol Paving of DC Inc. 2211 Channing Street, N.E. Washington, DC 20018	9	AECON Capital Joint Venture 6000 Massachusetts Avenue NW, Suite 250a, Washington D.C. 20001		
3	Fort Myer Construction Corporation 2237 33 rd Street, Northeast Washington, DC 20018	10	Murphy Pipeline Contractors 12235 New Berlin Road Jacksonville, FL 32226		
4	Milani Construction LLC 2001 MLK Jr Ave, SE Washington, DC 20020	11	Roman E&G Corp. 14 Ogden Street Newark, NJ 07104		
5	Old Line Construction Inc 2001 MLK Jr Ave, SE Washington, DC 20020				
6	Sagres Construction Corp. 3680-Wheeler Avenue Alexandria, VA 22304				
7	Spiniello Companies 3500 East Biddle Street Baltimore, MD 21213				

Presented and Adopted: December 4, 2025

SUBJECT: Approval to Participate in the District Department of Transportation Project: Benning Road NE Reconstruction and Streetcar, Phase I from Anacostia Avenue, NE to Minnesota Avenue

#25-66 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of () in favor and () opposed to approve Participation in the District Department of Transportation Project: Benning Road NE Reconstruction and Streetcar, Phase I from Anacostia Avenue, NE to Minnesota Avenue.
The Board of Directors hereby authorizes the CEO and General Manager to execute the approval to Participate in the District Department of Transportation Project: Benning Road NE Reconstruction and Streetcar. Phase I from Anacostia Avenue. NE to Minnesota

approval to Participate in the District Department of Transportation Project: Benning Road NE Reconstruction and Streetcar, Phase I from Anacostia Avenue, NE to Minnesota Avenue. This contract involves relocation and replacing water and sewer pipes that conflict with proposed streetscape improvements or utility work related to the District Department of Transportation projects. The total value of this request is not-to-exceed \$12,695,264.00.

This Resolution is effective immediately.	
	Secretary to the Board of Directors

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DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS FACT SHEET

ACTION REQUESTED

PARTICIPATION IN DDOT PROJECT:

DDOT – Benning Road NE Reconstruction and Streetcar, Phase I From Anacostia Avenue, NE to Minnesota Avenue, NE (Non-Joint Use)

Approval to participate in DDOT's Benning Road NE Reconstruction and Streetcar, Phase I project under the terms of the 2002 Memorandum of Agreement (MOA) between District of Columbia Department of Transportation (DDOT) and DC Water for an amount up to \$12,695,264.00. This amount exceeds the General Manager's approval authority.

	PARTY INFORMATION	
PARTY: District Department of Transportation 55 M Street, SE, Suite 400 Washington, DC 20003	SUBS: DBE and WBE fair share objectives will follow DDOT goals.	PARTICIPATION:

DESCRIPTION AND PURPOSE

Value, Not-To-Exceed: \$12,695,264.00

Time: 770 Days (2 Years, 1 Month)

Anticipated Start Date: 06/09/2026
Anticipated Completion Date: 07/18/2028

Purpose of the Contract:

Relocation and replacement of water and sewer mains which conflict with proposed streetscape improvements and/or other utilities to be relocated in conjunction with DDOT project.

Scope of DC Water's participation:

- Replace 0.55 miles of water mains ranging from eight (8) inches to thirty (30) inches in diameter and associated valves and appurtenances.
- Replace water services two (2) inches in diameter and smaller in public space as needed.
- Replace 0.76 miles of sewer mains ranging from ten (10) inches to twenty-four (24) inches in diameter.
- Replace sewer laterals in public and private space as needed.
- Replace existing precast concrete and brick manholes with new precast concrete manholes as needed.

Federal Grant Status:

 Although the work scope is generally eligible for grant funding, grant funding was not applied to the project because it was procured through DDOT.

PROCUREMENT INFORMATION **DDOT Participation Contract Type: Award Based On:** N/A Commodity: **Design and Construction Contract Number:** N/A

BUDGET INFORMATION

Funding:	Capital	Department: Water Program and LFDC
Service Area:	Water	Department Head: Will Elledge
Project:	KI	

Funding:	Capital	Department: Wastewater Engineering	
Service Area:	Sewer	Department Head:	Ryu Suzuki
Project:	RC		

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 12,695,264.00
Federal Funds	0.00%	\$ 0.00
Washington Suburban Sanitary Commission	0.00%	\$ 0.00
Fairfax County	0.00%	\$ 0.00
Loudoun County & Potomac Interceptor	0.00%	\$ 0.00
Total Estimated Dollar Amount	100.00%	\$ 12,695,264.00

Signed by: 11/10/2025 Moussa Wone

Moussa Wone Chief Engineer and Vice President

DocuSigned by:

11/10/2025

Date Vice President of Compliance and Chief

Procurement Officer

DocuSigned by:

Matthew T. Brown

Chief Financial Officer and Interim

Chief Operating Officer

David L. Gadis

12/1/2025

Date

Date

Chief Executive Officer and General Manager

Presented and Adopted: December 4, 2025
SUBJECT: Approval to Execute Construction Manager at Risk
(CMAR) Preconstruction Services Contract No. 250070,
Creekbed Infrastructure Rehabilitation, Halmar
International, LLC

#25-67 RESOLUTION OF THE BOARD OF DIRECTORS OF THE D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the executing Construction Manager at Risk (CMAR) Preconstruction Services Contract No. 250070, Halmar International, LLC

The Board of Directors hereby authorizes the CEO and General Manager to execute Construction Manager at Risk (CMAR) Preconstruction Services Contract No. 250070, Halmar Internation, LLC. The purpose of this contract is to rehabilitate sewer and stormwater pipes that have surpassed their service life or are structurally compromised, to repair or rehabilitate selected defective manholes, and to protect exposed assets in stream beds from structural damage due to erosion and debris to the extent practicable. The total value of this contract is not-to-exceed \$5,000,000.00.

This Resolution is effective immediately.	
	Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

CONSTRUCTION MANAGER AT RISK (CMAR) - PRECONSTRUCTION SERVICES

Creekbed Infrastructure Rehabilitation (Non-Joint Use)

Approval to execute Construction Manager at Risk (CMAR) Preconstruction Services with a budget amount not-to-exceed \$5,000,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
Halmar International, LLC 421 E Route 59, Nanuet, NY 10954	EPC Consultants Inc. San Francisco, CA Interagency Inc.	DBE	13.2%
	Washington, DC.	DBE	5.2%
	Tina Boyd & Associates, LLC. Washington, DC	WBE	1.7%

DBE Total = 18.4% WBE Total = 1.7%

DESCRIPTION AND PURPOSE

Preconstruction Services Contract Value: \$5,000,000.00

Preconstruction Services Contract Time 1,277 Days (3 Years 6 Months)

Anticipated Preconstruction Service Start Date: 01-08-2026
Anticipated Preconstruction Service Completion Date: 07-01-2029

Purpose of the Contract:

Rehabilitation of sewer and storm pipes that have exceeded their design life and/or are structurally deficient, repair or rehabilitation of selected defective manholes, protection of exposed assets to the extent practicable in stream beds that are subject to structural damage caused by erosion and debris in the streams.

Current Contract Scope:

- Preconstruction Services Phase 1A provide conceptual design and regulatory input to contracted designer on access to the work site(s), constructability, phasing of the construction activities, required limits of disturbance, schedule, cost, and other components.
- Preconstruction Services Phase 1B provided final design input to contracted designer on constructability, phasing of the construction activities, access to the work areas, required limits of disturbance, schedule, cost and other components, and to negotiate a Guaranteed Maximum Price (GMP) for construction. The work may also include development of Early Work Packages.

Federal Grant Status:

CMAR contracts are not eligible for Federal grant funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Fixed Price	Award Based On:	Best Value
Commodity:	Construction	Contract Number:	250070
Contractor Market:	Open Market		

BUDGET INFORMATION				
Funding: Capital Department: Wastewater Engineering				
Service Area:	Sewer	Department H	ead:	Ryu Suzuki
Project: G5				

ESTIMATED USER SHARE INFORMATION User Share % **Dollar Amount** \$5,000,000.00 District of Columbia 100.00% 0.00% Federal Funds \$ Washington Suburban Sanitary Commission 0.00% \$ 0.00% \$ Fairfax County Loudoun County & Potomac Interceptor \$ 0.00% **Total Estimated Dollar Amount** 100.00% \$5,000,000.00

Signed by:

Moussa Wone 11/10/2025

B41797CAF4B8407 / Date

Chief Engineer and Vice President

-- DocuSigned by:

korcy Gray 11/10/2025

Korey R. Gray Date

Vice President of Compliance and Chief Procurement Officer

DocuSigned by:

Matthew T. Brown

Date

Chief Financial Officer and Interim

Chief Operating Officer

David L Cadia

2/1/2025

David L. Gadis

Date

Chief Executive Officer and General Manager

Presented and Adopted: December 4, 2025
SUBJECT: Approval to Exercise Option Year No. 2 of Contract No.
10316, Supply and Delivery of Sand, Gravel, Stone, Topsoil and Cold Mix, ReAgg, LLC

#25-68
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on December 4, 2025, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve exercising Option Year No. 02 of Contract No. 10316, ReAgg, LLC.

The Board of Directors hereby authorizes the CEO and General Manager to exercise Option Year No. 02 of Contract No. 10316, ReAgg, LLC. This contract ensures that DC Water retains a qualified contractor to supply and deliver sand, gravel, stone, topsoil, and cold mix to designated DC Water locations. These aggregates are essential for backfilling trenches and other excavated areas following sewer lateral replacements and ongoing maintenance activities. The total value of Option Year No. 02 is \$395,000.00.

Secretary to the Board of Directors

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY BOARD OF DIRECTORS CONTRACTOR FACT SHEET

ACTION REQUESTED

GOODS AND SERVICES CONTRACT MODIFICATION

SUPPLY AND DELIVERY OF SAND, GRAVEL, STONE, TOPSOIL & COLD MIX (Non-Joint use direct)

Approval to exercise Option Year 2 and fund the contract for the supply and delivery of sand, gravel, stone, topsoil and cold mix services in the amount of \$395,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION				
PRIME: ReAgg, LLC 4714 Cremen Road Temple Hills, MD 20748	SUBS: N/A	PARTICIPATION: 100% LSBE		

DESCRIPTION AND PURPOSE

Base Years Value: \$617,332.00

Base Years Date: 12-01-2022 – 11-30-2024

Option Year 1 Value: \$352,668.00

Option Year 1 Date: 12-01-2024 – 11-30-2025

Option Year 2 Value: \$395,000.00

Option Year 2 Date: 12-01-2025 - 11-30-2026

Purpose of the Contract:

This contract continues to provide DC Water with a qualified contractor to provide supply and delivery of Sand, Gravel, Stone, Topsoil, and Cold Mix to DC Water locations. These aggregates are required to backfill trenches and other excavated areas after sewer lateral replacement and other routine maintenance work.

Contract Scope:

The contract scope includes providing the Sand, Gravel, Stone, Topsoil and Cold Mix to DC Water job site locations as required in accordance with DC Water processes and procedures.

Spending Previous Years:

Cumulative Contract Value: 12-01-2022 to 11-30-2025: \$970,000.00 Cumulative Contract Spending: 11-01-2022 to 10-18-2025: \$881,797.00

Contractor's Past Performance:

According to the COTR, the Contractor's quality of products and services, timeliness of deliverables, conformance to DC Water's policies, procedures and contract terms, and invoicing all meet expectations and requirements.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	Sand, Gravel, Stone, Topsoil and Cold Mix.	Contract Number:	10316
Contractor Market:	Open Market with LBE / LSBE		

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Funding:	Operating	Department:	Department of Water Operation (DWO)
Project Area:	Bryant Street	Department Head:	Chris Collier

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	100.00%	\$395,000.00
Washington Suburban Sanitary Commission	0.00%	\$0.00
Fairfax County	0.00%	\$0.00
Loudoun Water	0.00%	\$0.00
Other (PI)	0.00%	\$0.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$395,000.00

-DocuSigned by:

40BDAE0B31F6429... 11/7/2025
Korey Gray Date

VP Compliance and Chief Procurement Officer

-DocuSigned by:

Matthew Brown 11/7/2025 —262C5D96CC1C4D3... /

Date

Matthew T. Brown CFO, COO (Acting), and EVP of

Finance, Procurement and Compliance

7/- 12/1/2025 David L. Gadis Date

CEO and General Manager



Blue Drop Update

Chris Peot, Interim President

Blue Drop



C Blue Drop Formation, Board Approval, and Initial Funding

- November 2016 Blue Drop established as not-for-profit by Joint Use Resolution #16-90 by a unanimous vote of the DC Water Board
- November 2016 DC Water files articles of incorporation for Blue Drop with the District
- May 2017 IMA Operating Agreement #6 signed outlining the use of funds from the biosolids management program
- 2017 through 2019 DC Water funds Blue Drop through a combination of in-kind support and direct funding
- May 2019 Blue Drop becomes net-positive



2

Board resolution #16-90 dated November 3rd. 2016

WHEREAS, the Board has directed the General Manager/CEO to find innovative ways to generate revenue from new sources to help mitigate the rate of increase in rates, fees and charges that are necessary to recover the cost of providing services; and

WHEREAS, DC Water holds or is seeking patent rights for several inventions in the United States and in other countries for technologies and processes that were developed from research and operation of its facilities; and

WHEREAS, DC Water makes Bloom™, a soil conditioner made from exceptional quality Class A biosolids produced from operations at Blue Plains; and

WHEREAS, DC Water conducts other operations, including but not limited to laboratory services and fleet maintenance that can be provided to other agencies, persons and entities for a fee; and

WHEREAS, DC Water is committed to maximizing value from every element of its operations for the benefit of the environment, its ratepayers and customers; and

WHEREAS, the General Manager/CEO has indicated that Blue Drop will be organized to achieve the following purposes:

- 1) Provide relief from rising rates, fees, and charges to DC Water's customers in the District of Columbia, to other participating jurisdictions as defined in D.C. Code § 34-2202.01(5), and to users of the joint-use sewage facilities as defined in D.C. Code § 34.2202.01(4);
- 2) Advance and promote innovative strategies and technologies in the treatment and delivery of potable water, the treatment and collection of wastewater, and related products and services:
- 3) Improve the state of the water and wastewater treatment sectors by sharing knowledge, research, and expertise throughout the country and the world; 4) Promote resource recovery and conservation; and

WHEREAS, the Board expects that the Blue Drop entity will be able to respond rapidly and efficiently to changing market dynamics; and

WHEREAS, the Board has determined that Blue Drop should be part of DC Water's plan to manage its finances and to perform its statutory responsibilities.

Nonprofit LLC. The LLC shall be managed and operated as a nonprofit entity.

- The DC Water Board directed the CEO to find innovative ways to generate revenue from new sources to help mitigate the rate of increase in rates, fees, and charges necessary to provide services
- The board recognized Bloom as a potential source of savings and revenue
- DC Water is committed to maximizing the value from every element of its operations
- Blue Drop shall be organized to provide relief from rising rates, fees, and charges to DC Water's customers in the District of Columbia, to other participating jurisdictions, and to users of the joint-use sewage facilities
- The Board expects Blue Drop to be able to respond rapidly and efficiently to changing market dynamics
- The Board has determined that Blue Drop should be part of DC Water's plan to manage its finances and to perform statutory responsibilities
- The LLC shall be managed as a non-profit entity



Blue Drop Board and Updates for the DC Water Board

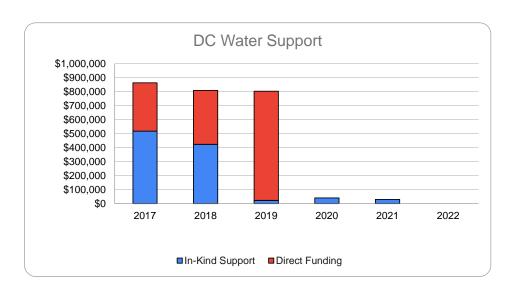
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- Currently one open seat, vacated by the former COO
- All other existing members have renewed their participation
- Considering adding a board seat to be occupied by a member of the DC Water Board Governance Committee, to whom Blue Drop reports
- The Blue Drop Board Chair is responsible for nominating members
- Blue Drop is required to update the Governance Committee once per year
- With all the ongoing work and progress, we are willing to update more often (twice per year or quarterly, depending upon interest)



Blue Drop Start-Up Funding

- Direct funding from DC Water to Blue Drop
 - Total DC Water support to Blue Drop since 2017 is \$2.55 million, \$1.5 million in direct funding
 - Direct funding support to Blue Drop ended in 2019
 - DC funds only
- All expenses for existing Blue Drop programs since 2019 covered by program revenues – we are self sustaining
- Wholesale customer (IMA partners) have not contributed to Blue Drop start up or on-going costs, but they do realize operational savings from managing Bloom at Blue Drop
- In addition to the operational savings, all IMA partners receive last January net revenue generated from joint use funded facilities back in the form of a credit on their Blue Plains operating bill





Cost Savings and Revenue Generation at Blue Drop



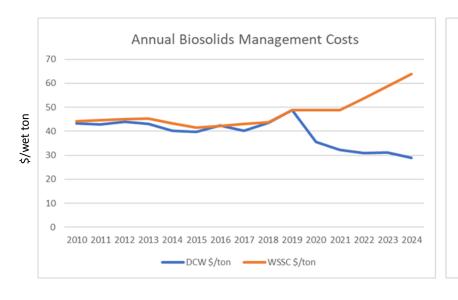
Bloom Specialty Fertilizer and Blended Products

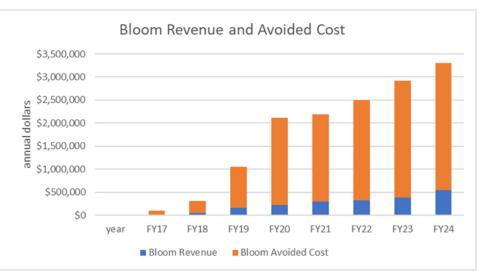






Savings from Blue Drop Management of Bloom





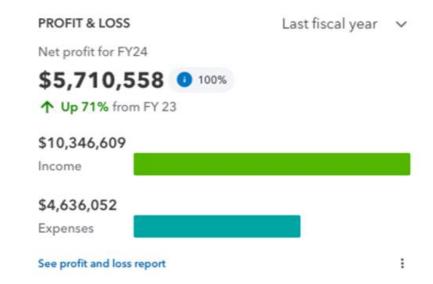
IMA partners savings since 2017 (\$12.6M) are as follows: MD - \$5.3M, VA - \$2.1M, DC - \$5.2M



Year End Financials

Blue Drop is audited annually after the end of the FY by an independent, third-party audit firm







- Blue Drop is a non-profit organization
- 95% of the Blue Drop revenue is from Bloom and RECs sales
- Blue Plains is a regional facility
- Generated from MJUF equipment funded by all the IMA partners (DC 43%, MD 42%, VA 15%)



Net Revenue Rebates to IMA Partners on BP Bill

11

FY2017 thru FY2024 net revenue IMA rebates

- \$10.5M given as credit on the IMA partners Blue Plains operating bill
- Split proportionally according to IMA flow percentages
- This was done in January 2025
- Blue Drop provided net revenue to DC Water, and DC Water credited the IMA partners on Blue Plains O&M bill
- Set the precedent for coming years
- Kept an operating budget and at Blue Drop at the direction of the Blue Drop board
- Adheres to the mission of further reducing operating expenses for all rate payers
- Total savings and net revenue 2017 2024: \$23.1M



Origin of Revenue Discussions with IMA Partners

- Consistent with IMA, Blue Drop proposed using revenue to fund opportunities for greater operational savings for all IMA partners
- Blue Plains Regional Committee Financial Working Group tasked with resolving questions about Blue Drop finances from IMA partners
- Blue Drop has provided documents (independent audit reports, procurement manual, operating agreements, etc.) to COG for distribution to the IMA partners
- DC Water and Blue Drop decided to provide the credit rather than reinvest the net revenue
- IMA partners have requested an additional independent audit of Blue Drop
- COG is coordinating this initial work with an independent auditor



Documents Provided By Blue Drop

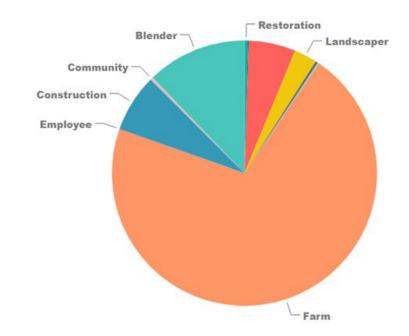
Documents Shared by Blue Drop, LLC Prior to 27 January 2023 Briefing for IMA Parties		
	Document Name	Document Description
1	20-PR-WWT-32 OY2 MOD2 Blue Drop signed.pdf	Approval of Bloom Marketing agreement option year 2
2	20-PR-WWT-32 FY20 Bloom Sales and Marketing Agreement 20200316 - for GM execution.pdf	Bloom marketing and sales agreement 2019
3	2016.11.03 DCW Board Resolutions.pdf	Board resolution authorizing the creation of Blue Drop
4	Amended Shared Services Executed.pdf	Amendment to Blue Drop – DC Water shared services agreement 2018
5	Blue Drop - IMA Update January-2023.pdf	Update to IMA on Blue Drop – January 2023
6	Blue Drop 2021 FS.pdf	2021 audited financials
7	Blue Drop 2022 FS.pdf	2022 audited financials
8	Blue Drop Financial Statements September 2022.pdf	Sample monthly Blue Drop financial statement
9	Operating Agreement FINAL.03 Blue Drop Operating Agreement (signed).pdf	Blue Drop operating agreement
10	Second Amendment to the Contribution Agreement DC Water - Blue Drop (FINAL 9-20-2018).pdf	Amended Contribution agreement
11	September 14, 2016 Governance Committee Meeting Materials.pdf	Blue Drop presentation to Governance Committee 2016
12	Shared Services Agreement (Executed).pdf	Original Shared services agreement between Blue Drop and DC Water
13	Board Approved Resolutions Nos 20-19 through 20-37 04-02- 2020_website	Board approved resolutions from November 2019 including authorization to establish Blue Drop
14	First Amendment to the Contribution Agreement DC Water - Blue Drop (Executed)	First amendment to Contribution agreement
15	Blue Drop FY22 Q2 Update	Sample quarterly Blue Drop update for Blue Drop Board and DC Water Governance Committee



Recently gained board approval to acquire farmland to expand our Bloom capacity

- The biosolids program moved beyond disposal decades ago
- In recent years, DC Water has moved beyond beneficial reuse
- Now treat our biosolids like an asset rather than a liability
- More opportunity for further savings and revenue

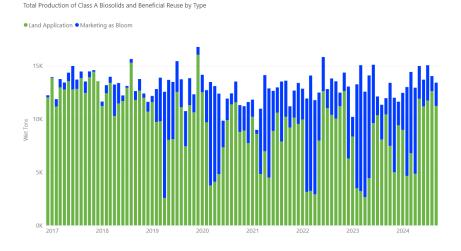






Bloom Sales Have Plateaued – Need Storage

- Very weather dependent and we have seasonal demand
- In the spring, we have more demand than product and we miss out on sales
- In the winter, we have more product than demand and we have to pay for storage







- Need to implement a plan for inventory control
- DC Water storage for the material would reduce costs and generate more revenue
- Land purchase will provide for a storage and processing building
- This would be an expense, and net revenue would still be rebated to IMA partners



- Blue Drop, 2017 2024, generated \$12.6M in savings and \$10.5M in net revenue (\$23.1M total) for all rate payers, including IMA partners
- Blue Drop is working with COG to answer questions about Blue Drop finances
- Blue Drop projects further savings and revenue from the investment in land for the Bloom program
- Additional opportunities exist for investment in projects that would generate more revenue and savings
- Lacking consensus on these investments, Blue Drop will again rebate FY25
 net revenue to DC Water for credit on BP operating bills

Blue Drop is succeeding in its stated goal of innovating, leading the industry, and reducing costs for all rate payers.

Chris Peot, President Blue Drop