dc water is life

330TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
MAY 7, 2026
(Via Microsoft Teams)

DIRECTORS PRESENT

District of Columbia Members

1. Unique Morris-Hughes, Principal, Board Chair
2. Rachna Bhatt, Principal
3. Anthony Giancola, Principal
4. Howard Gibbs, Principal
5. Richard Jackson, Principal
6. Jed Ross, Principal

Prince George's County Members

1. Kevin Stephen, Principal
2. Samuel Moki, Principal
3. Derrick Coley, 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. Ivan Boykin for Lola Oyeyemi, Acting Chief Financial Officer & EVP
4. Matthew Brown, Chief Operating Officer & EVP

5. Kirsten Williams, Chief Administrative Officer & EVP
6. Debra Mathis, Acting Secretary to the Board

The 330th 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 9:35 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Acting Board Secretary Debra Mathis called the roll, and a quorum was established.

I. APPROVAL OF THE MINUTES

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

> **Upon a motion made, the Board of Directors approved the minutes of the meeting on April 7, 2026, as presented.**

II. CHAIRPERSON'S OVERVIEW

Dr. Morris-Hughes provided an update on the Board's facilities tours. On April 7, 2026, the Board held the first in the tour series with a visit to the Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). The next visit will be to the Washington Aqueduct.

On April 30, 2026, Chair Morris-Hughes participated in apprenticeship signing day where new high school graduates pursuing careers at DC Water signed offer letters for apprenticeships. The Board will meet DC Water's summer interns at the June Board meeting.

The Authority's governance summit will take place May 17 through 19, 2026.

III. COMMITTEE REPORTS

Meeting of the Governance Committee
Reported by Howard Gibbs

The Governance Committee met on April 10.

Korey Gray, Vice President of Compliance and Chief Procurement Officer, presented the quarterly update on the DC Water Works Program, which aims to ensure 75% of new contract jobs go to local residents. Contractors retain hiring authority, and strategic partners help identify talent. The Department of Employment Services provides wraparound support. So far in FY 2026, 50 people have been placed and 80% were from the Authority's user jurisdictions. Mr. Gray discussed DC Water's high school apprenticeship programs, which offer career days, site visits, internships, pre-apprenticeships, and curriculum support for students interested in careers in the utility space.

Barbara Mitchell provided an update on DC Water's testimony before the DC Council's Committee on Transportation and the Environment. She warned that the Council's proposed disconnection legislation could shift costs to paying customers, raise rates, and create operational, financial, and legal challenges. Government Affairs is developing alternatives to protect customers while preserving operational viability.

DC Water is also working with officials and partner agencies on the Potomac Interceptor (PI) project. The president's FY 2027 budget proposes cuts to clean water infrastructure funding, and Government Affairs is monitoring developments, engaging federal partners, and using Water Week to advocate for continued federal investment. The committee also reviewed PFAS and biosolids legislation in Virginia and Maryland, including bills in Maryland that set PFAS and sewage sludge standards.

Chris Peot, Blue Drop President, reported that Bloom sales to farms remain strong despite PFAS legislation. A new curing pad and biosolids handling machine have improved storage and processing, while solar panels generate renewable energy credits. Efforts are also underway to restore sales to DC municipal golf courses. Blue Drop remains on track to meet FY 2026 sales goals, with a strong April. Maryland and Virginia legislation is expected to be signed into law with revised PFAS limits, based on discussions with bill sponsors. Land acquisition efforts are focused on a 125-acre site in La Plata for storage and farming, funded by Bloom sales and energy credits. A CREW Carbon pilot is underway to sequester carbon using calcium carbonate, with expected carbon credit revenue exceeding costs.

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

The Environmental Quality and Operations Committee met on April 15.

Nicholas Passarelli, Vice President of Wastewater Treatment Operations, reported that the Anacostia River Tunnel System captured 275 million gallons in March with no overflows. On-site energy generation was 22 percent of average treatment plant consumption for the month. There were 12,344 tons of biosolids produced, with 76 percent sold through the Blue Drop Bloom program and the remainder land applied through land application contracts.

William Elledge, Director, Capital Water and Lead Free DC, presented a proposed rulemaking to augment the District's Lead Pipe Replacement Assistance Program

(LPRAP) with a DC Water-administered “House-by-House” program. LPRAP receives approximately $300,000 annually and typically exhausts funding within three months, resulting in homeowner waitlists. About $1 million annually is needed to meet demand. The proposed program would provide a more consistent year-round solution funded primarily through federal and ratepayer resources and would expand eligibility to include high-risk populations and situations. Demand has been relatively steady and the primary constraint is reduced District funding.

Chike Monwuba, Manager, Capital Delivery, presented an overview of the Miscellaneous Facilities Upgrade (MFU) program and the proposed MFU 9 contract. The program supports rapid response to operational needs through master service agreements, allowing task orders to be issued quickly to address high-priority needs. MFU 9 expands the program to include both vertical and select linear assets and helps to efficiently transition emergency work into capital projects. Mr. Monwuba noted that four contractors have been selected for the program and that task orders will be assigned based on capacity, skill set, and availability. The committee recommended the MFU 9 contract for Board approval.

Matthew Brown, Chief Operating Officer and EVP, provided an update on the PI incident and ongoing response efforts. Pipe repairs have been completed and normal flow was restored on March 14. The environmental remediation plan has been progressing with two areas completed and full restoration expected to take 10 months. Water quality monitoring continues with results posted publicly. The Maryland Department of the Environment is also performing additional analysis.

Moussa Wone, Chief Engineer and VP, Engineering and Clean Rivers, reported that approximately 95 to 96 percent of the PI has been inspected. Data is currently being processed to inform repair prioritization and updates to the Capital Improvement Program (CIP).

Meeting of the Finance and Budget Committee
Reported by Anthony Giancola

The Finance and Budget Committee met on April 23.

Lola Oyeyemi, Interim Chief Finance Officer & EVP, presented the March 2026 Financial Report, which reflects the revised budgets. As of the end of March 2026, with 50 percent of the fiscal year completed, operating revenues were $506.5 million, or 50.1 percent of the budget; operating expenditures were $367.0 million, or 43.8 percent of the budget; and capital disbursements were $313.1 million, or approximately 34.3 percent of the budget.

Committee Chair Anthony Giancola raised concerns about the continued high staff vacancy rate of 13.2% despite a target vacancy rate of 10 percent and longer-term goal of five percent in the next fiscal year. He also asked whether management believes the revised capital budget is achievable.

Paul Guttridge, Director, CIP Infrastructure Management, stated that spending will be above the $600 million for the capital program but may not meet the revised total CIP budget of $776.8 million. He noted that staff had not been increased to meet the spending target, but external consultants are under consideration.

Tanya DeLeon, Risk Manager, provided an update on DC Water's Rolling Owner Controlled Insurance Program (ROCIP), the Potomac River Tunnel (PRT), and the addition of the Piney Branch Tunnel (PBT) to the Owner Controlled Insurance Programs (OCIP). She highlighted the value of the program for small and disadvantaged businesses and its role in providing DC Water with financial and reputational protection by managing coverage, claims, and loss control for construction projects. She also reviewed the results of the feasibility study. Key achievements include approximately $32 million in avoided costs. The provision of coverage extensions addresses pandemic-related adjustments and successful support for 261 projects, 3,366 contractors, and over $6.8 billion in construction value since 2004.

Meeting of the Audit and Risk Committee
Christopher Herrington reported for Samuel Moki

The Audit and Risk Committee met on April 23.

The Enterprise Risk Management (ERM) team provided an update on ERM activities. In April, ERM 202 refresher training was completed for employees at Grades 17 and above. Throughout May, the remaining employees will be provided training. The ERM annual report will provide a clear overview of DC Water's risk landscape, showing how risks are identified, assessed, and managed in line with strategic priorities. It will involve input from both the CEO, CFO, and various departments. The Enterprise Program Management Office recommends improving quarterly risk visibility by increasing the frequency of updates from key departments to help ensure that the Board remains aligned with evolving insights into these risk areas.

Chris Collier, Vice President Water Operations, provided an update on the Non-Revenue Water (NRW) Initiative, noting a collaborative effort with EPMO to address non-revenue Water and DC Water's high loss rates. On April 21 and 22, a workshop brought together stakeholders involved in non-revenue water work from various departments. Participants identified 70 issues related to non-revenue water.

There was a slight increase in the data validity score from the 2024 to 2025 audit. Further improvement is expected with a new support network and consultant team to provide better insight into losses.

In terms of prior audit findings, all high-risk findings from prior to 2025 have been completed, and the safety audit findings have been completed and closed. There are currently 20 open findings, four of which are high-risk. It was noted that the target closure rate for audit findings is 95 percent and is currently at 80%. The average time to complete audit findings was 7.13 months in 2025, which is below the target of eight months.

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

The Retail Water and Sewer Rates Committee met on April 28.

Syed Khalil, Vice President of Rates and Revenue, shared the financial report for the period ending March 31, 2026. Year-to-date revenue was on track with a slight favorable variance. DC Housing Authority (DCHA) receipts were $1.6 million below budget in March because DCHA did not make the March payment for the February billed amount. The payment was received on April 3, 2026, which will be reflected in the next month’s report. Delinquencies decreased by $1.8 million, mainly due to $1 million payment from Georgetown University

Marcus McKenzie, Acting Director of Customer Care, provided an update on delinquencies over 90 days past due and management’s efforts to reduce the balances. As of March 31, 2026, the delinquency balance was $31 million across 12,130 accounts. The top 200 delinquent accounts represent about half of the balance, and 83 multi-family accounts total over $10 million, indicating significant concentration among a small group of customers. He reviewed DC Water’s collection efforts, which include participation in the annual tax sale, offering flexible payment terms and incentives, and special payment terms following disconnection.

Mr. McKenzie also reviewed challenges in completing collection activities, in particular for multi-family properties, some of which have been delinquent since the pandemic. In some cases, the outstanding balances and accumulated fines are so high that they are unresolvable. Some properties have massive leaks that are unresolved despite DC Water’s repair notices. Addressing disconnect-eligible delinquent properties involves a complex communication chain that includes partner agencies, the DC Council, association groups, and cooperatives.

Mr. McKenzie confirmed that DC Council members receive regular multi-family disconnection reports and are apprised of the highest delinquent properties in their respective wards.

The Board discussed measures to prevent customers from tampering with meters and restoring their service without authorization. An additional challenge in collections arises when customers contest their bills. Addressing these disputes is challenging because DC Water cannot test meters for billing accuracy while the test bench is out of service. The procurement team is purchasing a new test bench.

Finally, Mr. McKenzie reviewed the available options for lowering delinquent balances, which include all Customer Assistance Programs and the Lead-Free DC Program. To recover revenue, the Authority will reinstate multi-family disconnections, explore a targeted amnesty program, extend the PPIP through FY 2027, and establish a one-time courtesy adjustment program for FY 2026. Additionally, the Authority will continue working collaboratively with District agencies and advocacy groups to enhance tenant awareness and ensure timely notifications.

Meeting of the Executive Committee
Reported by Dr. Unique Morris-Hughes

The Executive Committee met on May 5 to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

IV. CEO AND GENERAL MANAGER'S REPORT

Chief Executive Officer and General Manager David L. Gadis announced that DC Water has received the 2026 Green Bond of the Year Award from Environmental Finance for achieving a Kestrel Sustainability Score in the top 1% of all evaluated bonds in the wastewater and stormwater sectors. Graduate student Lily McDonald won a speech writing contest at her school and donated the $125 prize to DC Water's SPLASH program.

He then provided an update on the PI response. Expanded water testing was conducted for three weeks in April. Results from the sample sites remained within limits of E. coli. Cleanup operations are progressing within the C&O Canal.

Mr. Gadis cohosted a high-level CEO round table with the CEO of the National Association of Clean Water Agencies to discuss aging infrastructure and other challenges facing water utilities.

At the April 13 MWCOG Water Security Working Group meeting, DC Water’s reuse efforts were highlighted along with other DC Water initiatives. These efforts were referenced as part of the portfolio of regional resilience solutions.

On April 14, the Potomac River low-flow allocation agreement hosted its annual meeting at the Interstate Commission on the Potomac River Basin. For the first time in recent history, DC Water represented the District of Columbia. Dr. Rabia Chaudhry, Director of Water Supply Resilience, delivered a status update on Pure Water DC program to all major Washington-area utilities in attendance.

Last week, Mr. Gadis and Dr. Morris-Hughes attended the meeting of the three Washington Aqueduct wholesale customers. Attendees shared their unique challenges and needs and committed to continuing dialogue and enhancing our communications at both staff and executive levels.

Last month, DC Water launched tunnel boring machine Mary, marking the official start of the excavation of the $819 million project. Mary will advance from the West Potomac Park toward Georgetown University while her sister machine, Emily, will arrive later in the spring to excavate south, completing the 5.5-mile tunnel system. Once complete in 2030, the Potomac River Tunnel will help protect the river and the Chesapeake Bay, strengthen critical infrastructure and deliver lasting environmental and public health benefits for the District for generations to come.

Board member Anthony Giancola noted that Contracting Officer's Technical Representative (COTR) training is being redeveloped and inquired whether training would continue during the updates. Mr. Gadis confirmed that it does. He also asked whether the DOEE’s Bill B26-0243, the Automatic Enrollment for Utility Affordability Programs Act of 2025 would impact DC Water. Kirsten Williams, Chief Administrative Officer and EVP, noted the bill would make it less administratively burdensome for persons eligible for multiple assistance programs by streamlining the application process.

Amber Jackson, Chief People Officer and EVP, People and Talent, discussed strategies to address DC Water’s vacancy rate by expanding on traditional recruitment methods with consideration for industry best practice. Data analysis is being carried out to identify roadblocks and technologies to advancing recruitment methods. There are also plans to expand the apprenticeship program. She confirmed her office is adequately staffed for recruitment procedures and noted that she can add staff turnover metrics data to the CEO’s report.

V. CONSENT ITEMS FOR APPROVAL (JOINT USE)

1. Approval to Execute the Award of Contract No. 260010 (A, B, C, D), Master Service Agreements for the Miscellaneous Facilities Upgrade Phase 9 (MFU-9), Multiple Firms – **Resolution No. 26-25** (Recommended by the Environmental Quality and Operations Committee 04-15-26)

Upon a motion made, the Board of Directors voted to approve Joint-Use Resolution No. 26-25 as presented.

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

1. Approval to Execute the Award of Contract No. 10473, Green Infrastructure Maintenance, National Services Contractors, Inc – **Resolution No. 26-26** (Recommended by the Environmental Quality and Operations Committee 04-15-26)
2. Approval to Publish the Notice of Proposed Rulemaking to Establish House By House Lead Pipe Replacement Assistance Program and Priority Full Lead Water Service Line Replacement Program – **Resolution No. 26-27** (Recommended by the Environmental Quality and Operations Committee 04-15-26)
3. Approval to Change Date for the Public Hearing and Extend Comment Period for the Proposed Rulemaking for the FY 2027 & FY 2028 Rates. Charges and Fees – **Resolution No. 26-28** (Recommended by the DC Retail Water and Sewer Rates Committee 04-28-26)

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolution No. 26-26 as presented. Rachna Bhatt abstained.

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolution No. 26-27 as presented.

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolution No. 26-28 as presented.

VII. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 10:38 a.m. to obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A).

VIII. ADJOURN

The Board reconvened in open session at 12:06 p.m. and, hearing no further business, the meeting adjourned at 12:07 p.m.

Follow-Up Actions:

1. Amber Jackson will add staff turnover metrics to the CEO's report.

Debra L. Mathis

Debra L. Mathis
Acting Secretary to the Board of Directors