



# District of Columbia Water and Sewer Authority Board of Directors

## 329<sup>th</sup> Meeting of the Board of Directors

Tuesday, April 7, 2026 / 9:30am

This meeting will be available for viewing through a livestream: <https://dcwater.com/watch-board-meetings>

- I. **Call to Order** ..... Unique Morris-Hughes, Chairperson
- II. **Roll Call** ..... Michelle Rhodd, Board Secretary
- III. **[Approval of the March 5, 2026 Meeting Minutes](#)**
- IV. **Chairperson’s Overview**
- V. **Committee Reports**
  - 1. [Human Resources and Labor Relations Committee \(Jed Ross\)](#)
  - 2. [DC Retail Water and Sewer Rates Committee \(Howard Gibbs\)](#)
  - 3. [Environmental Quality and Operations Committee \(Christopher Herrington\)](#)
- VI. **CEO and General Manager’s Report (David L. Gadis)**
  - Potomac Interceptor Update
- VII. **Consent Items (Joint Use)**  
Currently no joint use items requiring action.
- VIII. **Consent Items (Non-Joint Use)**
  - 1. [Approval to Publish the Notice of Proposed Rulemaking to Amend the System Availability Fee \(SAF\) – Resolution No. 26-23](#) (Recommended by the DC Retail Water and Sewer Rates Committee 03-18-26)
  - 2. [Approval to Execute Amendment No. 2 of Contract No. DCFA-559, Lead Free DC – Construction Management and Chain of Custody Coordination Services, CorGroup, LLC – Resolution No. 26-24](#) (Recommended by the Environmental Quality and Operations Committee 03-19-26)
- IX. **Executive Session\***..... Unique Morris-Hughes
  - To obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A).
- X. **Adjournment** ..... Unique Morris-Hughes

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](mailto: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)(9); personnel 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 Codes § 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**

- April 10<sup>th</sup> @ 9:30 am Governance Committee
- April 15<sup>th</sup> @ 9:30 am Environmental Quality and Operations Committee
- April 23<sup>rd</sup> @ 9:30 am Finance and Budget Committee
- April 23<sup>rd</sup> @ 11:00 am Audit and Risk Committee
- April 28<sup>th</sup> @ 9:30 am DC Retail Water and Sewer Rates Committee
- May 4<sup>th</sup> @ 2:00 pm Executive Committee

**Next Board of Directors' Meeting | In-person**

Tuesday, May 7, 2026 @ 9:30 am



**328<sup>TH</sup> BOARD OF DIRECTORS MEETING  
MINUTES OF THE MEETING  
MARCH 5, 2026  
(Via Microsoft Teams)**

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**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. Alexander McPhail, Alternate
8. Jimmy Ortiz, Alternate
9. Robert Hawkins, Alternate

**Prince George's County Members**

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

**Montgomery County Members**

1. Fariba Kassiri, Principal
2. Jennifer Macedonia, Principal
3. Amy Stevens, Alternate
4. John Markovs, Alternate

**Fairfax County Members**

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

**DC WATER STAFF**

1. David Gadis, CEO and General Manager

2. Gregory Hope, Interim Chief Legal Officer & EVP
3. Barbara Mitchell, Associate General Counsel and Director of Government Affairs
4. Lola Oyeyemi, Interim Chief Financial Officer & EVP, Finance, Procurement and Compliance
5. Matthew Brown, Chief Operating Officer and EVP
6. Kirsten Williams, Chief Administrative Officer & EVP
7. Michelle Rhodd, Secretary to the Board

The 328<sup>th</sup> 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 9:34 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Board Secretary Michelle Rhodd called the roll, and a quorum was established.

#### **I. APPROVAL OF THE MINUTES**

Board Chair Dr. Unique Morris-Hughes asked for a motion to approve the minutes of the February 5, 2026, Board of Directors meeting.

**Upon a motion duly made the Board of Directors approved the minutes of the meeting on February 5, 2026, as presented.**

#### **II. CHAIRPERSON'S OVERVIEW**

On behalf of the Board, Dr. Morris-Hughes thanked CEO David Gadis and his team for organizing last week's community meetings, which allowed residents to engage with DC Water, government officials, and Maryland representatives regarding the Potomac Interceptor (PI) spill and related environmental responses. These meetings also gave community members a platform to share their concerns.

The new Board member orientation is on April 9, 2026, at DC Water headquarters, and is open to all Board members.

The first facility tour, previously set for March 19, 2026, will now take place after the April Board meeting and will feature overviews and guided visits to key locations.

In recognition of Women's History Month, Dr. Morris-Hughes commended the women of DC Water for their invaluable leadership and commitment. She invited the Board to join the Women of Water conversation on leadership and service on March 25.

### III. COMMITTEE REPORTS

*Meeting of the Environmental Quality and Operations Committee  
Reported by Christopher Herrington*

The Environmental Quality and Operations Committee met on February 19.

Nicholas Passarelli, Vice President of Wastewater Treatment Operations, reported that the Anacostia River Tunnel System captured 71 million gallons in January with no overflows. On-site energy generation was 21% of average treatment plant consumption for the month. There were 11,304 tons of biosolids produced, with 6,597 tons sold through the Blue Drop Bloom program.

Matthew Brown, Chief Operating Officer and EVP, and Lola Oyeyemi, Interim Chief Financial Officer & EVP, Finance, Procurement and Compliance, presented on the Authority's 2026–2035 capital improvement program (CIP).

The Committee also reviewed the budget adoption calendar and discussed priority investments. CIP funding sources include \$3.3 billion in borrowing, \$3.1 billion in Pay-Go financing, \$2.1 billion from wholesale customers, and \$430 million in federal funds. The Authority was noted to have maintained its high bond ratings. The CIP plan assumes a completion rate of approximately 90% for most categories based on historical performance, while preserving full contracting authority.

Actions before the Committee included recommending that the Board approve the \$9.69 billion 10-year CIP and the \$17.4 billion CIP lifetime budget. William Elledge, Director, Capital Water and Lead Free DC (LFDC), discussed the Small Diameter Water Main progressive design-build program and associated request for a contract not to exceed \$212 million, including about \$26 million for Phase 1 design services. The Committee also reviewed a Lead Free DC supplemental agreement outlining a \$50 million program management contract to expand service line replacements.

Dr. Rabia Chaudhry, Director, Water Supply Resilience, shared a fact sheet on the \$5.5 million Phase 1B early work package for the Pure Water DC Discovery Center. Ryu Suzuki, Director of Wastewater Engineering, provided an update on the East and West Outfall relief sewers project, which began as an emergency in 2023 and now requires an additional \$10 million for ongoing rehabilitation.

Mr. Suzuki also presented on the Anacostia Area sewer rehab progressive design-build project, and the committee recommended Board approval for the \$46.2 million contract covering preconstruction Phase 1 services.

Finally, Chris Collier, Vice President, Water Operations, presented a request for \$18.5 million in additional funding for the emergency sewer main inspection, repair, and replacement contract needed due to recent large-scale emergencies.

*Emergency Meeting of the Executive Committee  
Reported by Unique Morris-Hughes*

The Executive Committee met on February 23, and moved to an executive session to obtain legal advice and preserve attorney-client privilege under D.C. Official Code § 2-575(b)(4)(A) and to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

*Meeting of the Retail Water and Sewer Rates Committee  
Reported by Rachna Bhatt*

The Retail Water and Sewer Rates Committee met on February 23.

Syed Khalil, Vice President of Rates and Revenue, presented the monthly report for the period ending January 31, 2026. Year-to-date revenue was favorable by 2.7%. Other Revenue was also favorable to budget. Unfavorable variances were reported in the Residential, Commercial, and Multi-family, District Government, and DC Housing Authority categories. Delinquent accounts increased in both dollar value and number. The multi-family category accounts for 47% of the 90-day delinquent balance.

Amawalk Consulting presented its independent review of the Authority's proposed rates for FY 2027 and FY 2028. The review considered DC Water's recent financial performance, the proposed budgets and rates for FY 2027 and 2028, bill impact assessments, affordability considerations, compliance with Board policies, and the rate model. Rate increases were proposed to address capital investment needs outlined in the 10-year CIP budget of \$9.69 billion and rising operating costs. Debt service is expected to rise to 31.7% and 34.1% of total disbursements in fiscal years 2027 and 2028, respectively. Long-term water demand has decreased by 6.2% from 2016 to 2025, with annual declines projected at 1% moving forward. About 61% of revenues are tied to consumption. Overall, Amawalk confirmed that DC Water's proposed rates were reasonably developed, consistent with industry standards, and compliant with Board policies.

Next, Ms. Oyeyemi presented the rate proposal, including capital, operating, and revenue budgets, as well as a 10-year financial plan. The approval process involves town halls, a public hearing, formal comments, and submission of the adopted budget to Congress and the District of Columbia. The Committee recommended the new water and sewer rates and financial plan to the Board.

The Committee also reviewed the committee work plan for FY 2026.

*Emergency Meeting of the Human Resources and Labor Relations Committee  
Reported by Jed Ross*

The Human Resources and Labor Relations Committee met on February 25 and moved to an executive session to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

*Meeting of the Finance and Budget Committee  
Reported by Anthony Giancola*

The Finance and Budget Committee met on February 26.

Ms. Oyeyemi presented the December 2025 Financial Report. With approximately 33% of the year completed, total operating revenues were \$353 million or 34.4% of the budget. Operating expenditure was \$235.9 million or 28.1% of the budget, and capital disbursements were \$227.3 million or approximately 24.9% of the budget. Cash investments reached \$715.5 million, including the \$40.6 million rate stabilization fund. Operating interest income as of January was \$4.9 million. Delinquent accounts increased by \$1 million due to Georgetown University's backbilling dispute and hearing request.

Dr. Moussa Wone, Vice President, Engineering and Clean Rivers, provided the CIP report, including service area updates for process facilities, sewer, and water programs. Proposed CIP spending will total \$675 million, representing 97% of the proposed FY 2026 budget of \$695 million.

The Committee then discussed how emergency repairs are funded in the CIP budget. Dr. Wone noted CIP projects are prioritized based on risk and that contingency funds are available for emergency contracts. He also confirmed that the estimate for the PI repair is \$15 million to \$20 million based on current best estimates and includes emergency response and remediation. Reimbursement from the Federal Emergency Management Agency (FEMA) is expected to cover about 75% of the repair costs.

The meeting also included a special presentation on the Research and Development Wastewater Program by Haydee De Clippeleir, Director, Clean Water Quality and Technology. The Authority's research includes permit-driven projects, CIP support, and initiatives to enhance sustainability and affordability, all of which align with strategic goals. Projects often serve multiple objectives and project needs are regularly reviewed.

Finally, Ms. Oyeyemi reviewed the revised FY 2026 and proposed FY 2027 budgets. She noted that the Board can still lower rates during the rate-making and public hearing

process, with final decisions set for July 2026. An affordability analysis will be reviewed in April to guide discussions. The budget is due March 10, 2026, and the mayor must submit it by April 1, 2026. Spring town halls will update customers on needs and assistance programs before the May 14, 2026, hearing. Final adoption is planned for July 2, 2026.

The Committee recommended six action items to the Board.

#### **IV. CEO AND GENERAL MANAGER'S REPORT**

CEO and General Manager David L. Gadis began with an update on the repair of the Potomac Interceptor, which suffered a major collapse on January 19, 2026. In February, DC Water crews made significant progress on the repair. The operations team, including sewer services and Clean Rivers, installed a bypass system to divert wastewater around the damaged area and return it to the downstream pipe. Since February 8, no overflow has reached the river.

The daily repair operation has averaged over 31 personnel onsite, 477 equipment hours, and moved nearly 4 tons of material every 24 hours for site stabilization. The team faced challenges such as frequent pump clogs and an extended cold snap that required work in wet, confined, subfreezing conditions. Despite this, operational control was maintained, environmental impacts were minimized, and repairs were carried out safely.

While structural repairs are ongoing, environmental restoration efforts have begun to restore the affected area responsibly. This response has required strong coordination across DC Water and with regional partners.

Marketing and communications ensured public updates and engagement while the Facilities, IT, and Security Departments supported continuous, safe operations. The Office of Emergency Management led incident management in collaboration with agencies such as FEMA and the Homeland Security Emergency Management Agency of the District of Columbia (HSEMA). Customer service has handled an increased call load, maintaining a 2% abandonment rate, significantly better than the national benchmark of 5.8%, and resolved all calls without escalation.

In February, the Authority held briefings with City Council members and attended the Committee on Transportation and Environment's performance oversight hearing. Mr. Gadis also summarized FY 2025 performance and work to protect customer assistance programs, maintain strong bond ratings, and manage infrastructure challenges through strategic planning and modernization.

In late January 2026, the District experienced nine straight days below freezing. Staff worked nonstop to clear snow and ice while keeping operations running. Mr. Gadis recognized each attending member of the team responsible for the Cambi thermal hydrolysis plant, and Nick Passarelli, Vice President, Wastewater Operations, for their work, noting that at one point the Authority was at risk of losing the Blue Plains facility and having an additional spill into the Potomac River.

Board member Anthony Giancola noted that the current staff vacancy rate is over 13% and rising while the target is 10% and the budget is for 5%. There will likely be additional funds remaining in the staff budget area that could be used to reduce rates.

The Board further discussed how costs and emergency funding for the different counties would be tracked throughout the multi-jurisdictional PI repair project. It was noted that DC Water would track costs, had already established cost codes, and retained a consultant, while HSEMA would be the primary point of contact.

Board member Christopher Herrington asked for an update on the Authority's acquisition of the Washington Aqueduct. Mr. Gadis and Dr. Morris-Hughes noted that the Washington Aqueduct project was ongoing, but the Authority's focus had shifted to the PI repair as an immediate priority. Mr. Gadis noted upcoming meetings with Arlington and Fairfax Counties on the matter.

Ms. Bhatt noted recent emails from Montgomery County regarding the PI remediation and emphasized ensuring the county receives the requested update.

#### **V. CONSENT ITEMS FOR APPROVAL (JOINT USE)**

1. Approval to Execute Change Order No. 11 of Contract No. 200020, Emergency Sewer Main Infrastructure Repair and Replacement Contract, Spiniello Companies – **Resolution No. 26-09** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
2. Approval to Execute Master Service Agreement (MSA) Progressive Design-Build Delivery Contract for Phase I, Contract No. 250110 Anacostia Sewer Rehabilitation, Clark Michels JV – **Resolution No. 26-10** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
3. Approval to Execute Change Order No. 01 of Contract No. 230050, Emergency Sewer Main I R&R Contract for FY24-FY27 1 Anchor Construction Corporation – **Resolution No. 26-11** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
4. Approval to Amend Fiscal Year 2026 Operating Budget – **Resolution No. 26-12** (Recommended by the Finance and Budget Committee 02-26-26)

5. Approval of Proposed Fiscal Year 2027 Operating Budget – **Resolution No. 26-13** (Recommended by the Finance and Budget Committee 02-26-26)
6. Approval to Amend Fiscal Year 2026 Revenue Budget – **Resolution No. 26-14** (Recommended by the Finance and Budget Committee 02-26-25)
7. Approval of Proposed Fiscal Year 2026 - FY 2035 Capital Improvement Program – **Resolution No. 26-15** (Recommended by the Environmental Quality and Operations Committee 02-19-26; and Finance and Budget Committee 02-26-26)
8. Approval of Fiscal Year 2026-2035 Ten-Year Financial Plan – **Resolution No. 26-16** (Recommended by the DC Retail Water and Sewer Rates Committee 02-23-26; and Finance and Budget Committee 02-26-26)
9. Approval of Official Intent to Reimburse Fiscal Year 2027 Capital Expenditures with Proceeds of a Borrowing – **Resolution No. 26-17** (Recommended by the Finance and Budget Committee 02-26-26)

**Upon a motion duly made the Board of Directors voted to approve Joint-Use Resolutions Nos. 26-09 through 26-17 as presented.**

#### **VI. CONSENT ITEMS FOR APPROVAL (NON-JOINT USE)**

1. Approval to Execute Progressive Design-Build Contract No. 250060, Small Diameter Water Main Replacement Contract 1 & 2, Flatiron Dragados – **Resolution No. 26-18** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
2. Approval to Execute Supplemental Agreement No. 2 of Contract No. DCFA-519, Lead Free DC - Program Management and Construction Management. Lead Free Group, Joint Venture (Ramboll Engineering, PC and COM Smith Inc) – **Resolution No. 26-19** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
3. Approval to Increase Budget for Contract No. 230030, Lead Free DC – Lead Service Line Replacement Program FY23 - FY30, Multiple Vendors – **Resolution No. 26-20** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
4. Approval to Execute Amendment No. 1 of Contract No. 260020, Progressive Design-Build Delivery Contract for Phase 1 B Pure Water DC Discovery Center, Kokosing Industrial, Inc. – **Resolution No. 26-21** (Recommended by the Environmental Quality and Operations Committee 02-19-26)
5. Approval of Proposed Fiscal Years 2027 and 2028 Retail Metered Water and Sewer Services Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Public Inconvenience FEE (PIF), and Clean Rivers Impervious Area Charge (CRIAC). Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter

Backwash Sewer Rate – **Resolution No. 26-22** (Recommended by the DC Retail Water and Sewer Rates Committee 02-23-26)

**Upon a motion duly made the Board of Directors voted to approve Joint-Use Resolutions Nos. 26-18 through 26-22 as presented.**

**VII. EXECUTIVE SESSION**

**After a motion and majority vote, the Board moved into an executive session at 10:45 a.m. to obtain legal advice and preserve attorney-client privilege under D.C. Official Code § 2-575(b)(4)(A).**

**VIII. ADJOURN**

The Board reconvened in open session at 2:30 p.m. and, hearing no further business, the meeting adjourned at 2:32 p.m.

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Michelle Rhodd  
Secretary to the Board of Directors



**MINUTES OF THE MEETING  
HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE  
MARCH 11, 2026  
(via Microsoft Teams)**

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**COMMITTEE MEMBERS PRESENT**

1. Jed Ross, Principal, Chair, District of Columbia
2. Jimmy Ortiz, Alternate, Vice Chair, District of Columbia
3. Howard Gibbs, Principal, District of Columbia
4. Robert Hawkins, Alternate, District of Columbia
5. John Markovs, Principal, Montgomery County
6. Unique Morris-Hughes, Principal, District of Columbia

**OTHER BOARD MEMBERS PRESENT**

1. Rachna Bhatt, Principal, District of Columbia
2. Richard Jackson, Principal, District of Columbia
3. Samuel Moki, Principal, Prince George's County
4. Fariba Kassiri, Principal, Montgomery County
5. Amy Stevens, Alternate, Montgomery County
6. Christopher Herrington, Principal, Fairfax County
7. Sarah Motsch, Alternate, Fairfax County

**DC WATER STAFF**

1. David L. Gadis, CEO and General Manager
2. Lola Oyeyemi, Interim Chief Financial Officer & EVP
3. Kirsten Williams, Chief Administrative Officer & EVP
4. Amber Jackson, Chief People Officer & EVP
5. Barbara Mitchell, Director and Associate General Counsel
6. Gregory Hope, Interim Chief Legal Officer & EVP
7. Debra Mathis, Assistant Secretary to the Board
8. Shawn Brown, Vice President for Employment, Labor & HR Compliance

**I. CALL TO ORDER**

The Human Resources and Labor Relations Committee meeting was called to order by Chairperson Jed Ross at 9:31 AM. The meeting was held via Microsoft Teams. Assistant Board Secretary Debra Mathis called the roll.

## II. HR UPDATE

Amber Jackson, Chief People Officer & EVP, provided the update. People & Talent attended the Howard University Green Job Career Fair in February to connect with students pursuing degrees in environmental science and research, and to raise the profile of DC Water as an employer.

In February, the team conducted outreach and launched the summer internship program, which drew over 4,000 applicants. The twelve-week program runs from May to early August. This year, participation levels have returned to normal, following last year's budget restrictions which limited the number of placements.

The Blue Performance Management program is progressing, and recruitment for the CIO and CFO is ongoing.

Wellness program engagement has increased, with in-person yoga sessions attracting staff from multiple campuses. Employees have reported positive effects and stronger connections across departments.

Team Blue Wave, recognized as top performers at last year's Water Environment Federation Technical Exhibition and Conference in Chicago, continues to receive support. Targeted support for the operations teams is being increased to enhance stress management, emotional intelligence, and self-care for all teams. These actions aim to improve individual well-being and team dynamics in high-pressure environments.

Ms. Jackson stated that the monthly report now includes the requested People and Talent metrics: vacancies, recruitment measures, and employee learning and development activities.

### *Labor Relations*

Ms. Jackson emphasized the ongoing collaboration and open communication with union leaders, and pointed out Vice President Shawn Brown's proactive approach to employment, labor, and HR compliance matters affecting staff. She noted that during the severe weather events of January and February 2026, this outreach enabled employees to ask questions and obtain information on emerging challenges.

Mr. Brown shared that when the president of Local 2091 approached his office about renting space in DC Water's building for a union convention, the event room was quickly secured and made available free of charge.

Chair Committee Jed Ross thanked the People and Talent team for their ongoing support of the Authority's employees. He asked that the HR report include an update on recruitment efforts for any critical positions, such as the CIO and CFO, in the future.

Wayne Griffith, DC Water's Chief of Staff and EVP, Strategy and Performance, noted that recruitment for a cybersecurity director was underway with assistance from an external vendor.

Ms. Jackson discussed DC Water's worker compensation rates, noting a recent increase in payments due to challenging weather conditions. She also noted the work of Robin Hayes, Program Manager for Workers Compensation, for partnering with the safety program and the Office of Marketing and Communications to increase preventive measures and reduce injuries. These efforts include educating employees about risks through posters and videos, having supervisors lead staff in stretching before work, and ensuring employees use ice cleats when needed. Additionally, utilization of the temporary alternative duty program has been increased to return employees to work in modified roles as quickly as possible and reduce payouts to employees on leave.

### **III. EXECUTIVE SESSION**

**After a motion duly made and majority vote, the Board moved into an executive session at 9:55 AM to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).**

The Committee returned to the public meeting at 10:52 am.

### **IV. ADJOURNMENT**

There being no further business, the meeting adjourned.



**MINUTES OF THE MEETING  
RETAIL WATER AND SEWER RATES COMMITTEE  
MARCH 18, 2026  
(via Microsoft Teams)**

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**COMMITTEE MEMBERS PRESENT**

1. Rachna Bhatt, Chairperson
2. Howard Gibbs, Vice Chairperson
3. Anthony Giancola, Principal
4. Richard Jackson, Principal
5. Alexander McPhail, Alternate
6. Unique Morris-Hughes, Principal
7. Jimmy Ortiz, Alternate
8. Jed Ross, Principal

**DC WATER STAFF**

1. David L. Gadis, CEO and General Manager
2. Lola Oyeyemi, Interim Chief Financial Officer and EVP
3. Gregory Hope, Interim Chief Legal Officer and EVP
4. Matthew Brown, Chief Operating Officer and EVP
5. Kirsten Williams, Chief Administrative Officer and EVP
6. Michelle Rhodd, Secretary to the Board

**CONSULTANT**

1. John Davis, Raftelis
2. Rocky Craley, Raftelis
3. Vanessa Bryant, Raftelis

The DC Retail Water and Sewer Rates Committee meeting was called to order by Rachna Bhatt, Chairperson, at 9:01 AM. Board Secretary Michelle Rhodd called the roll.

**I. MONTHLY REPORT TO THE DC RETAIL WATER AND SEWER RATES COMMITTEE**

Syed Khalil, Vice President, Rates and Revenue, presented the report for the period ending February 28, 2026.

As of the end of February 2026, year-to-date (“YTD”) cash receipts totaled \$441.0 million, representing 43.6% of the FY 2026 budget (“Budget”), slightly below YTD budget of \$442.2 million. Federal Government receipts totaled \$50.1 million (50.5% of Budget) following the second quarterly payment in January 2026, while Wholesale receipts totaled \$61.5 million (50.2% of Budget) after their second quarterly payment in February 2026. Metering Fee revenue is on track at \$10.4 million (43.0% of Budget), and Water System Replacement Fee collections totaled \$18.7 million (45.8% of Budget). PILOT/ROW receipts are at \$10.7 million (44.1% of Budget), slightly higher by \$0.3 million compared to YTD budget. Residential, Commercial, and Multifamily receipts totaled \$242.0 million (41.3% of Budget), coming in \$2.3 million or 0.9% below YTD budget due to lower consumption. District Government receipts of \$11.1 million are \$0.6 million or 5.5% below YTD budget, while DC Housing Authority receipts of \$5.6 million are \$1.9 million below YTD budget. Other Revenue category totaled \$30.8 million (45.5% of Budget), exceeding YTD budget by \$1.2 million or 3.9%, primarily driven by higher interest earnings and miscellaneous revenue. Higher summer consumption is anticipated to strengthen overall revenues, and the revised budget is scheduled to take effect in April 2026.

Delinquent accounts increased both in dollar value and number of accounts. Delinquencies increased by approximately \$0.8 million in February 2026 due to the pause in Multifamily disconnections from January 19 to March 3, 2026.

Mr. Khalil reviewed the progress on Developer Deposits, noting that 14 developer deposit accounts were refunded in February 2026, for an approximate total of two hundred and eighty five thousand dollars.

## **II. COST OF SERVICE STUDY TO AMEND SYSTEM AVAILABILITY FEE**

Mr. Khalil introduced the Cost of Service (COS) Study to update the System Availability Fee (SAF), which covers expenses of maintaining DC Water’s system capacity for new constructions. He noted that the last fee update was on June 1, 2018, based on a COS study performed in 2016. The Authority completed a Miscellaneous Fees and Charges Cost of Service Study in 2025, which briefly addressed the SAF. An independent consultant, Raftelis, conducted the SAF study and benchmarked fees across different meter sizes used by peer jurisdictions.

In response to a question from Committee Chair Rachna Bhatt, Mr. Khalil discussed the cadence of COS studies for DC Water fees, noting that the frequency ranges from three to five years. Chair Rachna Bhatt and several Board members noted that the ten-year gap between studies was much too long. Committee member Anthony Giancola requested a list of all COS studies and their cadence. Lola Oyeyemi, Interim Chief Financial Officer and EVP, noted that the Committee workplan includes upcoming COS study completion dates and agreed to compile a list of all regular COS studies for the next Committee meeting along with the affordability study. Ms. Oyeyemi noted that the COS for the SAF was on its own schedule as it is based on the infrastructure, which does not

change year by year and is more closely aligned to benchmarking data which is done every 5 years.

Mr. Khalil noted that independent consultants offer an unbiased perspective and possess specialized knowledge in COS studies. Raftelis has over 30 years of experience in conducting studies for utilities. Ms. Bhatt mentioned that the same consultants have been used for the various cost of service studies over the years and requested for detailed explanation of the procurement process for the selection of independent consultants before the next solicitation is issued.

#### *System Availability Fee Update Study (SAF)*

Rocky Craley and Vanessa Bryant of Raftelis presented the System Availability Fee Update Study as of March 18, 2026.

Mr. Craley noted that utilities typically use availability fees to recover investments in system capacity at new or redeveloped sites, with a focus on core assets for water supply, treatment, storage, and wastewater conveyance. Established in 2018, DC Water's SAF ensures new developments pay their share of system costs when additional capacity is needed. All revenue is applied to the capital plan to help reduce service costs for retail customers.

The review process involves determining the system's cost basis by updating core asset values using industry indices and considering planned capital investments. A debt credit is applied to prevent double payments. Treatment capacity at the plant is used to calculate a unit cost, which is scaled by the customer's meter size to reflect different capacity needs. Fees are set according to industry standards: replacement cost new minus depreciation plus planned investments, with debts credited and discounted to current dollars. The unit cost is then adjusted for differences in meter size.

DC Water also has credits available to allow property owners to reduce meter sizes. The SAF applies to new development and redevelopment in which a meter is upsized, with a credit for the existing meter. Affordable Housing Units receive credits against SAF, reducing the overall SAF owed by the project.

While SAFs generally increase with meter size, DC Water's fee essentially levels off at 6 inches or larger for a more consistent approach for larger customers. Residential customers are defined as buildings with three or fewer residential units.

Mr. Giancola noted that the SAF for residential customers is the same for 5/8-inch, 3/4-inch, and 1-inch meters and asked why these categories are not aggregated. Mr. Craley noted that the fee table is intended to show all common meter sizes in the District, though most residential meters are below 1 inch.

### *Fee Benchmarking*

Ms. Bryant reviewed the proposed new fees, noting that the proposed water fee is approximately 48% higher than the 2018 fee. The new fee is based on both existing assets and planned capital improvements. As with the prior study, the proposed water and sewer SAFs reflect similar proportional increases for larger meter sizes, especially for meters of 6 inches and above. These fees represent the maximum cost-justified SAFs that DC Water could set, though the Board could choose to charge less. The proposed amounts align with the COS study and reflect the system's value based on the latest data. For residential builds, the increase is approximately \$800 for a 5/8-inch water meter, and the sewer fee will increase by approximately \$1,000.

Ms. Bhatt observed that the size of the increase suggests COS studies should be conducted more frequently. Committee member Howard Gibbs added that DC Water policy requires gradual and predictable rate increases. It was noted that the SAF is updated less frequently than usage rates because the cost basis of the system does not change with the same frequency as other costs. Unlike DC Water, North Carolina, Texas, and other jurisdictions mandate that SAF be reviewed every five years, which may be an appropriate schedule for DC Water.

Ms. Bryant noted that revenue from the SAF is used for capacity-related infrastructure improvements that are programmed into DC Water's capital improvement plan in alignment with the principle of "growth pays for growth". This is an industry standard principle to ensure that any new development pays its fair share of capacity-related costs.

The system cost basis used for the 2016 review has risen from approximately \$6.1 billion ten years ago to \$8.4 billion today. Much of this growth comes from major projects in DC's water system, particularly combined sewer overflow and sewage improvements, as well as the Washington Aqueduct.

Currently, DC Water generates approximately \$4 million annually from system availability fees. These fees directly offset monthly rates. If the Authority receives increased revenue from SAFs, rates can be reduced accordingly as SAF income can be allocated to the capital plan to minimize the necessity for larger increases. With a projected 48% rise in these fees, a corresponding 48% increase in revenues is anticipated, assuming current growth levels continue. This would net approximately \$5.9 million in annual revenue.

Ms. Bryant then reviewed benchmarking to compare DC Water's proposed fees with those of peer utilities. Overall, DC Water's fees are on the lower side of the spectrum in terms of the range of fees other utilities are charging for both the existing and proposed fees.

Ms. Bhatt inquired about the COS studies performed by peers. Ms. Bryant noted that most peers do complete COS studies and in some jurisdictions such COS studies are mandated. Mr. Craley observed that that the benchmarking figures may represent

maximum calculated fees or peer utilities may have opted to charge less than the maximum amount. Ms. Bryant noted that it is more difficult to benchmark for larger meter sizes as some regions apply a usage-based calculation that considers the number of fixtures the meter will serve. Mr. Davis noted that DC Water's plumbing code may not collect information on the number of planned fixtures for new developments, making it difficult to implement a usage-based fee. It was also noted that a cost analysis for usage-based or fixtures-based COS study is more administratively burdensome compared to meter-based cost analysis.

The Committee discussed concerns about implementing a 48% SAF increase in a single year and the potential optics for doing so immediately after the Potomac Interceptor incident and CRIAC pause. Committee member Alexander McPhail expressed concern regarding the magnitude of the increase and suggested exploring more gradual or phased approaches to improve public acceptability. However, Ms. Bhatt noted that the delay in implementing an increase has given developers a very good deal on development fees over the last several years. A phased-in SAF option was also discussed, and Board members noted that the structure and timing of the SAF increase, including potential phasing, could be revisited based on public comments received during the rulemaking process. It was also noted that the overall SAF revenue increase is approximately \$2 million per year.

Committee members asked how these fees will be communicated. Kirsten Williams, Chief Administrative Officer and EVP, discussed DC Water's communication strategy for the fee increase, which will leverage partnerships with the District of Columbia Building and Industry Association, the Apartment and Office Building Association, the District of Columbia Realtors Association, and government partners including the Department of Housing and Community Development and the Deputy Mayor for Planning and Economic Development (DMPED). DC Water will appropriately communicate the increase in SAF and take additional efforts to ensure and address public comments.

Ms. Bryant concluded the presentation and reviewed the approval process for the amended SAF, which will become effective on October 1, 2026.

Committee member Jed Ross noted that the proposed fee increases apply specifically to construction-related permitting rather than all residential customers and asked for clarity on how many projects are typically affected each year. He pointed out that developers may accelerate permit applications ahead of any rate increase and would likely participate in the public comment process if concerned. While acknowledging that the increases reflect inflation, rising construction costs, and years without updates, he emphasized the importance of maintaining affordability and a business-friendly environment. He also emphasized that the Board needs clear data on the number of projects impacted to understand the true scale and significance of the fee changes.

While there were concerns about the size of the increase, the Committee agreed it is preferable to avoid preemptively considering a phased implementation and wait until the comment period closes to determine whether there is a need to amend the increase.

### **III. ACTION ITEM**

One action item was submitted for Committee approval prior to Board presentation.

1. Recommendation for Board Approval to Publish NOPR to Amend System Availability Fee

The Committee agreed to move the action item forward to the Board.

### **IV. DC RETAIL WATER AND SEWER RATES COMMITTEE WORKPLAN**

Mr. Khalil reviewed the proposed Committee workplan for FY 2026, noting the timeline to review and approve the Notice of Proposed Rulemaking and complete the public hearing process before approving the proposed rates to take effect October 1, 2026.

Dr. McPhail requested that the next Committee meeting include a discussion on the factors contributing to the lack of reduction in customer delinquencies.

### **V. AGENDA FOR APRIL 28, 2026, COMMITTEE MEETING**

The meeting on April 28, 2026, will include the monthly update, the Committee workplan, an update on delinquent accounts collections, and any other items the Committee wishes to discuss.

### **VI. ADJOURNMENT**

The meeting adjourned at 10:30 AM.

### **Follow Up Items**

1. Provide a list of all COS studies and their schedules.
2. Provide the breakdown of the number and percentage of customers by meter size.
3. Provide a presentation to the committee on the procurement process prior to the selection of independent consultants.
4. Provide the report on delinquencies status including whether DC Water uses bill collection agencies and outcomes of such efforts.
5. Provide number of permits applications received / approved and projects started in last five years (2021-2025) including the number of customers impacted by the fee increase.
6. Clarify if the new fee impacts permit applications put in before the new rate



**MINUTES OF THE MEETING  
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE  
March 19, 2026  
(via Microsoft Teams)**

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**COMMITTEE MEMBERS PRESENT**

1. Christopher Herrington Chair, Principal, Fairfax County
2. Sarah Motsch, Vice Chair, Alternate, Fairfax County
3. Howard Gibbs, Principal, District of Columbia
4. Richard Jackson, Principal, District of Columbia
5. Unique Morris-Hughes, Principal, District of Columbia
6. Alexander McPhail, Alternate, District of Columbia
7. Samuel Moki, Principal, Prince George's County
8. Amy Stevens, Alternate Board Member, Montgomery County

**DC WATER STAFF PRESENT**

1. David Gadis, Chief Executive Officer and General Manager
2. Matthew Brown, Chief Operating Officer and EVP
3. Michelle Rhodd, Secretary to the Board
4. Gregory Hope, Interim Chief Legal Officer and EVP
5. Kirsten Williams, Chief Administrative Officer and EVP
6. Lola Oyeyemi, Interim Chief Financial Officer and EVP
7. Moussa Wone, Vice President, Clean Rivers Project

**I. CALL TO ORDER**

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

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## **II. FEBRUARY 2026 BLUE PLAINS WASTEWATER TREATMENT PLANT PERFORMANCE**

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for February 2026, with an average daily flow of 286 million gallons per day (MGD) and a peak flow of 385 MGD recorded on February 20, 2026. During the month, approximately 2.6 inches of rainfall were recorded, with 128 million gallons captured in the tunnel system and zero overflows. On-site electrical generation accounted for approximately 23 percent of total facility power demand, with the Combined Heat and Power system producing approximately 7.5 megawatts (MW) and the solar system producing approximately 0.34 MW. Total electricity consumption at Blue Plains was reported as just over 28 MW, with approximately 21.62 MW purchased from Pepco.

Regarding biosolids operations, Mr. Passarelli reported that approximately 2,200 tons of Class A biosolids were sold in February, bringing the fiscal year-to-date total to just over 23,000 tons toward the annual goal of 62,000 tons. He noted that Blue Plains is entering its busy spring period and expected sales volumes to increase beginning in March. Approximately 9,000 tons of biosolids were produced during the month, with the remaining 6,800 tons managed through land application.

Committee member Alex McPhail asked for clarification regarding the reported electrical power figures, specifically whether the stated 23 percent on-site generation aligned with the difference between total electricity consumption and power purchased from Pepco. Mr. Passarelli confirmed that the figures were intended to reflect that relationship.

## **III. ANNUAL SAFETY REPORT**

Ecudemio Gutierrez II, Director of Occupational Safety, presented the Annual Safety Report. He stated that the report summarized safety data trends from 2021 through 2025 and highlighted areas for continued improvement. He reported that DC Water's incident rates, based on the OSHA recordability formula, had shown a steady decline since 2021, decreasing from 4.6 to 2.32, representing nearly a 50 percent reduction in injury rates. He also highlighted the agency's safety recognition efforts, noting that the "top down and bottom up" safety recognition program had acknowledged employees and senior leaders, including David Gadis, CEO and General Manager and Wayne Griffith, Chief of Staff and Executive Vice President, Strategy & Performance for going above and beyond in promoting workplace safety. Mr. Gutierrez stated that more than 100 hazards had been eliminated through these efforts, helping prevent potential injuries.

Committee Chair Christopher Herrington asked for clarification regarding what appeared to be conflicting trends between the declining OSHA recordable incident rate and other charts showing relatively steady work injury levels and higher total lost workdays in fiscal year 2025. Mr. Gutierrez explained that a workers' compensation case does not necessarily qualify as an OSHA-recordable injury. He noted that an employee may report an injury and seek medical evaluation, resulting in a workers' compensation case, but if the employee is not prescribed medication, given time off, or otherwise meets OSHA's criteria, the case would not be classified as recordable. He stated that this distinction accounted for the apparent difference between the graphs.

Committee member Sarah Motsch asked how the agency tracks submissions under its safety recognition program, including the "Change One Thing" initiative. Mr. Gutierrez responded that DC Water tracks injuries and "good catches" through its safety tracking system, referred to as SRS, and that the good catch data are categorized within that system. Ms. Motsch also asked whether DC Water tracks additional leading indicators beyond OSHA-required metrics. Mr. Gutierrez stated that the same system tracks daily observations, departmental checklists, and safety observations, and that the agency also monitors key performance indicators through a safety hotline used by employees to report concerns.

Ms. Motsch further asked about the status of audit findings issued in fall 2025 related to the safety system, including user access, training matrix updates, corrective action monitoring, and training record maintenance. Mr. Gutierrez reported that all identified risks and audit findings had been closed out except for one remaining item involving final updates to four safety policies. He stated that he expected feedback from labor relations the following day and, absent further revisions, anticipated submitting the policies for final sign-off, which would close out the remaining audit issue. In response, Ms. Motsch confirmed that the other audit items had been resolved, and Mr. Gutierrez affirmed that they had all been closed out. Mr. Herrington commented that this was good news and thanked Mr. Gutierrez for the report.

#### **IV. ACTION ITEMS**

##### **Non-Joint Use**

- a. Contract No. DCFA 559 – Lead Free DC – Construction Management and Chain of Custody Coordination

Committee member Howard Gibbs questioned how a firm located in Indianapolis, Indiana could perform services that appeared to require a local presence. Kevin Bellamy, Director of Procurement, Capital Programs responded that while some of the work requires in-person local resources, those resources are being procured locally through the program,

and the Indianapolis address shown on the fact sheet was the headquarters address of the core company. He acknowledged that the local address was not listed and stated that the fact sheet could be updated to reflect that information.

Committee member Alex McPhail asked for clarification on the meaning of “chain of custody” and why the service was needed. Mr. Bellamy explained that chain-of-custody oversight ensures that materials purchased directly by DC Water are delivered from the supplier to the contractor, whether at the job site or a contractor storage facility, and are properly maintained and stored.

The Committee reviewed and recommended approval of the action item and moved them to the full board.

#### **V. AGENDA FOR APRIL 2026 COMMITTEE MEETING**

Mr. Herrington reminded the meeting members about the draft agenda for the committee meeting scheduled for April 15, and encouraged participation in the April 7, 2026, tour of DC Water facilities.

#### **VI. ADJOURNMENT**

The meeting adjourned at 10:00 AM.



# CEO's Report

APRIL  
2026



**ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING**

## Inside

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# dc Highlights

Chair Morris-Hughes, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for April 2026. 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.



## Team Blue Volunteers Support DC MATHCOUNTS State Competition

On Saturday, March 7, Team Blue members volunteered their time to support the DC MATHCOUNTS State Competition, where 42 student "Mathletes" competed for the opportunity to represent the District at the national level.

A special thank you to **Beatrice Nyero** (Senior Recruiter / People and Talent), **Selina Allen** (Sr. Manager, Learning and Development / People and Talent), **Jeffery Gamble** (Specialist, Compliance / Water Quality and Technology), Terrance Hunter (Utility Services Worker III / Sewer Maintenance and Repair), **Shanae Gordon** (Building and Grounds Maintenance Worker / Facilities), **Angela Orozco** (Building and Grounds Maintenance Worker / Facilities), and **Lisa Barton** (Senior Executive Coordinator to the CEO / Office of the CEO) for serving as scorers and proctors during the event. Team Blue volunteers also provided refreshments, including a pizza lunch, and distributed DC Water STEM bags to participants.

The competition is part of the DC MATHCOUNTS program, led by Board Member **Howard Gibbs**, which encourages middle school students to strengthen their math skills and explore opportunities in STEM fields. Board Member **Tony Giancola** also supported the event, helping ensure a successful experience for participating students.



## Introducing the 2026 Leading Blue Leadership Cohort

DC Water recently launched the 2026 Leading Blue Cohort, welcoming 17 managers from across the Authority who were selected through a competitive application process to participate in our mid-level leadership development program. The cohort kicked off with a full-day orientation at Headquarters on March 16, where participants, mentors, and program champions gathered to begin their leadership journey.

Running from March through December, Leading Blue is designed to develop Grade 17-18 managers into strategic, confident leaders prepared for expanded responsibility. Participants progress through four leadership modules: Leading Self, Leading Teams, Leading Others, and Leading Strategically, supported by a dedicated mentor at each stage.



# dc Highlights



## Sustainable – continued

The program culminates in a cross-functional capstone project, which participants will present to the Senior Executive Team later this year, applying their development to organizational challenges.

Please join us in congratulating the following colleagues selected for the 2026 Leading Blue Cohort:

**Abiola Akala** (Senior Financial Analyst, Finance) **Ali Mohammad** (Manager, Documents Management/Engineering) **Chike Monwuba** (Manager, Capital Delivery/Engineering) **Chris Lee** (Manager, Purchasing Operations & Business Analysis/Procurement) **Churchill Okonkwo** (Program Manager, CIP/Operations) **Emmanuel I. Ogunniyi** (Category Manager, Goods & Services/Procurement & Compliance) **Henock T. Mengiste** (Manager, Developer Construction/Engineering) **Joel Gregory** (Manager, WWT Mechanical Maintenance/Operations) **Jumoke Awosolu** (Senior Program Manager, CIP Project Delivery/Engineering) **Leon Collister** (Manager, CIP Contract Management Services/Engineering) **Melda Al Khalili** (Category Manager, Finance/Procurement & Compliance) **Michael Koss** (Manager, Capital Procurement) **Snehalata Masih** (Manager, CIP Risk and Change Management) **Stanley Henry** (Supervisor, Field Inspection) **Thea A Browne-Dennis** (Supervisor, Asset Management) **Trevor Scheuneman** (Sr Program Manager, Security Compliance & Training/ Administration) **Yulkiana Delgado** (Senior Financial Analyst, Finance)



## Healthy, Safe and Well

### AED Program Modernization Enhances Safety and Operational Readiness

DC Water recently completed an upgrade to our Automated External Defibrillator (AED) program across Authority facilities. Our fleet of 48 AED devices is now supported by Sentinel remote monitoring technology, which provides real-time visibility into device readiness.

This modernization improves reliability and reduces operational risk by ensuring that life-saving equipment remains ready for use at all times. The system also eliminates the need for manual monthly inspections, creating meaningful efficiency gains and cost savings for the organization.


**Resilient**

### Potomac Interceptor Repairs Completed

Our operations team and contractors have completed emergency repairs to the Potomac Interceptor and returned full flow to the pipeline on Saturday, March 14. DC Water teams, along with our federal partners, delivered an incredible response to an unprecedented crisis, fully containing overflows within 21 days of the collapse.

Our around-the-clock efforts prevented roughly two billion gallons of wastewater from reaching the Potomac River. Without this coordinated response, the consequences for the environment and the community would have been far more severe.

With full flow restored, our teams have transitioned to critical environmental rehabilitation. Initial efforts are focused on the section of the C&O Canal that was utilized to manage wastewater flows and protect the Potomac River during the emergency. Overall environmental restoration efforts are projected to continue for eight to ten months.

Beyond the environmental recovery, the Authority remains focused on community engagement, holding informational briefings for media members, environmental advocates, and community groups across the District, Maryland, and Virginia. I want to recognize the extraordinary performance of Team Blue through this crisis. Collectively, they embodied resilience and ensured our customers and community remained healthy, safe, and well.



**Reliable**

### Reliable Response in a Crisis

Our performance during the PI crisis was a massive collective effort that speaks directly to DC Water's organizational reliability.

Consider the following average daily figures that reveal the scope of our emergency response:

- Average number of personnel on site daily: 53
- Average daily fuel (gallons) used to power site generators: 3,683
- Average linear feet of pipelining fused per active day: 221
- Average active equipment hours per day: 570
- Gravel hauled in per day (in tons): 25
- Debris hauled out per day (in tons): 56

While this does not capture the entirety of the work performed, it provides a sense of the scale, logistics, and urgency of our operation.



## 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.



## Finance, Procurement, and Compliance

### Financial Metrics

Metric	Target	Nov-25	Dec-25	Jan-26	Feb-26
Operating Cash Balance (Millions \$)	\$341.6	\$402.2	\$358.9	\$368.1	\$378.4
Delinquent Account Receivables (%) †	3.30%	3.81%	3.84%	3.96%	4.02%
On-time Vendor Payments (%) ****	97%	96%	96%	96%	96%
Investment Earnings Data (Millions \$)	\$8.8	\$2.3	\$3.5	\$4.9	\$5.8
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		3.5%	3.5%	3.6%	3.4%
Core Investment Yield Data (%) - Actual Monthly Yield ††	3.82%	4.2%	4.2%	4.2%	4.2%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		3.8%	3.6%	3.6%	3.6%
Short Term Investment Yield Data (%) - Actual Monthly Yield ††	4.06%	3.9%	3.8%	3.8%	3.8%
Days of Cash on Hand** and ***	282**	406	324	325	338***

#### 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 Fund.

\*\*\* 338 days of cash is made up of 33 days in the Rate Stabilization Fund and 308 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. Subsequently, \$24.9 million was reimbursed in December 2025 from the 2025B Green Bonds and \$ 20 million from 2025 C Non-Clean Rivers Bond in Jan 2026.

\*\*\*\* On-time vendor payment performance was affected by year-end closeout activities, including accrued invoice payments.

† 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.

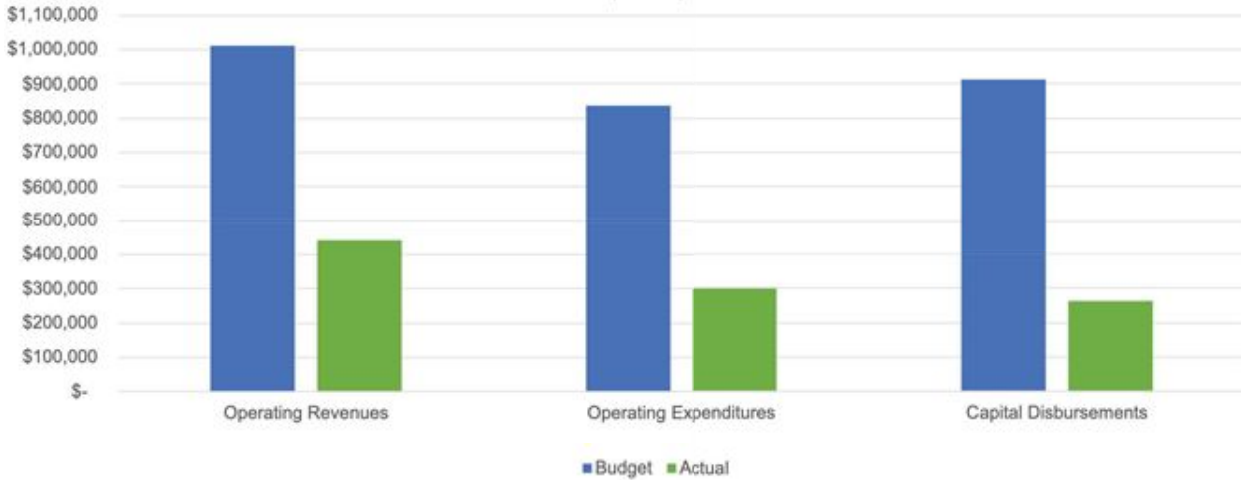
### Finance Highlights

#### FY 2026 Financial Performance

As of February 28, 2026, with approximately 42 percent of the fiscal year completed, DC Water is on track with the budget. Total operating revenues were \$441.0 million or 43.6 percent of the budget. Receipts for Residential, Commercial, and Multi-Family categories are slightly lower at \$242.0 million or 41.3 percent of the budget due to slightly lower consumption.

Total operating expenditures were \$301.2 million or 35.9 percent, and capital disbursements were \$263.1 million or 28.8 percent of the respective budgets.

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



**FY 2025 Status update**

The Office of Management and Budget Uniform Guidance Audit for fiscal year 2025 was completed with an unmodified opinion issued by our external auditors, SB and Company, and submitted to the Federal Audit Clearinghouse on February 24.

On March 2, the FY 2025 Annual Comprehensive Financial Report (ACFR) was completed and uploaded to our website at [dcwater.com/financial-reporting](http://dcwater.com/financial-reporting)

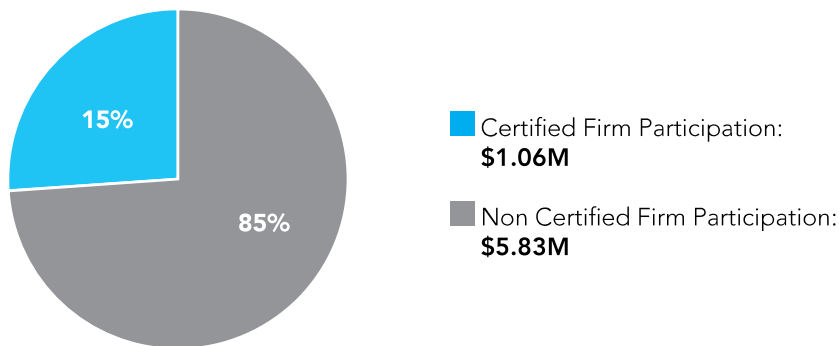
**Series 2026 Bond Pricing**

On February 12, DC Water completed a highly successful refinancing transaction for the Series 2026 bonds, resulting in budget savings of approximately \$54 million for approximately twenty years. This highlighted the Authority's commitment to financial health and reducing costs for DC ratepayers. DC Water's commitment to sustainability will save rate payers approximately \$2.9 million in debt service savings annually. The settlement for the bond closing was held on March 16.

**Procurement and Compliance**

In February, two different procurement actions were approved by the Board. The value of the eligible procurement actions for this period totaled \$6.90 million. Of this total, the planned certified firm participation is \$1.06 million (in prime and subcontracting opportunities).

**Certified Firm Participation December 2026 Awards**





## Procurement and Compliance – continued

### Highlights

#### Process Improvement

- Procurement and Compliance continued progress on the artificial intelligence and data strategy RFI, which yielded thirty-eight responses.
- The Department is preparing five Risk Management solicitations: Property and Casualty Insurance Brokerage Services, Independent Risk Management Consulting Services, Third-Party Administrator, Safety Services, and ROCIP VII. Pre-solicitation packages are currently being developed, including Statements of Work, budget confirmations, and applicable compliance documents.
- In February, the team processed 397 total Purchase Orders, with 317 handled by Materials Management and 80 by Purchasing. These efforts resulted in \$121,467 in achieved savings and cost avoidance.
- DC Water is transitioning its Purchase Card (P-Card) provider from TD Bank to JPMorgan Chase. Key benefits of the new program include:
  - Enhanced Expense Visibility: Through the PaymentNet platform, administrators gain real-time transaction tracking, customizable dashboards, and detailed reporting to improve oversight and spend management.
  - Strengthened Controls & Compliance: The program offers robust tools to enforce internal policies, including custom merchant category code (MCC) restrictions and flexible credit limit adjustments to prevent unauthorized spending.
- DC Water Procurement Transformation – Oracle ERP Enhancements:  
As part of a strategic initiative to modernize business operations, DC Water is leveraging enhancements within its Oracle Cloud ERP system to optimize procurement processes. This effort aims to centralize procurement activities to increase efficiency, improve transparency, and reduce lead times for vital infrastructure projects. Ongoing initiatives focus on maximizing operational efficiency, improving compliance reporting, and enhancing supplier relationship management through new digital tools.

#### Outreach and Engagement

- 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.

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

#### Goods and Services

Project Title	Description	Solicitation Type	Contract Type	Estimated Total Contract Value	Planned Solicitation Month and Year
Electric Energy Services and Electricity Generation and Transmission	Qualified firm to provide on-going need for retail electricity services	RFP	Master Service Agreement	> \$10M	February, 2026
AI and Data Strategy	AI Process integration	RFP	TBD	TBD	
IT Application Development Services	Multiple awards of MSAs for Task Order based development services	RFP	Master Service Agreement	\$1-\$5M	February, 2026



## Finance, Procurement, and Compliance

### Procurement / Goods and Services – continued

Project Title	Description	Solicitation Type	Contract Type	Estimated Total Contract Value	Planned Solicitation Month and Year
Microsoft Licenses and Azure Cloud	Microsoft Licenses and Azure Cloud	RFQ	Master Service Agreement	\$5-\$10M	February, 2026
IT Professional Services	Multiple awards of MSAs for Task Order based IT Support Services	RFP	Master Service Agreement	\$1-\$5M	February, 2026
Financial Advisory Services for Bonds	Financial Advisory Services for Bonds	RFP	Master Service Agreement	< \$1M	February, 2026
Bond Counsel	Bond Counsel	RFP	Master Service Agreement	< \$1M	February, 2026
Scaffolding Rental, Erection and Dismantling	Scaffolding Rental, Erection and Dismantling	RFP	Master Service Agreement	< \$1M	February, 2026
High Voltage Maintenance	Annual Maintenance of Electrical Power Distribution Equipment	RFP	Master Service Agreement	> \$10M	February, 2026
Uniforms	Work Uniforms and Accessories	RFP	Master Purchase Agreement	\$1-\$5M	February, 2026
Elevator Maintenance	Elevator Repair and Maintenance	RFP	Master Service Agreement	< \$1M	March, 2026
Independent Risk Management Consulting Services	Services to assist Risk Management with claims, self-insurance and management of the ROCIP VI Program	RFP	Master Service Agreement	>\$1M	March, 2026
Maintenance and Repair of Cranes and Hoists	Maintenance and Repair of Cranes and Hoists	RFP	Master Service Agreement	< \$1M	March, 2026
Inspection of Cranes and Hoists	Inspection of Cranes and Hoists	RFP	Master Service Agreement	< \$1M	March, 2026
Cafeteria	Cafeteria	RFP	Master Service Agreement	0	March, 2026
ROCIP VI and OCIP Insurance Premiums	Insurance Broker that provides coverage for capital construction contractors and subcontractors	RFP	Master Service Agreement	>\$1M	March, 2026
Emergency Alerting System	Emergency Alerting Systems for DC Water employees and residents. Outage and Incident Reporting Platform	RFP	Master Service Agreement	< \$1M	March, 2026
Genesys CX Cloud Licenses	Genesys CX Cloud Licenses	RFQ	Master Service Agreement	< \$1M	April, 2026
Rolling Owner Controlled Insurance -	Safety Services and Safety Programs for	RFP	Master Service Agreement	5M	April, 2026



## Finance, Procurement, and Compliance

### Capitol Projects

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
Water and Sewer PCA	Local sewer cleaning, pipe assessment and related, minor construction work, i.e.; short access path/road, manholes entry excavation/repair, etc.)	RFQ/RFP	Professional Services	\$50M	February, 2026
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	February, 2026
Meter Building (HE01) & Distribution Shop Rehab Project (HE02)	Design and construction for a) roof replacement of the Meter Operations Building and b) repair of the Distribution Building at DC Water's Bryant Street location.	Outreach for RFQ/ RFP	TBD	\$4M - \$5M	February, 2026
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 MSA for Qualified Contractors	\$20M - \$24M	February, 2026
Water Main Infrastructure Repair and Replacement Contract	Responding to requests for emergency repairs on the DC Water water system at various locations throughout Washington, DC.	Multi-Step IFB	Construction	\$55M - \$60M	February, 2026
Water Program Manager	Program management services required for the planning and execution of Capital Improvement Program (CIP), and non-CIP tasks in the Water Service Area. The required services include planning, asset management, engineering services, and operations support required for the rehabilitation and	RFQ/RFP	Professional Services	TBD	February, 2026



## Finance, Procurement, and Compliance

### Procurement / Capitol Projects – continued

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
Supervisory Control and Data Acquisition (SCADA) Systems Integrator Services	Work to be performed will consist of planned and unplanned tasks which may include (e.g. system improvements, troubleshooting, instruments replacement, programming, testing and documentation.	RFQ/RFP	Professional Services	TBD	March, 2026
Non-Process Facilities Program Manager	Program management services required for the planning and execution of Capital Improvement Program (CIP), and non-CIP tasks to support the Facilities Department for all DC Water non-process facilities in the Washington D.C. metro area.	RFQ/RFP	Professional Services	TBD	March, 2026
Sewer Main Infrastructure Repair and Replacement Contract	This contract scope includes responding to requests for emergency repairs on the sewer mains at various locations.	Multi-Step IFB	Construction	\$20M - \$25M	April, 2026
Linear Water Transmission Mains Replacement	This portfolio encompasses critical water infrastructure projects, including critical valve work and large-diameter watermain rehabilitation (greater than or equal to 16-inches in diameter).	RFQ/RFP	TBD	\$80M - \$88M	May, 2026
LFDC Voluntary Full Replacement Contract 2	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	\$8M - \$10M	July, 2026
Water Interconnections and Booster Pump Station Upgrades	Upgrades to existing WSSC Interconnections Improvements - Phase I, Fourth High Reno WSSC Interconnection	RFQ/RFP	Construction Manager at Risk (CMAR)	\$22M - \$26M	July, 2026

**Procurement / Capitol Projects** – continued

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
Sanitary Sewer Lateral Infrastructure Repair and Replacement Contract	The work includes responding to requests for emergency repairs on the sanitary sewer laterals at various locations throughout Washington, DC.	Multi-Step IFB	Construction	\$30M - \$35M	October, 2026
230030.17 Lead Service Line Replacement Contract: Construction Package 24	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	\$35M - \$40M	Jan-27
230030.18 Lead Service Line Replacement Contract: Construction Package 25	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	\$35M - \$40M	Jan-27



Location	# of New Hires
District of Columbia	11
Prince George’s County	21
Montgomery County	3
Fairfax County	3
Loudoun County	2
Outside the User Jurisdiction	10

In February, DC Water Contractors filled 22 new positions. Sixteen, or 72 percent, were filled by local residents.

The total number of new hires for FY 26 is 50. The table highlights the total (combined) new hires for FY '26 as of February 2026.



## Fleet, Facilities, Safety, Security and Emergency Management

### Administration Metrics

Metric	Target	Jan-26	Feb-26
FACILITIES: Preventive Maintenance Completion Rate	90%	99%	69%
FACILITIES: Service Request Completion Rate	90%	98%	90%
FLEET: Technician Resource Allocation	50-90%	65%	56%
FLEET: Priority One Vehicles In-Service	90%	83%	81%
FLEET: Technician Productivity	81%	76%	70%
SAFETY: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.0	0.4	0.3
SAFETY: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.4	0.8	1
SAFETY: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.1	0.24	0.4
SAFETY: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 2.5	0.98	0.99
SECURITY: Percent of security investigations completed within 21 days	95%	100%	100%
SECURITY: Security Camera operational uptime	90%	96%	97%
SECURITY: Smart card readers operational uptime	90%	97%	97%

**Fleet Metric 1:** measures the percentage of units available to meet the organization's operational mission. The target for this metric is 90 percent. In February, 81 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, 57 percent of the technician hours were allocated to P1 vehicles, (prior month 65 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 70 percent of the technician hours were classed as productive (prior month 76 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 verses necessary breaks.

While focusing on routine maintenance, 62 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 71 roadside assistance calls and 38 fuel requests. Additionally, 16 units were sent to auction generating \$74,428 in revenue.



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

- Delivered 12,516 flyers via Lead-Free DC Activators.
- Promoted assistance during customer calls and emails.
- Produced and shared social media posts for X, Bluesky, Facebook, and Stories to promote DC Water Cares.
- Collaboration with DOEE's Utility Discount Partnership (UDP) to advertise assistance.

**Customer Assistance Programs (CAP)**

Program	FY2025 Enrolled	FY2025 Dollars	Feb. Enrolled	Feb. Dollars	# FY26 Enrolled	FY2026 Dollars	FY2026 Budget
<b>CAP +</b>	2,174	\$1,537,636	286	\$69,230	754	\$204,649	\$2,700,000
<b>CAP I</b>	1,863	\$1,225,594	253	\$41,620	614	\$137,644	\$2,100,000
<b>CAP II</b>	238	\$102,654	89	\$5,109	163	\$17,133	\$200,000
<b>CAP III</b>	54	\$5,749	14	\$1,032	14	\$1,032	\$10,000
<b>Non Profit CRIAC Relief</b>	174	\$900,902	83	\$228,565	83	\$228,565	\$843,133

**Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)**

DOEE has finalized the MOU for the Repair Program (RLRAP), which DC Water has provided final sign-off. In February, 10 customers who qualified for the Assessment Program (RLAAP) received an assessment. Now that the MOU is fully executed, DC Water is awaiting funding to resume referring eligible customers for repair services.



### Metrics:

The team met all its targets this month.

### Key Performance Indicators

Metric	Target/ Service Level	Dec 25	Jan 26	Feb 26
% of bills issued on time (w/in 5 days)	97%	99.1%	98.8%	98.4%
% unbilled	< 2%	0.2%	0.2%	1.1%
# of bill investigations (Disputes)	trend only	226	178	213
% Bill Investigations/Dispute Resolution <= 30 Days	80%	92%	82%	88%
% of calls answered in 60 Seconds (Call Center) (revised)	75%	79%	80%	76%
Monthly call volume served (Call Center)	trend only	10,359	10,041	9,600
Average Wait Time (minutes) (revised)	<0:50	:47	:40	:47
Abandon rate	3%	2%	2%	2%
Emergency dispatch <= 10 Min (ECC)	> 92%	100%	100%	100%

### The Payment Plan Incentive Program participant and payment distribution:

#### The Payment Plan Incentive Program

Adjustment Year	No. Accounts that Received Credits*	Adjustments
FY 2024	470	\$122,307
FY 2025	2,250	\$601,461
FY 2026	1,151	\$64,787

#### FY 2026 Payment Plan Incentive Program

Adjustment Month	No. Accounts that Received Credits*	Adjustments
Oct-25	114	\$35,091
Nov-25	409	\$118,605
Dec-25	133	\$41,988
Jan-26	215	\$74,553
Feb-26	118	\$40,497
Mar-26	162	\$64,787
<b>FY26 Distribution</b>	<b>1,151</b>	<b>\$375,521</b>

\*This is the total number of distributions. (61 new accounts with no previous credits.)

\*\*Previous YTD and MTD excluded October count and incentive credits posted.

### IT Monthly Report

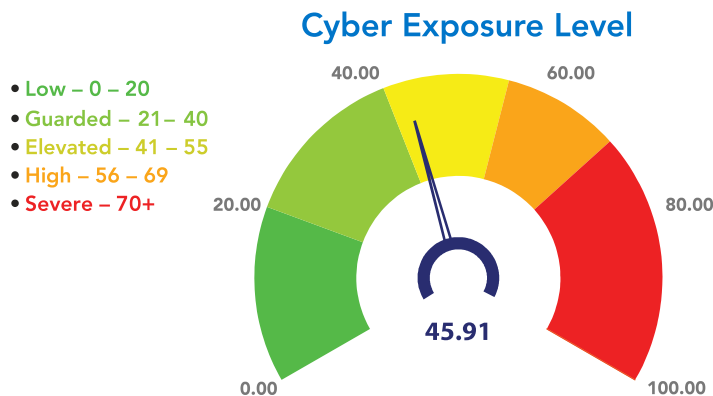
Metric	Target	Dec 25	Jan 26	Feb 26
Number of tickets submitted	Trend only	777	684	1081
Number of open tickets	Trend only	28	23	31
SLA Compliance Rate	98%	98.2%	98%	100%
Number of active projects	Trend only	10	9	10
Number of completed projects	Trend only	1	0	0
On schedule performance	90%	90%	100%	90%
On budget performance	90%	90%	100%	100%
Cyber Awareness Training Compliance	97%	57.13%	57.13%	87.20%

### Cyber Security Risk Profile

**Cyber Awareness Training Compliance:** The current exposure score is 43.32, 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 Exposure 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.

**Cyber Risk Level:** Completion rates continue to improve following the reset of the annual training cycle and are expected to rise as required training is completed.




**Operations and Engineering**

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

**Key Performance Indicators**

Metric	Target/Service Level	Nov-25	Dec-25	Jan-26	Feb-26
<b>Wastewater Operations</b>					
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%	18%	24%	27%	23%
Reactive Maintenance, percent of total maintenance hours	<20%	29%	30%	27%	40%
Critical Asset Availability, percent of total critical assets at the Blue Plains AWTP	>95%	96%	97%	99%	97%
<b>Sewer Operations</b>					
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 MS4 area annually	14,700	87	1,121	2,026	3,413
*NPDES Permit Requirement to inspect the catch basins in the Combined Sewer Anacostia Tributary area twice annually.	11,400	7,293	7,500	9,288	9,305
*NPDES Permit Requirements to clean 85% of Catch Basins in the Combined Sewer area annually	9,095	5,232	5,465	5,520	5,578
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	6.54	5.4	4.9	17.6
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	7	7	2	9
SSO's to Body of Water	Report	0	4	1	2
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	0.84	1.35	1.5	2.2
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0	0.3	0.4	0.5
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	Nov-25	Dec-25	Jan-26	Feb-26
<b>Pumping Operations</b>					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	14%	17.53%	11%	21%
Critical Asset Availability	>95%	98%	98%	98%	98%
<b>Water Operations</b>					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	24	11	11	7
Approved Hydrant Flow Tests (Non-Winter Months)	>180	103	45	65	42
Fire Hydrant Operational Rate	99%	99.8%	99.86%	99.87%	99.88%
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%	93%	97%	95%	97%
Water Main Breaks	<28/Month	27	74	73	140
Water Main Break Rate /100 Miles (National Average is 25)	25	46.10	43.26	30.17	37.95
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
<b>Permit Operations</b>					
Overall On-time completion of Permit Reviews	90%	100%	100%	100%	99%
<b>Lead Free DC</b>					
Lead Service Line Replacements	100%*	93%	68%	74%	49%
Material Verifications	100%*	87%	76%	119%	75%
Right-of-Entry Authorizations	100%*	170%	183%	172%	200%
Payment Time	30 Days	26.2	27.7	**	26.8
Public Events & Presentations	N/A	6	10	5	9
Customer Satisfaction Score	7+	8.6	9.1	9.8	8.1

\* Target is to complete 100% of the planned activity in each month.

\*\* LFDC was working to recalculate the payment time KPI with newly implemented processes.

**Explanation of Missed Targets****Wastewater Operations Reactive Maintenance (<20 percent):**

DC Water adopted a manufacturing industry benchmark of less than 20% reactive maintenance hours, though no known comparable standard exists in the public water utility sector. Blue Plains manages approximately 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 five 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 extreme weather conditions experienced during the recent winter months have resulted in an increased number of reactive maintenance hours, due to emergency interventions necessary to resolve issues arising from these events.

**Lead Service Line Replacements:**

In February, 178 lead service lines were replaced. Continued ice and snow heavily impacted production rates.

– continued

### Explanation of Missed Targets –continued

#### Hydrant Flow Tests (Non-Winter Months)

In February, the KPI goal was not met due to ongoing inclement weather.

#### Total Fire Hydrants Replaced

In February, the KPI goal was not achieved primarily as a result of persistent inclement weather conditions.

#### Miles per Month Sewer Cleaning and Inspection

While the KPI goal was met for this month, there has been a downward trend in the previous months resulting from ongoing fleet issues, which includes multiple trucks that have been out of service for months. Discussions with Mike Mundy and collaboration with vendors regarding the renting of JetVacs have allowed us to maintain our daily cleaning assignments. Inclement weather throughout the winter months has also contributed to reduced productivity. Until our fleet is restored, we will continue renting vehicles as needed.

### DC Water Capital Improvement Program



- LFDC completed 178 LSRs in February.
- Community Activator Cohort III started on February 17th.
- The team conducted in-person training on the Customer Service Excellence Framework (CSEF) to equip staff with tools to confidently engage with customers, lead with empathy, and strengthen the program's ability to deliver consistent, high-quality service.
- The Service Line Material Report Letter is now available for all customers to download on the Lead Map as official documentation.
- In February, outreach operations resulted in over 21,300 touch points, which includes over 12,400 in-person touch points.
- LFDC participated in nine stakeholder engagement events in February including three Civil and Citizens Associations, two CBO Engagements, and four ANC Presentations.



## DC Water Capital Improvement Program

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



### DC Clean Rivers Projects – Current Status

**Northeast Boundary Tunnel (NEBT):** Substantial Completion was achieved October 31, 2024. Finalizing as-builts. Well abandonment is nearing completion. District of Columbia DOB issued a Certificate of Occupancy for the W Street VCF. Agreement reached with Contractor on February 10 for closeout of remaining issues & contract completion.

**Green Infrastructure (GI) Maintenance Contracts:** GI facilities maintenance is ongoing. Clean Rivers is working with Procurement on the next contract (June 2026 award).

**Rock Creek Green Infrastructure Project C (RC-C):** Construction field work is ongoing. Fifteen facilities have been completed and four are in active construction (out of 43).

**Potomac Interceptor High Priority Sliplining Repairs:** Restoration is currently on pause during the PI emergency Response. Sliplining repair from MH-19 downstream (approx. 800 LF) by Fort Myer Construction Corporation was completed in January 2026, with final restoration to be completed in Q1 of 2026.

**Potomac Interceptor Rehabilitation:** Staff is evaluating all PI segments to determine and prioritize the critical areas that require immediate rehabilitation.

**Potomac Interceptor Break at MH17:** DC Water continues work at the break. PI has been bulkheaded, with bypass pumping to the canal to route flow back to PI. Pipe has been cleaned and is being reinforced with geopolymer to restore to service. Environmental restoration underway in parallel. Upon flow restoration, final repairs/sliplining will take place.

### 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 & conveyance for the sewer system & to reduce CSO discharges into the Potomac River.

- The north TBM assembly is ongoing, and the major forward components are in the OMS north starter tunnel. Gantries are being fitted out. Installation of other WPP mining support systems such as the North TBM grout plant, muck handling and surface conveyors, gantry crane system, TBM support shops, and the slurry treatment plant are ongoing.
- CSO-022: Secant pile installation for Near Surface Structure Support of Excavation is ongoing. Shaft excavation started.
- CSO-028: Ventilation vault concrete and UPI relocation around the drop shaft are ongoing.
- CSO-029: Construction site setup continues and shaft guide walls for the secant piles were started.
- CSO-024: Contractor continues to prepare for jet grouting. Jet grouting subcontractor mobilized.
- CSO-027: Construction site setup is ongoing.

**Piney Branch Tunnel:** A minimum 4.2-million-gallon tunnel to control CSO 049, the largest CSO to Rock Creek The Early Work Package – Roadway relocation, site setup, and design of temporary support of excavation are underway.

**dc** DC Water Capital Improvement Program

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

**Featured Project of the Month**

**Digester 3 Rehabilitation: Mixers and Roof Rehabilitation Project**

Beginning in June 2019, DWT and DWE identified recurring performance issues with the anaerobic digester mixers and initiated ongoing coordination with the equipment manufacturer (Ovivo) conducting a comprehensive evaluation of mixers across all digesters. Subsequent investigations identified deficiencies in multiple components, including tension rod bolts, centering devices, upper and lower bearing assemblies, impellers, and draft tubes. Deterioration of the roof coating system was also discovered, including bubbling and delamination of the insulation topcoat, localized water intrusion beneath failed coating areas, corrosion of the underlying steel structure, and deficiencies in the lightning protection system relative to current code requirements. These conditions required prompt action to mitigate the risk of a failure of the anaerobic digestion process. To ensure minimal interruption to plant operations, a sequential approach to the rehabilitation of the four digesters was proposed beginning with Digester 3.

The Digester 3 rehab work is being executed under the Miscellaneous Facilities Upgrades Contracts (MFU-8). To expedite the construction, the work was divided into two task orders. Task Order No. 61 under MFU-8, C Ulliman Schutte, includes digester cleaning and mixer installation for a total cost of \$840,000; and Task Order No. 64, under the MFU-8, B ACE, includes roof repairs for a total cost of \$2,995,370. Additionally, DWE issued a separate sole source purchase order with the vendor for equipment rehab in the amount of \$999,600. Construction began in February 2025, and completion is anticipated in March 2026.



Digester 3 Cleaning



Digester 3 After Cleaning



Old mixers (propellers)



Refurbished mixer propellers



Old draft tubes



Rehabilitated draft tubes



Contractor installing new draft tubes

A final walkthrough with both contractors is scheduled for the 3rd week of March. The final Reports and warranties were submitted to DCW and have been accepted by the project team.



## People and Talent

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 initiatives and the HCM Strategy.

### Highlights & Initiatives

#### Wellness

Engagement rose 26 percent, supported by strong feedback and encouragement from past participants. We also held another in-person yoga session, which drew higher attendance and generated multiple requests to expand the offering.

**Madison MacDougall** has supported the Pumping Operations team through ongoing "Wellness Moments," to Pumping Operations, offering practical support on stress management, self care, communication, and navigating change. These sessions promote reflection, connection, and open dialogue around mental health while building resilience and performance.

Ms. MacDougall has been supporting the Operations Challenge team with hands-on coaching, structured training, and tailored preparation for competition events. Her focus includes performance readiness through stress-management, confidence-building, communication, and teamwork, along with guidance on hydration, nutrition, sleep, and recovery. These combined efforts help the team perform at a high level while maintaining strong physical and mental well-being throughout the season.

#### Learning & Development– DC Water Summer Internship Program

The Summer Internship Program continues to draw strong interest, with more than 4,000 applicants across diverse fields—a reflection of both the program's strength and our standing as an employer of choice. Hiring managers are now reviewing candidates and conducting interviews. The 12-week program will begin on May 18 and conclude on August 7.

### People and Talent Metrics

Metric	Target	Dec-25	Jan-26	Feb-26
Vacancies	N/A	171	175	173
FTEs	N/A	1114	1110	1110
*Vacancy Rate	10%	13.31%	13.61%	13.48%
Temporary Alternative Duty Program (TAD) +	50% of WC claims eligible for TAD program	90%	90%	90%

\*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
+ 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	2021	2022	2023	2024	2025
Involuntary (Dismissal, Medical Disqualification)	1.01%	0.78%	1.97%	1.92%	1.93%
Voluntary (Resignation, Retirement)	4.15%	5.77%	5.55%	5.93%	4.84%
Other (Death)	0.55%	0.10%	0.09%	0.26%	0.35%
<b>Total Turnover Rate</b>	<b>5.71%</b>	<b>6.65%</b>	<b>7.61%</b>	<b>8.11%</b>	<b>7.11%</b>

NOTE: AWWA Turnover Benchmark: 7%

### Key Performance Indicators by Cluster

Cluster	Metric	Jan-26	Feb-26
Learning & Development	Total cost of tuition assistance/reimbursement	\$60,358.52	\$33,797.20
	Total # of employees participating in tuition assistance/reimbursement	21	14
	Total # of employees seeking associate's degree	0	0
	Total # of employees seeking a bachelor's degree	2	6
	Total # of employees seeking a master's degree	8	3
	Total # of employees seeking a doctorate degree	0	1
	Total # of employees seeking a certification	4	4
	Total # of employees participating in external training	11	4

**Key Performance Indicators by Cluster** – continued

Cluster	Metric	Jan-26	Feb-26
Talent Acquisition	Hires	13 (4 external, 9 internal)	10 (7 external, 3 internal)
	Positions Under Recruitment*	79	85
Separations	Separations	6	7
	Term Reasons	<ul style="list-style-type: none"> <li>• 4 voluntary (4 resignations)</li> <li>• 2 involuntary (2 dismissals)</li> </ul>	<ul style="list-style-type: none"> <li>• 6 voluntary (6 resignations)</li> <li>• 1 involuntary (1 dismissal)</li> </ul>
Benefits – Retirement Plan Participation	457(b) Pre-Tax	865 Employees Participated	866 Employees Participated
	457(b) Roth	132 Employees Participated	142 Employees Participated

**Government Affairs Highlights:**

**PFAS Update:** Maryland House Bill 1022 / Senate Bill 0686 would phase out the sale and distribution of certain products containing intentionally added PFAS and establish testing requirements for products containing those chemicals. The bills were introduced in early February 2026 and referred to committee, with the Senate cross-file receiving a committee hearing on February 24; hearings scheduled in the House occurred on March 10. In the House, a registration requirement was included in the introduced version of the bill but is being removed via amendment along with the removal of paint, internal electronic components, and the redefinition of textiles. The bill has been committed to subcommittee and is expected to move for a passage vote. House Bill 0925 / Senate Bill 0719 address PFAS contamination in sewage sludge, proposing regulatory requirements related to the use or management of sludge containing these substances. The cross-filed bills were introduced in February and have received committee hearings, including a Senate hearing on February 24 and a House hearing on February 25. Govt. Affairs is currently tracking legislative developments on each measure and will continue to provide comprehensive summaries and updates as additional hearings occur and committee or floor votes are taken.

On the Virginia side, the Office of the Secretary of Natural Resources helped steer Virginia Senate Bill 386 toward consistent terminology, Maryland-aligned annual averaging, and practical testing at the treatment plant, with provisions for addressing data spikes and alternate use of higher-concentration material. These changes also align with HB 1443. The compromise sets a July 2027 timeline for limits, establishes a middle tier up to 25 – 50 ppb at 3 DT per acre (a major operational win over the stricter 1.5 DT per acre previously proposed), avoids additional local limits and new storage restrictions, and retains permit and workgroup structures to refine implementation details, including marketing and labeling issues. DC Water’s biosolids fall into the lowest unrestricted tier. However, our VA contractor Synagro will have to comply with the notification requirement of informing landowners of our PFAS test results two weeks prior to land application. We understand our blends (marketing and distribution) are not subject to the landowner notification requirement. SB 386 is now aligned with HB 1443, which are the two omnibus PFAS is biosolids bills in Virginia, which is expected to pass the legislature.

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

	1st Quarter	FY 2026 YTD
Cases Managed	30	30
New Cases	3	3
Cases Closed	4	4
Amount Demanded of DC Water in Closed Cases	\$507,999.92	\$507,999.92
Amount Paid by DC Water in Closed Cases	\$43,000	\$43,000

\*This data is current as of 1/23/26.

**Revenue Recovery Cases**

Currently, DGLA is managing 230 open foreclosure cases and 65 active bankruptcy cases.

**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 February 2026 related primarily to the Potomac Interceptor sewer overflow.

**FOIA Data**

Open Requests	118
Requests Opened this Month	26
Requests Closed this Month	6

**Other Legal Matters**

Type of Legal Matter	# Reviewed/ Processed
Contracts	5
Agreements	3
Easements	0
Subpoenas	0

### Internal Audit CEO Report April 2026

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.

#### FY2026 Timeline



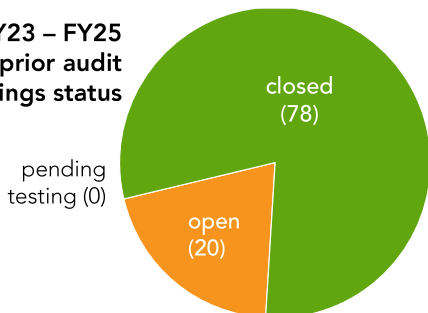
#### Open Prior Audit Findings

Audit Report / Subject	Issue Date	Open
Work Order Management Audit - DWO	7/27/2023	1
Fleet Management Audit	10/27/2023	1
Work Order Management Audit	4/11/2025	6
Safety Audit	6/18/2025	1
Strategic Plan Monitoring Audit	9/29/2025	3
Third-Party Vendor Management Audit	11/6/2025	3
Budget Monitoring Audit	11/12/2025	1
Contract Compliance Audit	12/16/2025	4
		<b>total 20</b>

**Findings Closed this month**  
1 FY25 Safety Audit Finding

At least one original remediation target date has been extended.

#### FY23 – FY25 prior audit findings status



In total, 80 percent of all prior audit findings from FY23-FY25 are closed. Management's target closure rate is 95 percent.

Previously, total audit findings were calculated from FY17 through FY25, reflecting open items that have since been resolved from FY17.

The four FY25 findings from the Contract Compliance Audit have been added to the open findings list.

As a result of focusing on a shorter reporting period and adding the remaining FY25 findings, the percentage closed has decreased to 80 percent this month.

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



**FY23-FY24 Open High Risk Prior Audit Findings\***

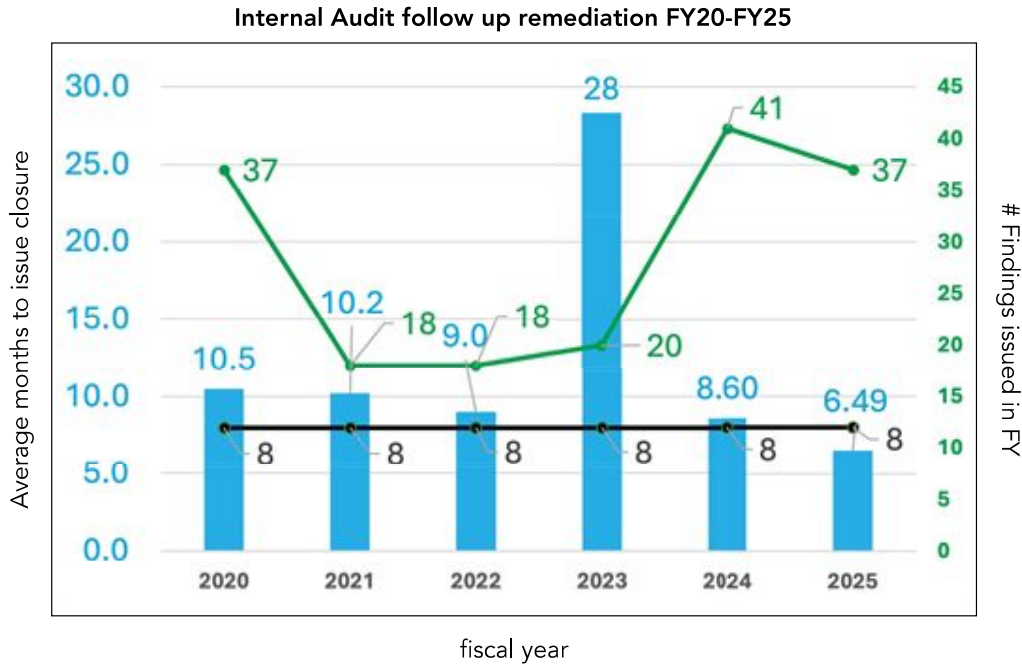
FY25 Contract Compliance Audit: Findings Distributed, Management Action Plans to be supplied during FY2026 Q2. Findings have been added into the previous page. Once management responses have been received, any high risk findings will be added to the 'High Risk Open Findings' Chart below.

Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# Extensions
2025	4/15/2025	Work Order Management-Facilities Audit	Lack of Current Asset Retirement and Disposal Standard Operating Procedures (SOPs) <i>Facilities team is currently working towards completing the set action plans.</i>	3/31/2026		

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

**Time to closure by fiscal year**

The graphs below illustrates the average number of quarters from audit finding issuance to audit finding closure year-over-year as of March 2026. Management has made significant improvements to achieve timelier audit finding closure as illustrated by the decline from FY23 to FY24. Management's target time to closure is eight months.





**Presented and Adopted: April 7, 2026**  
**SUBJECT: Approval to Publish the Notice of Proposed Rulemaking**  
**to Amend the System Availability Fee (SAF)**

**#26-23**  
**RESOLUTION**  
**OF THE**  
**BOARD OF DIRECTORS**  
**OF THE**  
**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the Authority”) at its meeting held on April 7, 2026 upon consideration of a non-joint use matter decided by a vote of \_\_\_\_ ( ) in favor and \_\_\_\_ ( ) opposed, to take the following action with respect to approval to publish the Notice of Proposed Rulemaking to Amend the System Availability Fee (SAF).

**WHEREAS**, on May 18, 2018, DC Water published a Notice of Final Rulemaking in the *D.C. Register* at 65 DCR 5674, effective June 1, 2018, to amend the System Availability Fee (SAF) regulations, revising the guidance document to determine the SAF meter size and add procedures to receive affordable housing unit credits; and

**WHEREAS**, on March 18, 2026, the DC Retail Water and Sewer Rates Committee met to consider the Cost of Service Update Study to amend the System Availability Fee (SAF) prepared by Rafetelis; and

**WHEREAS**, Raftelis presented the background, calculation approach, current and proposed amended SAF, and benchmarking data comparing the proposed amended SAF fees to the fees charged by 9 utilities in Maryland, North Carolina, and Virginia; and

**WHEREAS**, Raftelis reported the proposed SAF increase is approximately 47% for Residential projects of 3 or fewer dwelling units with meter size 1” or less, and approximately 48% for Residential projects with meter size greater than 1” and Multi-Family and Non-Residential projects, with a projected revenue of \$5.9 million at current growth levels, which are charged for new and redevelopment construction projects; and

**WHEREAS**, the CEO and General Manager recommended and requested the DC Retail Water and Sewer Rates Committee to recommend Board approval to publish the Notice of Proposed Rulemaking to receive public comments on the amended SAF; and

**WHEREAS**, on March 18, 2026, the DC Retail Water and Sewer Rates Committee after discussion of the amendments to the SAF, recommended the Board to approve the publication of the amended SAF for public comment and consideration.

**NOW THEREFORE BE IT RESOLVED THAT:**

1. The Board hereby approves the publication of the proposed amendments to the SAF regulations.
2. The Board directs the General Manager to publish the Notice of Proposed Rulemaking to amend SAF regulations at 21 DCMR § 112.11 as provided in Attachment A to receive public comments, and to take all steps necessary in his judgment and as otherwise required, in the manner provided by the District of Columbia's Administrative Procedure Act.

This resolution shall be effective immediately.

\_\_\_\_\_  
Secretary to the Board of Directors

**Attachment A – SAF Notice of Proposed Rulemaking**

**Chapter 1, WATER SUPPLY, of Title 21 DCMR, WATER AND SANITATION, is amended as follows:**

**Subsections 112.11, 112.11(a), (b), (h), (k), (o), (p), (r), (s) of Section 112, FEES, are amended to read as follows:**

112.11 Effective October 1, 2026, District of Columbia Department of Buildings (DOB) Construction Permit Applicants and federal facilities shall be assessed a System Availability Fee (SAF) for new water and sewer connections and renovation or redevelopment projects for existing connections to the District’s potable water and sanitary sewer systems based on the SAF meter size in accordance with the following fee schedule and requirements:

- (a) Residential customers shall be charged a System Availability Fee based on the SAF meter size as listed below:

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
5/8"	\$1,966	\$3,824	\$5,790
3/4"	\$1,966	\$3,824	\$5,790
1"	\$1,966	\$3,824	\$5,790
1" x 1.25"	\$4,215	\$6,297	\$10,512
1.5"	\$11,309	\$16,892	\$28,201
2"	\$22,913	\$34,225	\$57,138
3"	\$66,938	\$99,983	\$166,921

- (b) Multi-Family and all Non-Residential customers shall be charged a System Availability Fee based on the SAF meter size as listed below:

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
5/8"	\$2,640	\$3,944	\$6,584
3/4"	\$2,640	\$3,944	\$6,584
1"	\$2,640	\$3,944	\$6,584
1" x 1.25"	\$4,215	\$6,297	\$10,512
1.5"	\$11,309	\$16,892	\$28,201
2"	\$22,913	\$34,225	\$57,138
3"	\$66,938	\$99,983	\$166,921
4"	\$171,747	\$256,534	\$428,281
6"	\$472,157	\$705,247	\$1,177,404

<b>SAF Meter Size (inches)</b>	<b>Water System Availability Fee</b>	<b>Sewer System Availability Fee</b>	<b>Total System Availability Fee</b>
8"	\$472,157	\$705,247	\$1,177,404
8" x 2"	\$472,157	\$705,247	\$1,177,404
8" x 4" x 1"	\$472,157	\$705,247	\$1,177,404
10"	\$472,157	\$705,247	\$1,177,404
12"	\$472,157	\$705,247	\$1,177,404
16"	\$472,157	\$705,247	\$1,177,404

- (c) The SAF meter size shall be computed for the peak water demand, excluding fire demand in accordance with D.C. Construction Codes Supplement, as amended, Chapter 3 (Water Meters) of this title, and DC Water's Meter Sizing Instructions and Worksheets.
- (d) The SAF shall be assessed for any premise, building or structure that requires a new metered water service connection to the District's potable water and/or sanitary sewer systems.
- (e) The Net SAF shall be assessed for renovation or redevelopment projects for any premise, building or structure that uses an existing metered water service connection to the District's potable water and/or sanitary sewer systems.
- (f) For a renovation or redevelopment project on a property that already had/has a DC Water meter(s) and account(s), DC Water shall determine the Net SAF based on the difference between the property's new System Availability Fee determined by the SAF meter size(s) (SAF) and the SAF Credit determined by the old meter size(s) for the meters(s) being removed from the system:

$$\text{Net SAF} = \text{SAF} - \text{SAF Credit}$$

- (g) Properties under renovation or redevelopment shall not receive a SAF Credit for the DC Water account(s) that have been inactive for more than twenty-four (24) months prior to DC Water's issuance of the Certificate of Approval.
- (h) For any new premise, building or structure that includes one or more affordable housing unit (AHU), DC Water shall also provide an AHU Credit equal to:
- (1) AHU Credit - Five Thousand Seven Hundred Ninety dollars (\$5,790) for each AHU in a metered residential structure of three (3) or less units (e.g., single-family structure, townhouse, condominium, cooperative housing association unit, or apartment).

- (2) % AHU Credit or % Net AHU Credit - The percentage of affordable housing units credit (% AHU credit) or percentage of additional AHU credit (% Net AHU Credit) in a metered multi-family residential structure of four or more housing units (condominium, cooperative housing association, or apartment) determined as follows: % AHU (or % Net AHU) equals the number of AHUs (or Net AHU) divided by total number of residential units (RU) times one hundred (100) times the SAF:

$$\% \text{ AHU} = (\text{AHU} \div \text{RU}) \times 100$$

$$\text{AHU Credit} = \% \text{ AHU} \times \text{SAF}$$

- (i) For a renovation or redevelopment project that includes replacing existing affordable housing units and/or the construction of additional affordable housing units, DC Water shall provide a Net AHU Credit as provided in Section 112.11(h) based on the percentage of additional affordable housing units (% Net AHU) determined as follows: % Net AHU equals the number of additional AHUs (Net AHU) divided by the total number of residential units times one hundred (100):

$$\% \text{ Net AHU} = ((\text{Net AHU}) \div \text{RU}) \times 100$$

$$\text{Net AHU Credit} = (\% \text{ Net AHU}) \times \text{SAF}$$

- (j) The Net AHU shall be determined based on the difference between the total number of affordable housing units constructed after completing the renovation/redevelopment project (aAHU) and the total number of affordable housing units existing prior to the renovation/redevelopment project (bAHU). If aAHU is less than bAHU (less than zero), no Net AHU Credit will be provided:

$$\text{Net AHU} = (\text{aAHU} - \text{bAHU})$$

- (k) Projects that request AHU or Net AHU Credits shall submit one or more of the following documents:
- (1) Land Disposition Development Agreement;
  - (2) Zoning Commission Order;
  - (3) Planned Unit Development Covenant;
  - (4) Certificate of Inclusionary Zoning;
  - (5) Letter from the District financing agency that establishes the number of AHU in the property;
  - (6) A Letter from Department of Housing and Community Development (DHCD) indicating the aggregate principal amount of the loan and number of AHU in the property; or

- (7) Other documents issued by the District government or body and approved by DC Water that prescribes or sets forth the number of AHU on a property.
- (l) If the Net System Availability Fee (less AHU Credit or Net AHU Credit) is zero or less, no System Availability Fee shall be charged.
- (m) If the Net System Availability Fee (less AHU Credit or Net AHU Credit) is greater than zero, DC Water shall assess the System Availability Fee.
- (n) DC Water may request documentation to confirm the number of proposed affordable housing units that were actually constructed. If the number of constructed AHUs is less than the proposed AHUs, DC Water shall bill the property owner the amount of the AHU Credit or Net AHU Credit for the unconstructed AHUs.
- (o) For DOB Construction Permit applicants, payment of the System Availability Fee shall be a condition for DC Water's issuance of the Certificate of Approval.
- (p) [RESERVED]
- (q) For federal facilities, payment of the System Availability Fee shall be a condition of DC Water's issuance of the Certificate of Approval.
- (r) [RESERVED]
- (s) In the case that the DOB Construction Permit is not issued or is revoked or the project is not constructed, upon written request from the property owner, DC Water shall issue the property owner a refund of the System Availability Fee.

**Presented and Adopted: April 7, 2026**

**SUBJECT: Approval to Execute Amendment No. 2 of Contract No. DCFA 559, Lead-Free DC – Construction Management and Chain of Custody Coordination Services, CorGroup, LLC**

**#26-24  
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 April 7, 2026, upon consideration of a non-joint use matter, decided by a vote of \_\_\_\_ ( ) in favor and \_\_\_\_ ( ) opposed to approve the execution of Amendment No. 2 of Contract No. DCFA 559, CorGroup, LLC.

The Board of Directors hereby authorizes the CEO and General Manager to execute Amendment No. 2 of Contract No. DCFA 559, CorGroup, LLC. The purpose of this contract is to deliver program management, materials management, and chain of custody coordination services in support of the Lead-Free DC Master Service Agreement program. The total value of this amendment is \$300,000.00.

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**

**PROFESSIONAL SERVICES AMENDMENT:**

**Lead Free DC – Construction Management and Chain of Custody Coordination  
Services  
(Non-Joint Use)**

Approval to execute Amendment No. 2 for \$300,000.00. The Amendment exceeds the Chief Executive Officer's approval authority.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> CorGroup, LLC  8739 Castle Park Drive, Suite B, Indianapolis, IN 46256  80 M St SE, Washington, DC 20003	<b>SUBS:</b>	<b>PARTICIPATION:</b>  100% DBE
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**DESCRIPTION AND PURPOSE**

Original Contract Value:	\$ 840,000.00
Total of Previous Amendment	\$ 60,000.00
Current Contract Value:	\$ 900,000.00
Value of this Amendment:	\$ 300,000.00
Total Contract Value, Including this Amendment:	\$ 1,200,000.00
Original Contract Time:	365 Days (1 Year)
No. of Option Years in Contract	1 (365 Days)
Option Years Exercised:	1 (365 Days)
Contract Start Date (NTP):	07-08-2024
Contract Completion Date:	07-07-2026 (Including 1 Option Year)

**Purpose of the Contract:**

Provide program management, materials management, and chain of custody coordination services to support Lead Free DC MSA program.

**Original Contract Scope:**

This contract provides services needed to provide construction and materials management coordination for Lead Free DC (LFDC) MSA Program. Work includes:

- Contractor Coordination for all workshops and task order bidding.
- Pipe Supplier coordination for all workshops and task order bidding.
- Chain of Custody oversight for all pipe deliveries from release to receipt, to invoice approval, and to payment.
- KPI development tracking and reporting (controls & reporting).
- Miscellaneous Problem solving & assignments

Docusign Envelope ID: 4198E671-9372-4052-8439-7C528DA19A00

**Previous Amendment Scope:**

- This amendment was for the additional professional program management, materials management, and chain-of-custody coordination services in support of the Small Diameter Water Main (SDWMM) MSA program, critical valve, dead-end elimination, and SDWMM PDB projects and exercise of Option Year 1.

**Current Amendment Scope:**

- Additional funding to continue level of effort required for the program.

**PROCUREMENT INFORMATION**


<b>Contract Type:</b>	Cost Plus Fixed Fee	<b>Award Based On:</b>	Best Value
<b>Commodity:</b>	Professional Services	<b>Contract Number:</b>	DCFA 559
<b>Contractor Market:</b>	Open Market		


**BUDGET INFORMATION**


<b>Funding:</b>	Capital	<b>Department</b>	Procurement
<b>Service Area:</b>	Water	<b>Department Head:</b>	Kevin Bellamy
<b>Project:</b>	ST		

**ESTIMATED USER SHARE INFORMATION**

User	Share %	Dollar Amount
District of Columbia	100.00%	\$ 300,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
<b>Total Estimated Dollar Amount</b>	<b>100.00%</b>	<b>\$ 300,000.00</b>

Signed by:  
  
 52A2FF08EE29192 / 3/10/2026  
 Kirsten B. Williams Date  
 Chief Administrative Officer  
 and Executive Vice President

Signed by:  
  
 E25E37FD4822450 / 3/10/2026  
 Lola Oyeyemi Date  
 Acting Chief Financial Officer  
 and Vice President, Budget

DocuSigned by:  
  
 40BDAE0B31E6429 / 3/10/2026  
 Korey Gray Date  
 Vice President of Compliance  
 and Chief Procurement Officer

  
 / 4/2/2026  
 David L. Gadis Date  
 Chief Executive Officer and General Manager