



District of Columbia Water and Sewer Authority Board of Directors

333rd Meeting of the Board of Directors

Thursday, September 3, 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** Debra Mathis, Acting Board Secretary
- III. **[Approval of the Minutes for the July 2, 2026 Board Meeting](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 - 1. [Governance Committee \(Howard Gibbs\)](#)
 - 2. [Human Resources and Labor Relations Committee \(Jed Ross\)](#)
 - 3. [Environmental Quality & Operations Committee](#); and the [Special Meeting of the Environmental Quality & Operations Committee \(Christopher Herrington\)](#)
 - 4. [Finance and Budget Committee \(Anthony Giancola\)](#)
 - 5. [Audit and Risk Committee \(Samuel Moki\)](#)
 - 6. [DC Retail Water and Sewer Rates Committee \(Rachna Bhatt\)](#)
- VI. **[CEO and General Manager's Report \(Matthew T. Brown\)](#)**
- VII. **Consent Items (Joint Use)**
 - 1. [Approval of Award and Authorization to Execute Contract No. 10638, Electric Energy Services and Electricity Generation and Transmission, Direct Energy Business, LLC \(aka NRG\) – Resolution No. 26-51](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
 - 2. [Approval to Exercise Contract Modification to Add Funding and Extend Option Year 7 of Contract No. 10240, Electric Energy Services and Associated Energy Generation and Transmission Services, Constellation New Energy, Inc. – Resolution No. 26-52](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
 - 3. [Approval of Award and Authorization to Execute IDIQ Contract Nos. 10631, 10633 and 10634, Industrial High Pressure and High Vacuum Truck Services: Riviera Enterprises LLC, Jet Blast Inc. and Carter & Carter Enterprise Inc. – Resolution No. 26-53](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)

4. [Approval of Award and Authorization to Execute Contract No. 10637, Microsoft Enterprise Licenses Agreement, Dell Marketing LP – Resolution No. 26-54](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
5. [Approval to Amend Transfer of Projected FY 2026 Net Cash Surplus to Days of Cash and to Rate Stabilization Fund to offset Public Inconvenience Fee \(PIF\) in FY 2027 and FY 2028 – Resolution No. 26-55](#) (Recommended by the Finance and Budget Committee 07-23-26)
6. [Approval of Proposed Revised Fiscal Year 2026– 2035 Ten-Year Financial Plan – Resolution No. 26-56](#) (Recommended by the Finance and Budget Committee 07-23-26)
7. [Approval of Award and Authorization to Execute Master Service Agreements \(MSAs\) with Five \(5\) Qualified Contractors, Contract No. 260040, Potomac Interceptor Rehabilitation: Anchor Construction Corporation, Clark Michels JV, Garney Companies, Inc, SAK Construction, LLC and Ulliman Schutte Construction, LLC – Resolution No. 26-57](#) (Recommended by the Environmental Quality and Operations Committee 08-31-26)
8. [Approval of Supplemental Agreement No. 1 for \\$1,500,000.00 for Beveridge & Diamond, PC for Privileged and Confidential Legal Services – Resolution No. 26-58](#) (Subject to Approval by the Full Board at its September 3, 2026 meeting)

VIII. Consent Items (Non-Joint Use)

1. [Adoption and Approval to Publish the Notice of Final Rulemaking to Establish House By House Priority Full Lead Water Service Line Replacement Program – Resolution No. 26-59](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
2. [Approval of Award and Authorization to Execute an Architectural and Engineering Contract No. DCFA #572-WSA for, Water Program Management Consultant, HDR Engineering, Inc – Resolution No. 26-60](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
3. [Approval to Execute Change Order No. 02 of Contract No. 220110, Water Infrastructure Rehabilitation and Replacement Contract FY23-FY25, Capitol Paving of DC Inc. – Resolution No. 26-61](#) (Recommended by the Environmental Quality and Operations Committee 07-16-26)
4. [Approval to Publish Notice of Final Rulemaking for Fiscal Years 2027 and 2028 Retail Metered Water and Sewer Service Rates, Right-of-Way \(ROW\), Payment-in-Lieu of Taxes \(PILOT\) Fee, Clean Rivers Impervious Area Charge \(CRIAC\), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate – Resolution No. 26-62](#) (Recommended by the DC Retail Water and Sewer Rates Committee 07-28-26)

- 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.

Upcoming Committee Meetings | via Microsoft Teams

- September 16th @ 9:30 am Human Resources & Labor Relations Committee with Union Presidents
- September 17th @ 9:30 am Environmental Quality and Operations Committee
- September 22nd @ 9:30 am DC Retail Water and Sewer Rates Committee
- September 24th @ 9:30 am Finance and Budget Committee

Next Board of Directors' Meeting | In-person

Thursday, October 8, 2026 @ 9:30 am

*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.



**332ND BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
JULY 2, 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
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
4. 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. Ernest Tuckett III, Chief Legal Officer & EVP
3. Gregory Hope, VP & Associate General Counsel
4. Lola Oyeyemi, Interim Chief Financial Officer & EVP
5. Matthew Brown, Chief Operating Officer & EVP
6. Kirsten Williams, Chief Administrative Officer & EVP
7. Debra Mathis, Acting Secretary to the Board

The 332nd 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 www.dewater.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 Board of Directors meeting on June 4, 2026, and the Special Board of Directors meeting on June 5, 2026.

Upon a motion made, the Board of Directors approved the minutes of the Board of Directors meeting on June 4, 2026, and the Special Board of Directors meeting on June 5, 2026, as presented.

II. CHAIRPERSON'S OVERVIEW

Dr. Morris-Hughes thanked DC Water staff for coordinating the call with Councilmember Charles Allen to discuss concerns with storm water and the public inconvenience fee. She reiterated how DC Water remains committed to keeping rates affordable to all citizens while providing quality water service and strong infrastructure.

Dr. Morris-Hughes highlighted DC Water's June 23, 2026, virtual public hearing on the proposed FY 2027–2028 retail rates, fees, and charges, and confirmed that presentations from both Management and the independent consultant are available on DC Water's website. She also noted that the Board appreciated the public testimony and perspectives shared during the hearing and that the Board remains committed to balancing the Authority's infrastructure and operational needs with customer affordability.

Dr. Moussa Wone was congratulated on being named the 2026 Underground Construction Association Person of the Year. In addition to Dr. Matt Ries and Dr. Rabia Chaudhry were congratulated for their work in advancing the Pure Water Discovery Center.

Planning is underway for facility tours for the Board, and Dr. Morris-Hughes confirmed that additional details would be shared once available.

She also reminded the Board that an invitation to attend the groundbreaking for Piney Branch Tunnel was circulated to all Board members. The event is scheduled for July 9, 2026, from 9:00 a.m. to 12:00 p.m.

Lastly, Dr. Morris-Hughes recognized the recent appointment of Mr. Ernest Tuckett III as DC Water's Chief Legal Officer.

III. COMMITTEE REPORTS

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

The Environmental Quality and Operations Committee met on June 18, 2026, via Microsoft Teams.

The Committee received updates on Blue Plains performance, project delivery methods, biosolids legislation, the Potomac Interceptor, and several key contract actions. Blue Plains remained in compliance with NPDES permit requirements in May, with the Anacostia River Tunnel System capturing 85 million gallons and on-site power generation supplying approximately 24% of the plant's average energy needs. In addition, there were approximately 17,858 tons of biosolids produced, with approximately 2,945 tons sold through the Blue Drop program, resulting in a normal seasonal decline in bloom sales.

William Elledge, Director of Capital Water and Lead-Free DC, Kevin Bellamy, Director of Procurement, and Jamal Jones, Manager of Contract Compliance and Business Development, provided a review of the project delivery options under ROCIP, including traditional and progressive delivery models and the procurement considerations that guide method selection. Staff highlighted factors such as scope, risk, complexity, schedule, market conditions, and design readiness, as well as certified business participation and local hiring requirements.

Chris Peot, Director of Resource Recovery, provided an overview of Maryland and Virginia biosolids PFAS legislation, noting continued engagement with legislators to help protect Bloom sales and the need to monitor potential future restrictions.

The Committee also received an update on the Potomac Interceptor, including ongoing environmental rehabilitation work, community outreach, odor concerns during repairs, and recent comments from the Maryland Department of the Environment that remain under review.

Several contract actions were reviewed, including the emergency sewer main infrastructure repair and replacement contract modification with Anchor Construction, the on-call structural rehabilitation change order for the Rock Creek Main Interceptor, and the Headworks, Electrical, and Primary Treatment CMAR amendment at Blue Plains. These actions support high-priority rehabilitation, emergency response capacity, and reliability improvements across critical infrastructure.

The Committee agreed to advance four joint-use and two non-joint-use action items to the full Board for consideration. The Committee concluded by reviewing next month's agenda.

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

The DC Retail Water and Sewer Rates Committee met on June 23, 2026.

Syed Khalil, Vice President of Rates and Revenue, presented a report for the period ending May 31, 2026, providing an overview on cash receipts while highlighting that DC Water is approximately \$2.7 million below budget. Receipts in Residential, Commercial, Multi-Family and District Government were noted as below budget due to lower water consumption, with the expectation of improvement during the summer. DC Housing Authority receipts were additionally below budget, and wholesale customer receipts remained on track.

Delinquencies decreased by approximately \$700,000 from May, notwithstanding an increase of 47 accounts. Permit refunds issued in June totaled approximately \$80,000 across 17 accounts, compared with approximately \$1 million across 35 accounts in the prior month. Lola Oyeyemi, Interim Chief Financial Officer and EVP, reported preliminary year-end projections showing revenues 0.9% to 1.0% above budget, capital spending at approximately 93% of plan, operating expenses approximately \$8 million under budget, and an estimated net cash surplus of \$22 million.

Ms. Oyeyemi recommended allocating the projected FY 2026 cash surplus of approximately \$22 million to strengthen DC Water's financial position and support key priorities. The proposed allocation included funding the Rate Stabilization Fund, increasing days of cash on hand, supporting FY 2027 permit refunds, extending the Payment Plan Incentive Program, increasing the DC Insurance Reserve, and applying the remaining balance to PAYGO to reduce future borrowing.

Ms. Oyeyemi emphasized the importance of meeting cash-on-hand and RSF policy targets to preserve DC Water's strong credit profile. Staff will provide the Finance and Budget Committee with recommendations for the use of the projected cash surplus.

Additionally, there was a discussion on the previously approved policy to increase the required days of cash on hand to 350 days by 2032 along with keeping the retail rate increase for FY 2027 below 6%.

Marcus A. McKenzie, Acting Director of Customer Care, submitted a request to the committee recommending that the Board extend the Payment Plan Incentive Program through September 30, 2027, with \$1 million in FY 2027 funding from the projected FY 2026 net cash surplus. A detailed overview of the program was relayed to the committee, while committee members discussed whether the program was effective in reducing the overall number of delinquencies as well as necessary guardrails to prevent re-enrollment of the same customers. The Committee supported the extension and discussed adding guardrails, including a two-default maximum for incentive eligibility beginning in FY 2027.

An update was provided on the system availability fee (SAF), with Ms. Oyeyemi requesting for the committee to recommend Board approval to publish a NOFR for amendments to the SAF regulations. Ms. Ogechi Okpechi, Director of Permit Operations, confirmed that SAF charges are assessed only following a thorough plan review and sufficient project information is available to accommodate fees relating to projects already in the permitting process. Following that discussion, the committee recommended that the Board approve publication of the NOFR.

The rate-making work plan was reviewed, and the public comment period on the proposed rates closed on June 29, 2026. The final rate recommendations will be presented to the Committee in July 2026, and the Board is expected to consider approval at its September 2026 meeting. The revised rates would become effective on October 1, 2026, if approved.

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

The Executive Committee met in emergency session on June 23, 2026, 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 June 25, 2026.

The May 2026 Financial Report was presented by exception by Lola Oyeyemi, Interim Chief Financial Officer and EVP. Operating revenues totaled approximately \$690.3 million as of the end of May 2026, with a year-to-date (YTD) unfavorable variance of -0.4%. This

was because of a lower-than-expected consumption in the Residential, Commercial, and Multi-Family categories.

Total operating expenses were approximately \$487.6 million, with a YTD variance of 1% in O&M. YTD spending was approximately \$20 million higher than the same period last year due to cost pressures in water, electricity, critical parts, supplies and chemicals. These costs will continue to be monitored. Capital disbursements totaled approximately \$465.1 million, and cash investments were approximately \$656.2 million. Delinquent accounts declined by approximately \$700,000, and approximately \$81,000 in permit refunds were processed in May, bringing the FY 2026 total to \$2.7 million.

Tanya DeLeon, Risk Manager, provided an update on DC Water's operations insurance program, which was successfully renewed for approximately \$7.59 million. The largest exposure to DC Water is flood risk, and the flood sublimit for designated high-hazard locations had been increased from \$25 to \$50 million. Ms. DeLeon briefed the Committee on key coverages in the new policy and noted that additional premium options for the Employment Practices Liability Insurance (EPLI) were explored due to the cost increase. Key milestones were summarized on DC Water's ROCIP 7 plan along with an overview on current active programs and coverages.

Marcus A. McKenzie, Acting Director of Customer Care, presented a request for the Committee to recommend to the full Board to extend the Payment Plan Incentive Program through September 30, 2027, and to fund the program with the projected FY 2026 net cash position.

The FY 2026 mid-year projections for operating revenue are expected to be approximately \$1.02 billion due to DC Water's strong financial outlook. Capital disbursements are projected to stand at approximately \$725.9 million and operating expenses at \$829.3 million, with projected O&M cost pressures being primarily chemicals, utilities, and water purchases.

Committee member Christopher Herrington reviewed the draft resolution on procurement procedures and direction to the general manager, and Board members were invited to provide feedback before the Special Governance Committee meeting on June 29, 2026, and final Board consideration on July 2, 2026.

The Committee reviewed and recommended four action items.

*Special Meeting of the Governance Committee
Reported by Howard Gibbs*

The Governance Committee met on June 29, 2026.

The Committee discussed the draft resolution on procurement procedures recommended by both the Environmental Quality and Operations Committee and the Finance and Budget Committee. An overview of the four main provisions of the resolution was presented by member Christopher Herrington. It was noted that the purpose of the resolution was to strengthen procurement oversight, including timely contract notifications, quarterly reporting, legal sufficiency reviews and standardized terminology.

Following the discussion, the Committee agreed to advance the resolution to the full Board for consideration after reviewing staff feedback.

IV. CEO AND GENERAL MANAGER'S REPORT

Chief Executive Officer and General Manager David Gadis opened by informing the Board of two staff members, Andrew Asiimwe and Jonathan Shanks, who had passed away in recent weeks. Services for Mr. Asiimwe took place on June 19, 2026, and the date for services for Mr. Shanks would be shared with the Board when the information was available. The Board observed a moment of silence for both staff members.

Public Outreach Canvassers Marte Garner and Derrick Ross were recognized for their heroic efforts in responding to a medical crisis and for saving a life on June 25, 2026, and Mr. Gadis thanked them for their service.

Mr. Gadis then provided his State of the Utility Report. The Authority issued a press release on June 9, 2026, on DC Water making emergency repairs to a section of the Potomac Interceptor, noting deterioration on a stretch of pipe following recent examinations. Bypass pumping is being constructed, with anticipated operations by late July, and full repair of the Interceptor by the end of September 2026.

On June 10, 2026, Mr. Gadis provided welcoming remarks at the Pure Water DC Discovery Center groundbreaking. Additional Pure Water DC updates were shared with ACE26 attendees at a special event on June 21, 2026, showcasing renderings of the Discover Center to water executives and industry officials. In addition, DC Water staff lead discussions around infrastructure, resilience, digital transformation, water reuse and customer engagement.

Also at ACE26, DC Water introduced Clearly Circular Beverages, an educational initiative promoting public confidence in the safety, quality, and long-term potential of purified recycled water. In partnership with Bluejacket Brewery and the Orange County Water District, DC Water developed a blonde ale and ginger ale that were enthusiastically received by conference attendees and utility leaders worldwide.

DC Water also participated in Pride Weekend celebrations on June 21 and 22, 2026. The boil water advisory in Ward 3 was lifted as of June 6, 2026.

Employees Robert J. Simpkins and Bisrat Abebe were promoted to Director and will be working under Chris Collier, Vice President of Water Operations.

Mr. Gadis provided an overview of the financial performance for FY 2026, noting DC Water remains on track with the revised budget. The eligible procurement actions for May, 2026, totaled \$203.3 million. Certified Firm Participation stood at \$84.1 million, with Non-Certified Firm Participation at \$193.19 million. The overview included the process improvement and overall outreach and engagement along with various program highlights.

He noted that a comprehensive Vacancy-Management Strategy Plan was in development and would be presented to the Board following additional Committee feedback.

V. CONSENT ITEMS FOR APPROVAL (JOINT USE)

1. Approval to Execute Change Order No. 2 of Contract No.230050, Emergency Sewer Main IR&R Contract for FY24-FY27, Anchor Construction Corporation– **Resolution No.26-39** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
2. Approval to Execute Change Order No.02 of Contract No.250030, On Call Structural Rehabilitation, Structural Preservation Systems, LLC – **Resolution No. 26-40** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
3. Approval to Execute Construction Manager at Risk (CMAR) Amendment No. 1 of Contract No.250040, Headworks and Primary Upgrades CMAR Portfolio, Ulliman Schutte Construction – **Resolution No. 26-41** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
4. Approval to Execute and Fund Option Year Eight (8) and Option Year Nine (9) of Contract No. 19-PR-DET-22, Capital Project Contract Management Software, Oracle American, Inc. – **Resolution No. 26-42** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
5. Approval of Revised Procurement Procedures and Direction to the General Manager – **Resolution No. 26-43** (Recommended by the Environmental Quality and Operations Committee 06-18-26; Finance and Budget Committee 06-25-26; and the Governance Committee 06-29-26)

6. Approval to Award Contract No.10632 and Execute Rolling Owner Controlled Insurance Program 7 (ROCIP7), Alliant Insurance Services, Inc. – **Resolution No. 26-44** (Recommended by Finance and Budget Committee 06-25-26)
7. Approval to Transfer the Projected FY 2026 Net Cash Surplus of \$22,084,546 to PAYGO, Rate Stabilization Fund and Ending Cash Balance for Permits Refunds, DC Insurance Reserve, Payment Plan Incentive Program, and to Increase Days of Cash on Hand in FY 2027 – **Resolution No. 26-45** (Recommended by the DC Retail Water and Sewer Rates Committee 06-23-26; and Finance and Budget Committee 06-25-26)

Upon a motion made, the Board of Directors voted to approve Joint-Use Resolutions No. 26-39 through 26-45 as presented.

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

1. Approval to Award Three Base Years and Two Option Years of Contract No.260060, Water Infrastructure Rehabilitation and Replacement Contract FY27-FY29, Capitol Paving of DC Inc. – **Resolution No. 26-46** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
2. Approval to Participate in District of Columbia Department of Transportation I-695 Ramp D4 and 11th Street, SE Improvements Under the Terms of the 2002 Memorandum of Agreement with DC Water – **Resolution No. 26-47** (Recommended by the Environmental Quality and Operations Committee 06-18-26)
3. Adopt and Approve Publication of Notice of Final Rulemaking to Amend System Availability Fee Regulations – **Resolution No. 26-48** (Recommended by the DC Retail Water and Sewer Rates Committee 06-23-26)
4. Approval to Transfer One Million from the Cash Surplus to the Authority General Fund in FY 2027 to Extend the Payment Plan Incentive Program – **Resolution No. 26-49** (Recommended by the DC Retail Water and Sewer Rates Committee 06-23-26 and the Finance and Budget Committee 06-25-26)

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolutions No. 26-46 through 26-49 as presented.

VII. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 10:42 a.m.

- To obtain legal advice and preserve attorney-client privilege or settlement terms 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).

VIII. CONSENT ITEMS FOR APPROVAL (JOINT USE)

The Board reconvened in open session at 12:08 p.m.

- Approval to amend the agenda to include “Approval of the Appointment of Interim CEO and General Manager Matthew Brown – Resolution 26-50”

Upon a motion made, the Board of Directors voted to amend the agenda to include Resolution No. 26-50, as amended.

- Approval of the Appointment of Interim CEO and General Manager Matthew Brown – **Resolution No. 26-50**

Upon a motion made, the Board of Directors voted to approve Joint-Use Resolution No. 26-50 as presented.

ADJOURN

Hearing no further business, the meeting adjourned at 12:15 p.m.

Debra L. Mathis
Acting Secretary to the Board of Directors



**GOVERNANCE COMMITTEE
MINUTES OF THE MEETING**

July 8, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Howard Gibbs, Chair, Principal, District of Columbia
2. Richard Jackson, Vice Chair, Principal, District of Columbia
3. Unique Morris-Hughes, Principal, District of Columbia
4. Anthony Giancola, Principal, District of Columbia
5. Christopher Herrington, Principal, Fairfax County
6. Rachna Bhatt, Principal, District of Columbia
7. Samuel Moki, Principal, Prince George's County
8. Fariba Kassiri, Principal, Prince George's County
9. Oluseyi Olugbenle, Alternate, Prince George's County
10. Jimmy Ortiz, Alternate, District of Columbia

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager and COO & EVP
2. Lola Oyeyemi, Interim Chief Financial Officer & EVP
3. Kirsten Williams, Chief Administration Officer & EVP
4. Ernest Tuckett III, Chief Legal Officer & EVP
5. Debra Mathis, Interim Secretary to the Board

The Governance Committee meeting was called to order by Howard Gibbs, Chairperson, at 9:30 AM. The meeting was held via Microsoft Teams. Interim Board Secretary Debra Mathis called the roll.

I. BLUE DROP QUARTERLY UPDATE

Chris Peot, Director, DCW Resource Recovery, provided the quarterly Blue Drop update. He noted Blue Drop's continued growth through its five primary diversified revenue streams, including renewable energy credits, Bloom sales, intellectual property royalties, HQO event rentals, and cell tower revenue.

Renewable energy credits (RECs) are at approximately \$4.5 to \$4.6 million year-to-date and are expected to exceed last year's annual total of \$4.9 million. Bloom has generated approximately \$300,000 in revenue and \$2.1 million in savings through May. Bloom sales are ahead of schedule, with 46,000 tons sold, or 75% of the annual 61,000-ton goal.

Intellectual property revenue has increased, with royalties from marketed patents over 50% ahead of last year's income. HQO event rentals total \$173,000, and the facility continues to showcase DC Water to the community. Cell tower revenue is approximately \$140,000.

Patents generating revenue this year include Digestivore, inDense, DEMON, and Migrate, for which payments have been made to named inventors. Additional revenue has been realized for annamox seed, a starter inoculate seed for wastewater systems' nutrient removal process. Net revenue from these patents will be used for further Blue Plains research projects.

Bloom's ten-year anniversary will be celebrated with an event at HQO in August.

Year-to-date, Bloom has contributed \$2.1 million in savings to DC Water and generated \$300,000 in revenue. April met a new sales record of 11,000 tons, supported by the newly installed curing pad.

Marketing highlights include an upcoming Axios DC feature. WTOP's Bloom coverage has been nominated for a local Emmy.

Blue Drop is also progressing on the Bloom farm acquisition. A 47-acre parcel on Turkey Hill Road has been purchased at below the approved rate. Negotiations are ongoing for an additional 78 acres in Charles County.

Next, Mr. Peot discussed regulatory developments in Maryland and Virginia, which both passed PFAS bills in the last legislative session. While the initial draft of the Maryland legislation included a de facto ban on PFAS, lobbying by Blue Drop and other parties prompted a revision to distinguish between industrially impacted and municipal biosolids and to set a limit of 50 parts per billion for land application. DC Water's Bloom product is expected to remain unaffected because its PFOS/PFOA levels are below the applicable thresholds.

HQO event rentals are performing well, with 35 events booked for FY 2026, approximately 15,000 guests hosted, \$430,000 in booked events, and \$173,000 in revenue received for the year to date.

Blue Drop returned \$2.5 million in net revenue to DC Water for credit to IMA partners.

Blue Drop maintains the accountant-recommended amount of operating cash in reserve. A third-party FY 2026 financial audit was requested by IMA partners. The accountant was

hired through the Council of Governance (COG), per the recommendation. A report is expected before the end of the fiscal year. The Committee requested access to the completed audit and management report.

Chair Gibbs noted that he would contact the Board Chair about appointing a DC Board member to the Blue Drop Board to address a longstanding vacancy.

II. FY 2026 CERTIFIED BUSINESS UTILIZATION STATUS UPDATE

Korey Gray, Vice President and Chief Procurement Officer, and Jamal Jones, Manager, Contract Compliance and Business Development, provided the update on DC Water's FY 2026 certified business utilization from October, 2025 through June, 2026.

Mr. Gray noted that the program is based on social and economic disadvantage, not a race-based certification. The utilization goals are project-specific. While they are not quotas, contractors must demonstrate good faith efforts to meet the goals through outreach, engagement, and documented results.

DC Water also monitors post-award performance by measuring achievement in dollars paid, ensuring timely payment, and verifying that certified firms perform a commercially useful function.

DC Water continued to meet or exceed its utilization goals for certified firms with a current utilization of 34.8% toward a 34% goal. Of roughly \$1.01 billion in board-approved procurement actions, approximately \$297 million went to certified Disadvantaged Business Enterprise (DBEs) and approximately \$54 million to certified Women Business Enterprises (WBEs).

Committee member Rachna Bhatt asked why performance was only slightly above the goal and whether this result raises concerns that the goal may not be met for future projects. Mr. Gray noted that individual project goals continue to be met. He explained that the collaborative delivery approach reduces opportunities for stand-alone professional services. However, for Guaranteed Maximum Price (GMP) projects, there is an opportunity to set more aggressive goals. DC Water encourages contractors to identify certified firms as key partners with the prime teams. Mr. Gray also noted that 56% of the work awarded under the program has been awarded to firms principally located in the region.

Additionally, DC Water is navigating challenges stemming from federal executive orders requiring recertification of firms, affecting approximately 41,000 firms in the region. Mr. Gray noted that DC Water does not directly certify firms and relies on certifications granted by the Maryland Department of Transportation (MDOT), the District of Columbia's Department of Transportation (DDOT), the Small Business Administration, and other certification bodies. Another challenge is the elimination of the "rebuttable presumption" standard, under which certain firms were automatically treated as certified DBEs or WBEs

unless certifying agencies disproved that status. Now, firms seeking certification must prove they qualify as a DBE or WBE, which has slowed the recertification process.

DC Water is also supporting certified and local firms through additional utilization efforts, mentor-protégé relationships, and consortium-building, which enables firms to pursue larger work collaboratively.

Committee member Anthony Giancola inquired if there is federal oversight on local certifying bodies. He also asked why the Environmental Protection Agency (EPA) does not have a certification program. Mr. Gray noted that the EPA once had a certification program modelled on the US Department of Transportation. He noted that there were only approximately 100 firms in the EPA's certification database. Regional agencies now rely on the Department of Transportation's programs.

Mr. Gray noted that the Department of Small and Local Business Development's (DSLBD) local business program remains active, focusing on local and small firms. Firms are certified as local first and may then receive additional designations. There is concern that federal funding could be affected if programs do not comply with federal DOT requirements. Due to recent executive order changes, DC Water is not setting new utilization goals for federally funded projects, and the EPA has discontinued certain reporting and monitoring requirements, leaving decisions to individual jurisdictions. DC Water has chosen to continue its program; however, some other jurisdictions have ended DBE programs tied to federal funding. Mr. Gray noted that there are alternatives for achieving utilization, including race-conscious versus race-neutral approaches.

The Committee discussed whether some very large firms should continue to count as DBEs. Mr. Gray clarified that DC Water no longer counts firms that do not meet appropriate size and certification standards. The Committee suggested exploring a formal DC Water policy on graduation thresholds for firms that outgrow disadvantaged status. Mr. Gray will provide additional follow-up on a potential policy in writing.

III. GOVERNMENT AFFAIRS UPDATE

Barbara Mitchell, Associate General Counsel and Director of Government Affairs & Public Policy, provided an update on recent legislative and oversight activities impacting the Authority.

District Engagement

District engagement efforts continued to focus on legislative and policy matters that have direct implications for DC Water's operations, customers, infrastructure, investments, and long-term strategic priorities.

In response to the District's proposed public inconvenience fee (PIF) and stormwater fees, DC Water and Board members advocated against added customer burdens. The

combined impact of DC Water's proposed rate adjustments and the District fees would be approximately \$11 per month for the average residential customer, or a 7.5% increase, with approximately \$3.64 due to District fees. In response to DC Water's advocacy, the DC Council adopted a first-reading amendment to sunset the increased public inconvenience fees beginning October 1, 2030, and to preserve a 60-day grace period before the fee is charged. Ms. Mitchell noted that the grace period provides DC Water with the necessary time to avoid the PIF on most permits; however, the fees will still impact DC Water's Clean Rivers projects, which cannot be completed within the grace period.

Ms. Mitchell reviewed recent election results in DC and Maryland and noted that additional documentation on policy and operational implications will be shared with the Board.

DC Water Billing and Disconnection Modernization Amendment Act

Regarding the DC Water Billing and Disconnection Modernization Amendment Act of 2025, Government Affairs is working with Customer Care, Legal, and Finance on amendments. The work is approximately 80% complete and aims to codify existing practices while ensuring agencies responsible for customer assistance carry the statutory obligations, rather than placing those burdens primarily on DC Water. Ms. Mitchell noted the importance of Board guidance, as certain provisions of the legislation may affect the Board's authority.

Facility Tours

The Executive Office of the Mayor contacted Government Affairs to request a DC Water facility tour for participants in the 2026 District Leadership Academy Summer Fellows Program. Government Affairs, in coordination with Stakeholder Engagement, is arranging the visit, which is tentatively scheduled for July 24, 2026.

Additionally, Government Affairs sent a letter to the Washington Aqueduct on May 8, 2026 requesting a facility tour. The tour has been confirmed for July 24, 2026.

Strengthening Air Pollution Permitting Amendment Act

Hamza Masud, Senior Program Manager, Government Affairs, provided an update on the Strengthening Air Pollution Permitting Amendment Act of 2026. DC Water reviewed the bill's potential operational impacts, particularly on its Blue Plains Advanced Wastewater Treatment Plant (BPAWTP). The bill focuses on strengthening air pollution permitting requirements. Government Affairs team engaged with Councilmember Parker, the bill's sponsor, on June 3, 2026, to discuss DC Water's approach and operational considerations. DC Water also testified during the June 4 hearing and submitted formal comments for the legislation.

Ms. Mitchell noted that the current language would require DC Water to turn off the water treatment plant if it were in violation of the bill's requirements. A letter has been drafted to outline DC Water's concerns. Mr. Masud will provide a copy of the letter to the Board Secretary for circulation to the Committee.

Federal and Regional Engagement

DC Water participated in a congressional hearing titled "Corrosion, Collapse and Cleanup: Examining the Potomac Interceptor Collapse," submitted testimony, and responded to follow-up questions. Government Affairs has also engaged with multiple congressional offices and submitted or prepared letters advocating for infrastructure funding and restoration of key programs.

FY27 Water Infrastructure Funding Advocacy Efforts

Ms. Mitchell reviewed the amounts requested by DC Water to fund community projects.

Committee member Christopher Herrington noted the very precise and small amounts for each request and inquired whether DC Water is pursuing congressional directorate funding.

Ms. Mitchell confirmed that DC Water has requested all potential funding, including some community funding. She noted that the table included in the report is not exhaustive. She confirmed engagement with Virginia representatives and senators to request funding from the congressional directorate. She also confirmed ongoing advocacy for funding for Pure Water DC. She clarified that while there is interest in Pure Water DC and related legislation, the Washington Aqueduct acquisition was not included in discussions and has not been a recent focus of conversations on Capitol Hill.

IV. ADJOURN

Hearing no further business, the meeting adjourned at 10:49 p.m.

Follow-Up Actions:

1. Howard Gibbs will contact the Board Chair about appointing a DC Water Board member to the Blue Drop Board.
2. Mr. Gray will provide additional follow-up regarding a potential policy on forms that outgrow disadvantaged status.
3. Hamza Masud will provide the Board Secretary with DC Water's letter outlining the Authority's concerns about the Strengthening Air Pollution Permitting Amendment Act for distribution to the Committee.



**MINUTES OF THE MEETING
HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE
JULY 8, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Jed Ross, Chair, Principal, District of Columbia
2. Jimmy Ortiz, Vice Chair, Alternate, District of Columbia
3. Derrick Coley, Alternate, Prince George's County
4. Howard Gibbs, Principal, District of Columbia
5. Unique Morris-Hughes, Principal, District of Columbia
6. Oluseyi Olugbenle, Alternate, Prince George's County

OTHER BOARD MEMBERS PRESENT

1. Christopher Herrington, Principal, Fairfax County

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager and COO & EVP
2. Lola Oyeyemi, Interim Chief Financial Officer & EVP
3. Kirsten Williams, Chief Administration Officer & EVP
4. Amber Jackson, Chief People Officer & EVP
5. Ernest Tuckett III, Chief Legal Officer & EVP
6. Debra Mathis, Interim Secretary to the Board

I. CALL TO ORDER

The DC Human Resources and Labor Relations Committee meeting was called to order by Chairperson Jed Ross at 11:00 AM. The meeting was held via Microsoft Teams. Interim Board Secretary Debra Mathis called the roll.

Chair Ross opened the meeting with a moment of silence in honor of Jonathan Shanks, president of AFGE Local 872. Committee members and Management shared remembrances of Mr. Shanks, highlighting his warmth, kindness, dedication, and firm advocacy for union members.

II. LABOR RELATIONS UPDATE

Shawn Brown, Vice President, Employment, Labor, and HR Compliance, provided the update, reviewing progress on several items.

Union Representation in Meetings

The issue of union representation in meetings has been resolved with Local 872, and no further concerns are anticipated.

Wastewater Treatment Operator Promotion Request

Preliminary analysis has been completed in response to Local 631's request for promotions for wastewater treatment operators. The next step is to complete a compensation study. If the results support moving forward, the second phase will involve negotiating an exchange with the unions.

Sick Leave Coding

Sick leave coding has been discussed with the union presidents, and the matter has advanced to litigation. A hearing is scheduled for September, 2026. Mr. Brown noted that the Authority remains open to discussing a potential settlement with the union.

Union Request for Retirement Committee Membership

Outside counsel has been engaged to advise on the union's request for a seat on the Retirement Committee. Counsel's advice will be shared with the Chair and the Committee when the review is complete. Mr. Brown agreed that DC Water has a duty to keep union leadership informed of all substantive Committee actions.

Committee member Christopher Herrington inquired about the updates to job descriptions for Blue Plains Laboratory positions, requested by Local 631. Amber Jackson, Chief People Officer & EVP, noted that Ms. Haydee De Clippeleir has drafted new job descriptions for these positions, which are under review by union leaders.

III. HR UPDATE

Ms. Jackson provided the update. HR continues to focus on attracting, developing, and retaining a highly effective workforce for DC Water in support of the Authority's core mission.

Recent HR activity included participation in the American Water Works Association ACE 2026 conference. Ms. Jackson participated on a panel focused on developing the workforce of the future. The Authority-wide LinkedIn Learning launched on July 1, 2026. The previous learning vendor offered a more limited range of content categories and

licensing at a significantly higher cost. Further training and engagement will be rolled out with Team Blue to help employees understand the platform, how to use it, and how to maximize its value.

The summer internship program is well underway with 51 new interns. Intern work will be showcased at the expo at the end of the internship program.

Talent acquisition and recruitment updates include the onboarding of the new Chief Legal Officer Ernest A. Tuckett, III, and the new Chief Information Officer Jesse Hillman, both of whom are in their second week. An update on the Chief Financial Officer role will be provided as the process moves forward.

Benefits and wellness programming continues to show strong engagement and participation. An upcoming self-care workshop remains one of the most well-attended wellness events. Employee self-care continues to be encouraged in recognition that employee well-being supports stronger service to the Authority. An employee health screening day is also upcoming. The prior screening day offered comprehensive vision, hearing, and biometric screenings at a single location, allowing employees to move from station to station. Feedback from the event was highly positive. Some employees reported that screenings identified previously unknown health conditions that may have become more serious without early detection.

Vacancy Mitigation and Workforce Evolution Strategy

Ms. Jackson reviewed the Vacancy Mitigation and Workforce Evolution Strategy to address high staff vacancy rates at DC Water.

She noted that the Authority's persistent vacancy burden is straining operational capacity, inflating overtime costs, and creating single points of failure as experienced staff retire. She further noted that traditional recruitment alone cannot solve a structural workforce problem.

The strategy is built on four pillars:

- A Vacancy Management Policy with a 90-Day Rule
- Data-driven backlog triage;
- Use of AI and technology to redesign repetitive roles; and
- Expanded apprenticeship pipelines for trade and entry-level positions.

The goal is to reduce aged vacancies, which are positions open more than 90 days, by 25 to 35 percent within 12 months. The strategy also aims to build a future-ready workforce through reskilling, automation, and internal talent development, reducing reliance on limited external labor markets.

DC Water's urgent workforce challenge is driven by four factors: an aging workforce, a competitive recruitment market, operational risks posed by vacancies in critical

infrastructure roles, and disruption from AI and automation.

A vacancy management policy is being developed with the Finance and the Budget team to clarify when unfilled positions should be released, reassessed, or retained. Workforce data will be used to identify the causes of vacancy delays, including backlogs, the time to fill positions, and differences by position type.

The resulting strategy will account for role-specific hiring challenges and require an AI and technology review before backfilling positions, where appropriate.

Apprenticeships, entry-level roles, and partnerships with Lincoln Tech and other workforce programs will be expanded to strengthen pathways into DC Water.

The immediate target is to reduce the number of positions vacant for more than 180 days, beginning with the oldest vacancies. Longer-term planning will focus on futureproofing roles through reskilling, automation, upskilling, and stronger knowledge retention.

Strategic drivers include mitigating retirement risk, with some departments having more than 50% of employees eligible to retire, and growing market competition for specialized roles. Competition from other utilities, private industry, and large employers reinforces the need to evaluate compensation, career pathways, and retention factors.

Operational continuity remains a key driver as DC Water must maintain staffing levels to support critical infrastructure and uninterrupted service.

A new policy will also outline consequences for allowing vacancies to persist, such as losing the option to fill a position, and strategies to identify when departments require additional resources to complete hiring tasks.

A proposed 90-day vacancy management rule would require departments to demonstrate progress on vacant positions by taking actions such as reviewing job descriptions, posting roles, recruiting, sourcing candidates, or documenting a valid reason for delays. By 45 days, HR and the department would review the recruitment strategy, compensation, grade level, and any barriers to advancing the position. At approximately 76 days, continued retention of the position may require vice president approval and may trigger a review for elimination, conversion, or reassignment. At 90 days, unresolved vacancies would escalate to Ms. Jackson and the CFO for joint review unless the position is business-critical or there is a justified reason for delay. The goal is to move vacancies into recruitment more quickly and reallocate unused positions to areas of greater organizational need.

The Committee asked Ms. Jackson to develop a position inventory report disaggregating the number of positions that take longer than 90 days to fill from the total population of vacant positions, with entries grouped by department. Additionally, they requested a list and status report of colleges that HR is working with to source skilled staff, and the

number of DC residents in the paid summer internship program.

The Committee discussed concerns that some positions may be difficult to fill due to talent shortages. Ms. Jackson confirmed efforts to partner with DC's universities and colleges to strengthen the talent pipeline.

Ms. Jackson also noted that some departments had been advised not to backfill vacant positions while the Authority was under spending restrictions and were unaware that this advisory had been lifted.

Going forward, monthly position inventory reports will be used to identify vacancy hotspots, assess root causes, and guide targeted action by department, role type, vacancy age, and process status. The goal is to move beyond broad vacancy counts and provide the Board with clearer data on where delays occur, how long positions remain open, and which actions are being taken to resolve barriers.

The proposed vacancy management policy will require active progress toward filling vacant positions, rather than allowing departments to retain them without taking action to fill them. Positions that remain inactive may be escalated and potentially redirected to higher-priority organizational needs.

A mandatory technology and AI review for each vacancy will ensure that AI is considered a tool to improve efficiency, safety, productivity, and service delivery, rather than a strategy to replace employees. The review will be applied thoughtfully by role and department, recognizing that many skilled trades, and operator, laboratory, and infrastructure-related positions require hands-on work and cannot be meaningfully replaced by AI.

An organization-wide AI strategy will be developed in collaboration with the new CIO, People and Talent, and the Legal and Risk teams. AI training protocols will be developed to protect the Authority while enabling employees to use appropriate tools safely and productively.

Expansion of the apprenticeship program will begin with an initial target of 10 to 15 additional apprentices.

The 30-, 60-, and 90-day Roadmap to Implement the Strategy

Ms. Jackson reviewed the 30-, 60-, and 90-day implementation roadmap for the new strategy.

In the first 30 days, the team will upload and analyze the Position Inventory Report, identify vacancy hot spots, convene a vacancy war room, and prioritize the top 20 vacancies based on criticality and age. The team will also audit job descriptions for positions vacant for more than 90 days, draft the Vacancy Management Policy for legal

and labor review, map applicant tracking system funnel data to identify key drop-off points, and brief the CEO and Board on the vacancy risk landscape.

During the 31-to-60-day period, the team will apply an AI-reimagining lens to all vacancies open for more than 90 days, review compensation bands for market-lagging roles, identify 10 to 15 vacancies suitable for apprenticeship pathways, and launch targeted sourcing campaigns for priority positions. The team will also brief union representatives on apprenticeship expansion and the vacancy management policy, begin rewriting job descriptions for reskilled positions, and establish a vacancy KPI dashboard to be reported biweekly to the Chief People Officer.

During the 61-to-90-day period, the team will finalize and publish the Vacancy Management Policy, post the first cohort of apprenticeship opportunities, and begin AI tool pilots for two to three augmented roles. The team will also complete reviews of positions marked for elimination, issue the first 30-day progress report relative to the baseline vacancy rate, announce a reskilling program for internal candidates, and establish six- and twelve-month vacancy-reduction targets.

Ms. Jackson confirmed that the team is essentially at day zero of the roadmap; however, some activities are already underway. Mr. Herrington expressed concern that the People and Talent team has been addressing long-standing vacancies for approximately 16 months but is only now adopting this strategy. He asked which vacancy-strategy metrics would be provided to the Board to track progress. Ms. Jackson noted that reporting would include data from the position inventory report. Mr. Herrington noted that the vacancy policy should include clear reporting metrics for tracking compliance and progress. Ms. Jackson also confirmed that in some cases, positions may be held open to remain available for apprentices to fill upon completion of the apprenticeship program.

The Committee noted that the strategy must show how hiring managers will be held accountable for timely action and how unresolved vacancies will be escalated.

Committee member Derrick Coley recommended completing desk audits to assess individual employees' responsibilities and duties. Ms. Jackson confirmed that this process is being utilized. She also confirmed that employee responsibilities are being assessed to determine which tasks could be assisted by AI. Mr. Herrington was concerned that the requirement to conduct an AI review for all open positions on day zero of a vacancy may delay hiring activities.

Wayne Griffith, Chief of Staff and EVP, Strategy and Performance, noted that his team has an HR business partner who serves as a program manager and resource for department-level workforce planning, including discussions on resignations, backfills, reprogramming, position needs, and organizational challenges.

The Committee noted that clarification is needed regarding how the work of an HR partner is documented, how consistently it is carried out across departments, and how it will be

integrated into the broader strategy and reporting process.

Committee members expressed concern that long-standing vacancies have not been addressed urgently and that existing reports have not provided sufficient detail to evaluate progress. The Committee emphasized that filling vacancies is a core management responsibility and that department leaders must be accountable for promptly communicating with HR about postings, reclassifications, restructurings, compensation, or other required actions to fill vacancies.

The Committee requested additional follow-up items, including the draft vacancy management policy, a written workforce strategy, average time-to-fill data, details on laboratory job descriptions shared with unions, existing AI-use policies, notes on the apprenticeship program structure, and proposed metrics for monthly Board updates.

Mr. Herrington requested a written strategy document on how the apprenticeship program addresses vacancies and reports progress to the board. He asked for monthly briefings on the 30-, 60-, and 90-day milestones.

IV. ADJOURN

Hearing no further business, the meeting adjourned at 12:39 p.m.

Follow-Up Actions:

1. Provide an update on the status and duration of union review for the Blue Plains Laboratory job descriptions before the meeting ends.
2. Ms. Jackson is to develop a position inventory report disaggregating the number of positions taking longer than 90 days to fill out of the total population of vacant positions, with entries grouped by department.
3. Ms. Jackson is to provide a status report on colleges that HR is working with to source skilled staff, and the number of DC residents that are part of the paid summer internship program.
4. Ms. Jackson is to provide the Committee with the draft vacancy management policy, a written workforce strategy detailing how the apprenticeship program will address vacancies, average time-to-fill data, details on laboratory job descriptions shared with unions, existing AI-use policies, notes on the apprenticeship program structure, and proposed metrics for monthly Board updates.
5. Ms. Jackson is to provide the Committee with monthly briefings on the 30-,

60-, and 90-day milestones.

6. Provide a detailed description of the apprenticeship program structure, including how apprentices impact vacancy numbers and FTEs, and plans for future expansion.
7. Distribute existing policies related to employee use of AI to the committee and board for review.



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
July 16, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Christopher Herrington, Chairperson, Principal, Fairfax County
2. Howard Gibbs, Principal, District of Columbia
3. Alexander McPhail, Alternate, District of Columbia
4. Samuel Moki, Principal, Prince George County
5. Unique Morris-Hughes, Board Chair, District of Columbia
6. Amy Stevens, Alternate, Montgomery County

DC WATER STAFF PRESENT

1. Matthew Brown, Interim CEO and General Manager
2. Ernest Tuckett, Chief Legal Officer
3. Kirsten Williams, Chief Administrative Officer and EVP
4. Lola Oyeyemi, Interim Chief Financial Officer
5. Debra Mathis, Acting Secretary to the Board

I. Call to Order and Roll Call

The Environmental Quality and Operations Committee meeting was called to order by Chairperson Christopher Herrington, at 9:30 AM. The meeting was held via Microsoft Teams, and Debra Mathis, Acting Secretary to the Board, called the roll for attendance.

Minutes of July 16th, 2026, Environmental Quality & Operations Committee Meeting

II. Executive Session

After a motion and majority vote, the Committee moved into executive session at 9:34 am to obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A).

III. June 2026 Blue Plains Wastewater Treatment Plant Performance

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for June 2026, with an average daily flow of 245 million gallons per day (MGD) and a peak flow of 316 MGD recorded on June 23, 2026. During the month, approximately 2.8 inches of rainfall were recorded, with 85 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 (CHP) system producing an average of 7.2 megawatts (MW). Solar generation provided an additional average of 0.5 MW. Total electricity consumption at Blue Plains averaged approximately 27.6 MW, with approximately 21.3 MW purchased from the Pepco grid.

Regarding biosolids operations, Mr. Passarelli reported that Blue Drop sold just over 4,000 tons of Bloom biosolids in June, bringing the fiscal year-to-date total to just over 50,000 tons. Blue Plains produced approximately 14,500 tons of biosolids during the month, with the remaining 10,500 tons managed through the land application program.

IV. Potomac Interceptor Update

Matthew Brown, Interim CEO and General Manager, and Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers Project, provided the monthly Potomac Interceptor (PI) update. Mr. Brown reported continued progress on environmental rehabilitation at the C&O Canal site, noting that recent soil sampling returned positive results, allowing restoration of the canal clay layer and remaining rehabilitation work to move forward in coordination with the National Park Service. He also reviewed the project schedule, including planned drainage channel restoration, continued water quality monitoring near the Potomac River, and ongoing environmental rehabilitation activities through Fall 2026.

Dr. Wone provided an update on progress related to condition assessment of the PI. Field work is almost complete and processing of field data from the assessments is ongoing. Results from the assessments will be used to identify emergency and high-priority rehabilitation projects for the PI. The team is currently developing the draft Capital Improvement Program (CIP) for the remainder of the PI.

Dr. Wone reported that the status of emergency projects remained largely unchanged from the previous month, with all but the high-priority emergency projects currently under construction and progressing well. He presented construction updates and site photos, including permanent repairs at the Manhole 17 break, work at Moody Creek, and projects at Dulles Airport and Broad Run. Committee Member Howard Gibbs inquired whether the pipelines for the two projects shown in red would be sliplined. Dr. Wone clarified that Cured-in-Place Piping (CIPP) will be used for the Dulles Airport and Broad Run projects, as they are small pipes. Mr. Gibbs also asked whether new pipe would be installed. Dr. Wone clarified that the pipe would be Cured In Place, and sliplining will be used for the Muddy Creek Project. Dr. Wone also reported that no odor complaints had been received since the previous meeting, indicating that odor mitigation measures at the Manhole 17 site continue to be effective. Looking ahead, he stated that next steps include continuing environmental rehabilitation at the C&O Canal, advancing emergency construction projects, and developing the draft CIP.

V. Non-Revenue Water (NRW) Water Loss Reduction Program

Chris Collier, Vice President, Water and Sewer Operations, provided an update on DC Water's non-revenue water (NRW) program, outlining efforts to improve water-loss measurement, data accuracy, leak detection, AMI performance, meter testing, and future water audits. He reported that DC Water is establishing an enterprise Water Stewardship Team, developing additional boundary metering downstream of the Washington Aqueduct, preparing an AMI RFQ, and allocating approximately \$9 million over three years for AMI improvements. Mr. Collier also noted that small meter testing has resumed, large meter testing equipment has been procured, and staff recently benchmarked best practices with the San Antonio Water System. DC Water will continue routine audits, mitigation measures, and capital planning based on improved operational data.

Committee Member Alexander McPhail asked for clarification on the term "systematic data handling." Mr. Collier explained that it refers to ensuring consistent and accurate handling of metering and billing data from the point of water measurement through billing and back into the annual water audit, thereby improving confidence in reported water loss data. Dr. McPhail also inquired about DC Water's long-term target for reducing non-revenue water. Mr. Collier responded that, based on benchmarking with peer utilities, a realistic goal is to achieve a 5 to 7 percent reduction over the next three to five years, while noting that the utility must first improve its ability to distinguish between apparent and real water losses. Chairperson Herrington thanked Mr. Collier for the presentation and commended the benchmarking effort and the overall direction of the non-revenue water program.

VI. House by House Rulemaking Public Comments

William Elledge, Director, Capital Water and Lead-Free DC, summarized public comments on the proposed House-by-House Rulemaking and requested the Committee's recommendation for Board adoption. He explained that the program expands eligibility for private-side lead service line replacements to address remaining partial lead service lines, including properties with young children, pregnant or nursing residents, elevated lead levels, child development facilities, and emergency situations. The public comment period ran from May 22 through June 23, 2026, with outreach through press releases, social media, DC Water's website, and stakeholder engagement. Comments were grouped into 16 categories; staff recommended no changes for 13 categories and proposed technical clarification to the definition of a partial lead service line. Mr. Elledge asked the Committee to advance the final rulemaking to the full Board for approval in September, with implementation expected at the start of the new fiscal year.

Chairperson Herrington noted that he had previously requested additional information on the public outreach conducted during the comment period and acknowledged that staff had provided a comprehensive explanation of the outreach efforts, including press releases, social media, direct engagement with lead advocacy groups, and use of Lead-Free DC communication channels. With no further questions or objections from Committee members, the Committee agreed to recommend approval of the final House-by-House Rulemaking to the full Board.

VII. Fact Sheet: Contract No. A57200 Water Program Manager

Mr. Elledge presented a fact sheet requesting the Committee's recommendation to award an \$80 million Water Program Management Contract for a five-year term consisting of three base years and two option years. He explained that the contract, while awarded to a new consultant, continues DC Water's existing Water Program Management function supporting the planning, design, and delivery of the drinking water capital program. The consultant will provide program management and technical support services, including capital planning, construction management, owner's advisory services, and technical studies.

Mr. Gibbs asked for clarification regarding the consultant's responsibilities. Mr. Elledge explained that the consultant supports capital planning, project prioritization, technical analyses, system modeling, construction management, and operational support. Dr. Wone added that the contract extends beyond traditional program management to include studies, construction management, and operations and maintenance support.

Chairperson Herrington noted that the contract continues DC Water's existing approach of using a resident consulting engineer model. With no further objections, the Committee recommended approval of the contract award to the full Board.

VIII. Fact Sheet: Contract No. 10638 Electric Energy Services and Electricity, Generation and Transmission

John Pappajohn, Director, Procurement, Goods & Services, presented background on DC Water's recent electricity procurement in support of two contract actions: the award of a new \$129 million electricity supply contract and a \$16.5 million modification to the existing contract to extend service for two months and ensure a seamless transition. He explained that DC Water retained an energy consultant to support the competitive solicitation, evaluated fixed-price and block-and-index pricing models, and selected the block-and-index approach to balance budget certainty with market flexibility. Mr. Pappajohn reported that eight vendors submitted nine proposals, including one nuclear energy proposal that was rejected because it did not satisfy DC Water's renewable energy requirements and would have resulted in higher costs. Following two rounds of technical and price evaluations, staff recommended award to the highest-ranked proposer.

Chairperson Herrington thanked staff and commended the procurement effort and associated cost savings. With no objections from Committee members, the Committee recommended approval of both contract actions to the full Board.

IX. ACTION ITEMS

The Committee reviewed and recommended approval of the four Joint Use and one Non-Joint Use Fact Sheets.

Joint Use

- a. Contract No. 230050 – Electric Energy Services and Electricity Generation and Transmission
- b. Contract No. 10240 – Constellation New Energy, Inc. – Constellation New Energy, Inc.
- c. Contract No. 10631, 10633, 10634 – Industrial High Pressure and High Vacuum Truck Services – Multiple Contractors

Dr. McPhail asked whether DC Water had previously owned vacuum trucks and performed the work in-house. Mr. Passarelli explained that the contract supports Blue Plains, which has historically relied on contractors for these services, while DC Water-owned vacuum trucks are used for sewer collection operations. Dr.

McPhail also asked whether purchasing trucks should be evaluated in the future. Mr. Passarelli responded that contracting has proven more efficient because Blue Plains requires the equipment only intermittently but agreed to revisit the analysis.

- d. Contract No. 10637 – Microsoft Enterprise Agreement License Renewal – Dell Marketing LP

Non-Joint Use

- a. Water Infrastructure Rehabilitation & Replacement Contract FY23–FY25

X. Agenda for September 2026 Committee Meeting

Chairperson Herrington reminded Committee members that August is a recess month for the Board and asked members to share any comments on the September agenda in advance. He also encouraged members to attend the upcoming Customer Appreciation Day at the Washington Aqueduct before adjourning the meeting with no further business.

XI. Adjournment

The meeting was adjourned at 11:27 AM.



MINUTES OF THE MEETING
SPECIAL MEETING OF THE ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
August 31, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Sarah Motsch, Vice Chair, Alternate, Fairfax County
2. Howard Gibbs, Principal, District of Columbia
3. Dr. Samuel Moki, Principal, Prince George County
4. Amy Stevens, Alternate, Montgomery County

OTHER BOARD MEMBERS PRESENT

1. Anthony Giancola, Principal District of Columbia
2. Jennifer Macedonia, Principal, Montgomery County

DC WATER STAFF PRESENT

1. Matthew Brown, Interim General Manager
2. Kirsten Williams, Chief Administrative Officer and EVP
3. Lola Oyeyemi, Interim Chief Financial Officer
4. Dr. Moussa Wone, Chief Engineer & Vice President
5. Kevin Bellamy, Director of Procurement, Capital Programs
6. Debra Mathis, Acting Secretary to the Board

I. Call to Order and Roll Call

The Special Meeting of the Environmental Quality and Operations Committee meeting was called to order by Vice Chair Sarah Motsch, at 1:02 PM. The meeting was held via Microsoft Teams, and Debra Mathis, Acting Secretary to the Board, called the roll for attendance

II. Fact Sheet: Contract No. 260040 Potomac Interceptor Rehabilitation

Dr. Moussa Wone presented the request for the Environmental Quality and Operations Committee to recommend Board approval of \$350 million Potomac Interceptor rehabilitation Construction Manager At Risk (CMAR) Master Service Agreement (MSA) to five pre-qualified contractors. Dr. Wone noted that DC Water has inspected more than 99% of the Potomac Interceptor. He explained that the inspection results are being

used to classify rehabilitation work either as emergency, high priority, or part of the Capital Improvement Program (CIP), with the MSA providing a delivery vehicle for the resulting construction work.

The proposed MSA establishes a pool of qualified contractors and allows DC Water to issue task orders for individual rehabilitation projects. Contractors may be asked to submit either a cost proposal or a technical and price proposal, depending on whether the required technology and approach are already defined; selection will be based on lowest responsive price or best value for the applicable task.

The work may involve operating around live flows in an active interceptor without redundancy; constructing and operating bypass pumping systems; installing temporary and permanent access chambers; rehabilitating 36- to 96-inch pipe using geopolymer lining, cured-in-place pipe, slip lining, spiral wound lining, and related technologies; restoring pavement and landscaping; and providing emergency response and preparedness services.

The two currently identified projects are the Northeastern Segment between manholes 40 and 31.5, approximately 3.2 miles, and the Difficult Run Extension between manholes 209 and 208.2, approximately 150 feet. Dr. Wone identified both as high-priority projects rather than emergency projects.

Dr. Wone and Interim General Manager Matthew Brown clarified that the \$350 million not-to-exceed value is aligned with the currently approved 10-year CIP, covers the two identified projects plus additional projects under development, and may be increased only through subsequent Board action.

Dr. Wone explained that the two identified projects are expected to total approximately \$253 million, leaving about \$100 million within the current \$350 million authorization for other projects identified through the CIP process. The MSA was sized to the remaining capacity of the approved CIP after funding previously advanced emergency work.

As the condition-assessment data is analyzed and the next 10 years of projects are developed, DC Water may identify work beyond the current remaining amount. Dr. Wone stated that the organization would return to the Board to request an expansion of the MSA rather than exceed the currently approved CIP authorization.

Mr. Brown said Potomac Interceptor status is reported monthly at regular EQ and Ops meetings, with a more detailed discussion of inspection results and identified projects planned for the next Board meeting. Future budget changes and additional projects will be presented transparently to the Board and participating jurisdictions.

Dr. Wone stated that the current anticipated construction completion timeframe is around 2029 to 2030, with the special meeting intended to preserve the schedule for Board consideration on September 3. Following approval, DC Water plans to issue task orders and begin negotiations with the contractors.

Kevin Bellamy described a qualification-based procurement that reviewed 10 statements of qualifications, evaluated firms on experience, capacity, staffing, and safety, and shortlisted five contractors that all have prior DC Water experience. Kevin Bellamy reported that market outreach and one-on-one engagement preceded issuance of the competitive Request for Qualifications in May 2026. Statements of qualifications were received in June, followed by evaluation and compliance review, detailed assessment of the shortlist in July, and individual meetings with each shortlisted firm to discuss agreement terms and the future task-order process.

The evaluation framework weighted performance history and relevant experience at 45%, capacity and staffing plans at 45%, and safety and health at 10%. The criteria were intended to identify firms capable of handling multiple concurrent task orders, emergency conditions, and specialized trenchless rehabilitation while maintaining critical wastewater infrastructure.

The evaluation committee included voting representatives from Fairfax County, WSSC, DC Water's Clean Rivers, Water and Sewer Operations, and Wastewater Operations groups. Non-voting participants from safety, risk management, procurement, compliance, and the program consultant organization supported category-specific reviews and overall responsiveness assessment.

The five recommended pre-qualified contractors are Anchor Construction Corporation, Clark Michels JV, Garney Companies, Inc., SAK Construction, LLC, and Ulliman Schutte Construction LLC. Kevin Bellamy confirmed that each shortlisted firm has performed work for DC Water on its assets within approximately the past 10 years.

It was clarified that individual contractors have not yet been assigned to the two initial projects, and that future work will be authorized through delegated task orders within the approved MSA limit, with Board action required for any increase above \$350 million. In response to a question from the committee, Dr. Wone said DC Water has not yet decided which of the five contractors will perform the two identified projects. After Board approval of the MSA, DC Water will issue task orders and conduct the applicable competitive process among the pre-qualified contractors.

Task orders may use a cost-only competition when the required technology is already known, or a technical-and-cost proposal process when contractors are allowed to propose methods and approaches. This structure is intended to preserve competition while allowing the procurement method to match the needs of each project.

Mr. Bellamy explained that work issued under the MSA can proceed at the delegated approval level up to the requested not-to-exceed amount. If future projects require an MSA value above \$350 million, DC Water must return to the Board for approval to increase the MSA limit.

Dr. Wone stated that DC Water will use internal inspectors and can supplement them with program and construction management consultants, including resources supporting the Potomac Interceptor program, to oversee multiple contracts and concurrent work areas.

Dr. Wone explained that the fact sheet assigns estimated user shares for the two identified projects and uses an average projected allocation for unlocated future CIP projects, with final charges to be reconciled through project-specific task orders. Because the locations and details of future CIP projects are not yet known, the fact sheet uses an average Potomac Interceptor cost-share allocation for that portion of the MSA. Dr. Wone stated that participating users will be notified and charged using the agreed project-specific cost-sharing arrangement once task-order costs and project details are established.

III. Agenda for September 2026 Committee Meeting

Mr. Brown previewed the September 2026 Environmental Quality and Operations agenda, including routine infrastructure updates, the Blue Drop marketing agreement renewal, automated metering, House by House lead-program amendments, CIP planning, and several contract actions.

IV. Adjournment

The meeting was adjourned at 1:32 pm



**MINUTES OF THE MEETING
FINANCE AND BUDGET COMMITTEE
July 23, 2026
(Via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Alexander McPhail, Alternate, Vice Chair, District of Columbia
2. Richard Jackson, Principal, District of Columbia
3. Unique Morris-Hughes, Principal, District of Columbia
4. Sarah Motsch, Alternate, Fairfax County
5. Amy Stevens, Alternate, Montgomery County

Other Board Members

1. Jed Ross, Principal, District of Columbia

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager
2. Lola Oyeyemi, Interim Chief Financial Officer & EVP
3. Ernest Tuckett III, Chief Legal Counsel & EVP
4. Kirsten Williams, Chief Administration Officer & EVP
5. Korey Gray, Chief Procurement Officer & VP
6. Debra L. Mathis, Interim Secretary to the Board

Other Presenters

1. David Calvert, PFM Asset Management
2. Jack Schnorbus, PFM Asset Management

Vice Chair Alexander McPhail called the meeting to order at 9:30 a.m. The meeting was conducted via MS Teams. Interim Secretary to the Board Debra Mathis called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Interim Chief Financial Officer and EVP, presented the June 2026 Financial Report. With approximately 75 percent of the fiscal year completed, operating revenues were \$764.7 million, or 75.9 percent of the budget; operating expenditures

totaled \$545.4 million, or 65.1 percent of the budget; and capital disbursements were \$539.1 million, or 69.4 percent of the budget.

The FY 2026 year-end closeout preparations are underway, including the financial statement audit. Planning has begun for the FY 2028 budget proposal, which will be submitted to the Board in January 2027.

Total operating revenue receipts totaled approximately \$764.7 million or 75.9 percent of the budget. The favorable variance in the Residential/Commercial/Multi-Family category is due to higher consumption and collections for Clean Rivers IAC charges. Other Revenue was higher than budgeted due to higher developer fees and interest earnings. The negative variance in the District Government category was due to lower consumption. Receipts for the DC Housing Authority were also slightly below budget due to property vacancies and some properties being moved to the Residential customer category.

Total operating expenses were approximately \$545.4 million. Year-to-date expenditures for the O&M budget line were approximately \$345.9 million, which is approximately \$27 million higher than the same period last year due to higher costs. Ms. Oyeyemi noted that the cost pressures continue but are manageable within the current budget. Areas facing cost pressures include electricity, chemicals, and supplies due to market volatility driven by the conflict in the Middle East. The higher costs will be offset by projected underspending in personnel services due to vacancy savings. The current vacancy rate is 12.5 percent, which is approximately 1 percent lower than the previous month. The Authority will also leverage debt service savings resulting from the refinancing of the 2026 bond to cover the increased costs.

Capital disbursements were approximately \$539.1 million, approximately \$150 million higher than the same period last year. Ms. Oyeyemi noted that major programs are progressing as planned for the Clean Rivers, Lead-Free DC, and the critical valve replacement, and an uptick in the Capital Improvement Plan (CIP) spending is anticipated for the fourth quarter. Staff will continue to monitor the CIP closely.

DC Water's liquidity remains strong. Cash investments totaled \$606.9 million, including \$40.6 million in the Rate Stabilization Fund (RSF). Interest income through the end of June was approximately \$10.5 million and is expected to exceed the budget at year-end.

Delinquent accounts increased to \$32.6 million for 12,516 accounts due to the pause in disconnections within the Multi-family and Commercial customer categories. Ms. Oyeyemi noted that the Customer Care team continues its collection and account recovery efforts and that a more detailed update will be presented at the upcoming Retail Rates Committee meeting.

II. INVESTMENT PERFORMANCE REVIEW

David Calvert and Jack Schnorbus of PFM Asset Management presented an update on DC Water's Investment Performance and current market conditions.

Market Review

The market outlook for the first two quarters was dominated by uncertainty around the Iran conflict and its impact on energy prices, inflation, and the Federal Reserve's policy decisions. The breakdown of the June peace memorandum and renewed strikes have contributed to elevated Consumer Price Index (CPI) readings. While inflation remains a key risk and consumers are under pressure from higher expenses and lower savings, the labor market remains resilient, with unemployment at 4.2 percent and job growth ahead of last year, with gains concentrated in a few sectors. Treasury yields have risen amid volatility, benefiting DC Water's portfolio as maturing investments are reinvested at higher rates. Corporate fundamentals remain strong, with most S&P 500 companies beating earnings expectations. Energy markets, shipping conditions, inflation, and Federal Reserve policy remain the key factors to watch.

Portfolio Overview

DC Water's investment accounts include the operating reserve and construction fund, which are managed with a focus on safety, liquidity, and yield because the funds are designated for projects and core reserves. As of June, operating reserves were approximately \$309 million and total assets were approximately \$539 million, with construction fund drawdowns recently exceeding \$60 million. The portfolios are generating strong fixed-income returns, with an average yield to maturity at cost of 3.82 percent. Yields are expected to continue rising as maturing investments are reinvested at higher rates. U.S. Treasuries continue to anchor the portfolio, representing close to 41 percent of allocations and providing yields above 4 percent. Credit opportunities, including corporate obligations and commercial paper, provide diversification and potential yield enhancement within the overall safety-focused strategy. PFM noted that the investment team continues to look for opportunities to increase the Authority's investment yield.

III. FY 2026 QUARTERLY PROCUREMENT STATUS UPDATE

Korey Gray, Chief Procurement Officer & VP, provided the first of the Board's requested quarterly updates on the status of the Authority's approved procurement actions. He noted that, while the Board requested quarterly reviews, this first report would cover approved actions from October 2025 through June 2026.

Since October 2025, the Board has approved 38 procurement actions, all of which have been executed, with 31 completed within 45 days and 7 taking longer. None of the

procurement actions created risk, added cost, or caused lost time for DC Water during negotiations, as solicitations typically require that rates be held for 120 days, while collaborative delivery projects use locked-in rates for 60 to 90 days during negotiations. Mr. Gray noted that DC Water monitors compliance with prevailing wage requirements under the *Service Contract Act*, including the 90-day requirement to review wage decisions if a contract is not executed within that period. He went on to review the Procurement Execution Ledger and highlighted that the 7 actions that took longer than 45 days to close were primarily delayed by staff availability over the holidays, the need to negotiate with multiple qualified firms, and updates to terms and conditions during the negotiation process.

Mr. Gray further explained that there were no project delays, no increased cost due to delayed contract execution, and no impact on planned certified firm utilization for the period. In response to a question from Vice Chair McPhail, Mr. Gray confirmed that delays in completing procurement actions were typically due to the number of firms on a contract, not the dollar value, and the complexity of the project. Mr. Gray also confirmed that the year-end FY 2026 results will be provided in October 2026.

IV. FY 2027 BUDGET PROPOSAL: FINAL RECOMMENDATIONS AND PUBLIC COMMENT REVIEW

Ms. Oyeyemi provided an update on the FY 2027 ratemaking process, highlighting the proposed revisions to the FY 2026 – FY 2035 10-year financial plan. She noted that the Retail Rates Committee will review management's final rate recommendation on July 28, 2026, with Board approval anticipated on September 3, 2026. The Notice of Final Rulemaking will be published on September 18, 2026.

Ms. Oyeyemi appreciated the Board members for their thoughtful questions, feedback and strategic guidance since the budget and rates were introduced in January. This is especially important as DC Water continues to make the difficult choices necessary to support critical infrastructure investments and essential operational needs. While most of the increase in operating and maintenance costs is aligned with inflationary pressures in areas such as labor, utilities, chemicals, supplies, and water purchases, the larger long-term impact on rates is from DC Water's \$9.6 billion capital program. These capital investments are required for protecting public health and our environment, delivering clean and safe drinking water, maintaining reliable water and sewer infrastructure, and ensuring we can keep the tap running today and for future generations.

Vice Chair McPhail inquired about the role of the Office of the People's Counsel (OPC) in the ratemaking process. Ms. Oyeyemi explained that the OPC is a District office that advocates on behalf of ratepayers and provides recommendations regarding rates for DC Water and other utilities.

Ms. Oyeyemi walked the Committee through the efforts taken by management to lower the customer bill impact from the initial proposal of 7.5 percent in FY 2027 and 5.2 percent in FY 2028. She explained that the increase included the District's proposed Public Inconvenience Fee (PIF) and increase in the Stormwater Fee from \$2.67 to \$4.03 per Equivalent Residential Unit (ERU). She further explained that the bill increase would have been 5 percent without the District passthrough charges. DC Water worked closely with the District beginning in January to mitigate these impacts mainly the new Public Inconvenience Fee (PIF) estimated to cost \$12.7 million per year for occupancy permits associated with construction projects in public spaces exceeding 30 days. She reported that the District Council voted to extend the grace period from 30 to 60 days and sunset the increased PIF fee for DC Water (starting FY31). Extending the grace period reduced the estimated annual cost for PIF from \$12.7 million to \$4.4 million.

The final proposal lowers the customer bill increase to 5.9 percent in FY 2027 while maintaining the 5.3 percent increase in FY 2028. The proposal includes the District's Stormwater Fee increase of \$1.36 per ERU and excludes the previously proposed new PIF. Management proposes that DC Water should absorb the PIF in FY 2027 and FY 2028 using the Rate Stabilization Fund (RSF). Ms. Oyeyemi explained that the 5.9 percent bill increase in FY 2027 includes 5 percent for DC Water's charges which is necessary for the Authority to continue to provide and deliver safe drinking water; and 0.9 percent for the stormwater fee. She also stated that the proposal maintains customer affordability as a key objective by keeping the average residential bill increase below 6 percent consistent with the Board's target.

Ms. Oyeyemi went on to present management's recommendation for Board's consideration of the projected FY 2026 cash position of \$12.2 million. This includes the allocation of \$6.1 million to increase the Authority's days of cash on hand by 5 days from 282 days to 287 days towards the goal of 350 days by 2032 and transfer of \$6.1 million to RSF. Additionally, management recommended the use of \$4.4 million from the RSF in each of FY 2027 and FY 2028 to absorb the PIF costs through FY 2028 and achieve bill increase below 6 percent consistent with the Board's target. Ms. Oyeyemi noted that with these considerations for the use of RSF, DC Water will not establish the PIF fee initially proposed.

Next, Ms. Oyeyemi reviewed the multi-year rate proposal for FY 2027 and FY 2028 highlighting the rates with changes and those remaining the same. The final proposed increase for the average household bill of 5.9 percent in FY 2027 is lower than both the initial proposal of 7.5 percent and prior forecast of 6.7 percent. The proposed bill increase of 5.3 percent in FY 2028 is also lower than previous forecast of 5.7 percent. The average residential customer's monthly bill is estimated at \$157 in FY 2027 and customers with lower water consumption will pay a lower amount by taking advantage of the lifeline rates.

DC Water's Customer Assistance Programs (CAP) provide discounts to eligible households based on their income thresholds. Ms. Oyeyemi reported that some of the public comments were about affordability for seniors and families on fixed income. She explained that eligible customers in a household with income of about \$39 thousand or less can qualify for CAP+ program and will pay \$18.15 per month, representing about 88 percent discount on their monthly bill in FY 2027.

Proposed Revisions to FY 2027 and FY 2028 Operating Revenues Budgets

The proposed FY 2027 operating revenue has been reduced to \$1.061 billion, and FY 2028 is \$1.11 billion. Ms. Oyeyemi reported that the updated operating revenues budgets reflect a reduction of \$8.3 million from the initial proposal. The reduction of \$12.7 million is due to the removal of the proposed PIF from customer rates. She explained that DC Water will absorb the reduced PIF costs of \$4.4 million per year, from the extended grace period of 60 days, by leveraging RSF transfers in each of FY 2027 and FY 2028 to maintain the average monthly residential household rate increase below the Board's target of 6 percent. Retail and wholesale customer revenue projections remain unchanged.

The 10-year Capital Improvement Program (CIP) remains at approximately \$9.69 billion and supports infrastructure, compliance and renewal of DC Water's assets. The budget priorities include lead service line replacement, lower rate increases, reducing vacancies by reallocating positions, expanded CAPs, Clean Rivers consent decree funding, aging infrastructure investments, Aqueduct improvements, and advancing the Authority's climate, equity, and governance goals.

Key Changes in the Revised Financial Plan

Ms. Oyeyemi reported that the revised financial plan incorporates updated FY 2026 year-end projections and removes the previously proposed PIF, eliminating the associated average annual revenue requirement of \$12.7 million from the financial plan. To help maintain bill increases below 6 percent in FY 2027 and FY 2028, management recommends using \$4.4 million annually from the RSF. She further noted that the RSF balance is projected to increase from \$40.6 million to \$51.7 million by the end of FY 2026 as a result of a Board-approved transfer and an additional management recommendation to transfer \$6.1 million from projected FY 2026 net cash. The revised financial plan addresses affordability concerns while maintaining strong liquidity, debt affordability, and key financial performance metrics.

Summary of Public Comments

Ms. Oyeyemi stated that DC Water remains committed to public accountability and transparency as required during the ratemaking process. She reported that 18 comments were received from OPC and 11 comments from the public. Management has provided detailed responses to the comments which are available online. The comments generally focused on six key themes:

- Affordability concerns, particularly for seniors and fixed-income households
- Transparency regarding capital planning, assumptions, and accountability
- Capital costs and the estimates for major programs
- Financing strategy, including the Authority's use of financing and pay-as-you-go capital
- Requests to demonstrate that the Authority has sought alternative funding sources
- Requests for broader eligibility for assistance programs

Recognizing that rising costs are real and impacting households, Ms. Oyeyemi highlighted the various assistance programs that are available for customers and reiterated management's commitment to continue to promote, educate and enroll customers in these programs to help with their water bills.

Board Chair, Dr. Unique Morris-Hughes, expressed her appreciation to Board members and staff for all their efforts and hard work in lowering the bill increase for the customers and encouraged management to continue to look for ways to support ratepayers. Dr. McPhail also commended management for holding the line on the proposed increase of 5 percent for DC Water's charges considering the increases in electricity, chemicals and other supplies which are beyond the Authority's control.

Mr. Matthew Brown, Interim CEO, also thanked the Board members who have been tough but fair in working through this year's process with staff. He highlighted the importance of the capital program, rising costs and DC Water's responsibility to our customers. He explained that the Authority's aging water and sewer system requires investments and despite some unexpected fees for public inconvenience and stormwater fee increase, management was able to lower the proposed bill increase.

V. ACTION ITEMS

Ms. Oyeyemi presented the following action items for recommendation by the Committee:

- A. Recommendation for Approval of FY 2026 Use of Projected Net Cash Surplus - allocation of \$6.1 million to increase days of cash on hand by five days from 282 days to 287 days, and a transfer of \$6.1 million to RSF

- B. Recommendation for Approval of the Revised FY 2026–2035 Financial Plan – This includes the transfer of \$4.4 million from the RSF in both FY 2027 and FY 2028 to the General Fund to offset PIF costs to maintain rate increases below 6 percent.

Vice Chair McPhail noted that the additional \$6.1 million will be added to the RSF over the next two years, mitigating much of the increase in RSF allocations.

The Committee agreed to recommend the action items to the Board for approval.

VI. AGENDA FOR THE SEPTEMBER 2026 COMMITTEE MEETING

The agenda for the meeting on September 24, 2026, includes the August 2026 Financial Report, the Capital Improvement Program Quarterly Update, Rolling Owner Controlled Insurance Program 7 (ROCIP) Update, and any other items the Committee wishes to discuss.

VII. ADJOURNMENT

The meeting adjourned at 10:38 a.m.



**MINUTES OF THE MEETING
AUDIT AND RISK COMMITTEE
JULY 23, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Dr. Samuel Moki, Chair, Principal, Prince George's County
2. Christopher Herrington, Vice Chair, Principal, Fairfax County
3. Rachna Bhatt, Principal, District of Columbia
4. Jennifer Macedonia, Principal, Montgomery County
5. Dr. Alexander McPhail, Alternate, District of Columbia
6. Dr. Unique Morris-Hughes, Principal, District of Columbia
7. Sarah Motsch, Alternate, Fairfax County
8. Jed Ross, Principal, District of Columbia

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager
2. Wayne Griffith, COS and EVP Strategy & Performance
3. Ernest Tuckett III, Chief Legal Officer & EVP
4. Lola Oyeyemi, Interim Chief Financial Officer & EVP
5. Kirsten Williams, Chief Administration Officer & EVP
6. Debra Mathis, Acting Secretary to the Board

INTERNAL AUDIT STAFF

1. Tiffany McCoy, Cherry Bekaert
2. Marshal Pennock, Cherry Bekaert

Christopher Herrington, Chair, called the meeting to order at 11:01 a.m. The meeting was conducted via MS Teams. Interim Secretary to the Board Debra Mathis called the roll.

I. ENTERPRISE RISK MANAGEMENT (ERM) BRIEFING

Francis Cooper, Director of the Enterprise Program Management Office, provided the report.

The FY 2026 ERM annual report is approximately 60% complete. Mr. Cooper noted that the ERM office has had the full support of Management in completing the report.

He provided a review of DC Water's ERM training strategy.

DC Water continues to build a risk-aware culture through expanded training and broader engagement across the organization. In addition to the mandatory ERM 101 risk training, the Authority has introduced ERM 201 and ERM 202 courses, which will be integrated into the Oracle learning modules. These trainings cover the ERM framework, risk management process, governance methodology, and the Origami Risk module, which includes risk-domain activities, risk events, and mitigation strategies.

The goal of the expanded training is to create a consistent knowledge base, improve reporting and compliance visibility, and increase management participation and accountability in identifying risks.

For FY 2027, the Enterprise Risk Assessment (ERA) process will include both top-down and bottom-up assessments, with surveys planned for August and targeted interviews in September. Management, directors, vice presidents, senior leadership, and Board members will help identify emerging risks and strategic enterprise risks that could affect execution of DC Water's priorities. The results will inform the risk prioritization workshop, support integration with the internal audit process and ERM tool, and be shared through an executive summary at the beginning of FY 2027.

Committee member Alexander McPhail asked how DC Water's ERM posture compares to other large utilities. Mr. Cooper noted that the Authority has a strong and well-supported program that it has shared with peers through industry outreach, including presentations at the Utility Management Conference. The program is unique for combining both top-down and bottom-up approaches.

Committee Member Jed Ross asked what the Authority is doing to enhance risk identification to avoid another major incident like January's sewer main rupture. Mr. Cooper noted that DC Water has identified 36 tier-one risks through its top-down approach, with input from the Board and Senior Executive Team. One of these risks is aging infrastructure. In FY 2026, the Authority advanced a deep-dive process to better qualify and quantify that risk through interviews across the Authority. DC Water is now collecting risk treatment plans and working collaboratively with management and stakeholders to develop mitigation strategies, monitor progress, and strengthen documentation and integration across the organization.

In response to a question from Chair Moki, Mr. Cooper noted that ERM 201 and ERM 202 training is not mandatory, but ERM 101 is and has 100% compliance. The new trainings are proceeding through the management authorization process to become mandatory.

II. NON-REVENUE WATER UPDATE

Chris Collier, Vice President of Water Operations, provided an update on the Non-Revenue Water (NRW) Initiative. He noted that the program is focused on improving data confidence and operational performance to better understand where water is being lost, identify the

best interventions, protect water resources, control costs, and improve reliability for customers. Mr. Collier emphasized that sustainable water loss reduction depends on trusted information leading to focused operational improvements.

To establish a credible baseline, DC Water is using the American Water Works Association (AWWA) M36 methodology, combining a top-down water audit with a bottom-up operational assessment involving operations, engineering, customer care, meter operations, and consultant partners.

The audit produces a water balance and data validity score, which form the basis for measuring performance and tracking progress.

DC Water's data validity score improved from 51 to 54 from 2024 to 2025, while reported real losses increased from 175 to 195 gallons per connection per day. Mr. Collier noted that this increase should be interpreted as improved visibility into actual system losses rather than reduced system performance.

Using the AWWA methodology allows DC Water to benchmark its progress against peer utilities. DC Water is currently in the priority improvement zone, where the focus is on building confidence in the available data and reducing losses. Utilities identified as the best comparisons for DC Water are in DeKalb, Georgia; San Diego, California; and Austin, San Antonio, and Houston, Texas.

Through an enterprise stakeholder workshop, DC Water identified 42 mitigation strategies addressing both apparent losses (such as billing, metering, and data-handling issues) and real losses from infrastructure (such as valves, hydrants, water mains, and connections). The top priorities include improving measurement of imported and exported water with the Washington Aqueduct and regional partners, investigating unauthorized consumption, improving customer meter accuracy, addressing systematic meter data-handling issues, and strengthening meter infrastructure. These priorities are intended to improve audit quality, recover revenue, and support better operational decisions.

Significant progress to date includes:

- Completing extensive field investigations.
- Increased collaboration with the Washington Aqueduct.
- The identification of approximately 18,000 customer meters requiring attention.
- The re-establishment of meter testing and assessment of about 13,000 AMI endpoints.

Many of these AMI endpoints have been recovered, some under warranty.

The next phase will focus on implementation, including validating meter accuracy, improving calibration practices, installing boundary meters between different pressure zones, expanding leak detection, completing premise investigations, improving AMI performance, and restoring routine meter testing.

DC Water is also establishing an enterprise water stewardship team and learning from mature peer utilities such as the San Antonio Water System (SAWS) to strengthen governance, accelerate implementation, and support long-term reductions in non-revenue water.

In response to a question from Chair Moki, Mr. Collier discussed his recent visit to the SAWS. He noted that both DC Water and SAWS are improving data validity to better understand the scope of water losses. He noted that DC Water's reported losses will likely increase as validity improves due to better detection methods but will begin to reduce as reasons for losses are addressed.

Committee member Jennifer Macedonia asked if DC Water was benchmarking against water authorities in the region. Mr. Collier noted that benchmarking is most accurate against peers using the same methodology. Ms. Macedonia asked for some regional comparison metrics in future reports.

III. INTERNAL AUDIT UPDATE

A. FY 2026 INTERNAL AUDIT PLAN STATUS UPDATE

Tiffany McCoy of Cherry Bekaert reviewed the approved internal audit plan for 2026.

Engagements currently in progress include:

- the Customer Billing and Collections Audit,
- the Emergency Management Policy Gap Analysis,
- the Legal Operations Audit,
- the Recruitment, Performance Evaluation, Compensation Analysis and Training/LMS Assessment, which is substantially complete,
- the Operational Technology Resiliency Audit,
- the WOM – Pumping Operations Audit,
- the Physical Security – Blue Plains Audit,
- the FY 2027 Risk Assessment, for which the process has begun with the initial assessment provided to Management for feedback, and
- the Procurement, Contracting, and Contract Compliance Audit.

The FY26 Cloud Security Audit is complete, and the report will be provided in the Committee's next executive session.

Chair Moki asked about the impetus for the Recruitment audit. Ms. McCoy noted that the engagement resulted from the 2026 risk assessment and was, more specifically, a management assessment rather than an audit.

B. STATUS UPDATE ON PRIOR AUDIT FINDINGS

Marshal Pennock of Cherry Bekaert provided the quarterly update on prior open audit findings.

During the reporting period, six prior audit findings were closed, including one high-risk, three moderate-risk, and two low-risk.

There are currently 13 open findings, of which three are high-risk. One of the high-risk findings is from the Work Order Management Audit, while the other two are from the Contract Compliance Audit.

In total, 85 prior audit findings for FY 2023 through FY 2025 have been closed.

The average time to complete audit findings was 8.2 months in 2025, which is above the target of 8 months but below 2024's 8.6 months.

C. HOTLINE UPDATE

Ms. McCoy provided an update on the Fraud, Waste, and Abuse Hotline.

A total of 24 complaints have been received to date in 2026. Sixteen cases have been closed, and eight are open. There are also four open cases from FY 2025.

IV. EXECUTIVE SESSION

After a motion by Christopher Herrington and majority vote, the Board moved into an executive session at 11:52 a.m. to discuss a facility security matter under D.C. Official Code §2-575(b)(8) and to discuss investigative reports concerning alleged misconduct or violations of law or regulations under D.C. Official Code §2-575(b)(14).

V. ADJOURNMENT

The Committee reconvened in open session at 12:26 p.m. and, hearing no further business, the meeting closed at 12:26 p.m.



**MINUTES OF THE MEETING
DC RETAIL WATER AND SEWER RATES COMMITTEE
JULY 28, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

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

DC WATER STAFF

1. Matthew Brown, Interim CEO and General Manager
2. Lola Oyeyemi, Interim Chief Financial Officer & EVP
3. Ernest Tuckett, Chief Legal Officer & EVP
4. Kirsten Williams, Chief Administrative Officer & EVP
5. Debra Mathis, Acting Board Secretary

The DC Retail Water and Sewer Rates Committee meeting was called to order by Chairperson Rachna Bhatt at 9:31 a.m. Acting Board Secretary Debra Mathis called the roll.

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

Syed Khalil, Vice President of Rates and Revenue, presented the report for the period ending June 30, 2026. Revenues remained on track with the revised budget. Year-to-date (YTD) cash receipts were approximately \$764.7 million, or 75.9 percent of the budget, representing a favorable variance of 1.1 percent against the YTD budget.

Several customer categories make quarterly payments, including the Federal Government, which made its third payment in April 2026, and its July payment will be reflected in the next report.

Residential, Commercial, and Multi-Family receipts were above budget at \$444.8 million, or 76.3 percent of the budget, due to stronger collections, higher CRIAC, and increased consumption. District Government receipts were below budget at \$19.8 million or 72.6% due to lower consumption. DC Housing Authority receipts were below budget at \$10.1 million, or 66.8 percent, due to lower consumption, property reclassifications, and due to renovation-related property vacancies. Wholesale receipts totaled \$92.7 million, or 74.6 percent of the budget, and were slightly below expectations due to reduced Potomac Interceptor (PI) receipts resulting from reduced flows. The fourth quarterly payment is expected in August.

Mr. Khalil reported that, compared to last month, June delinquencies increased by approximately \$1.3 million, while the number of delinquent accounts increased by 126. The increase was primarily driven by a \$0.9 million increase in Multi-Family category following the pause in disconnections since January 2026, and a \$0.3 million increase in Commercial category, mainly involving mixed-use properties. Additional details on delinquencies and collection efforts would be presented in executive session.

In response to a question from Committee Member Dr. Alexander McPhail, Marcus McKenzie, Interim Director of Customer Care, agreed to follow up on any remaining amounts owed by Georgetown University related to the relocation of its meter.

Mr. Khalil reported that permit refunds issued during the month totaled approximately \$361,000 across 22 accounts, compared to approximately \$80,000 across 17 accounts in the previous month.

II. FY 2027 & FY 2028 RATE PROPOSAL: FINAL RECOMMENDATIONS & PUBLIC COMMENT REVIEW

Lola Oyeyemi presented management's final FY 2027–FY 2028 rates recommendations, summary of customer feedback during the public comment period, and proposed actions taken by management to lower the customer bill impact. She informed the Committee that the Finance and Budget Committee recommended approval of the use of projected FY 2026 cash surplus to increase the days of cash on hand and lower the proposed rates, and the revised 10-year Financial Plan on July 23, 2026. Following this Committee's recommendation, the adjusted Rates, Fees, and Charges and revised Financial Plan will be presented to the Board for adoption on September 3, followed by publication of the Notice of Final Rulemaking on September 18, 2026.

Ms. Oyeyemi explained that management recommendation supports safe, reliable water and wastewater service, regulatory compliance, and long-term financial sustainability, while maintaining affordability for customers. She also stated that recommendation considered the feedback from the Board and customers especially as DC Water continues to make the difficult choices necessary to support critical infrastructure investments and essential operational needs.

The proposed two-year rate adjustment is driven by three major areas: infrastructure and compliance, operating costs, and District pass-through charges. Ms. Oyeyemi explained that the \$9.6 billion capital infrastructure investments support clean and safe drinking water, environmental compliance, public health, and reliable service. The operating budget is what is required to deliver safe & clean drinking water and covers fixed costs like energy, chemicals and critical parts which are essential for daily operation. These costs are impacted by inflation. The District pass-through charges would have increased the bill by \$3.64 for the Public Inconvenience Fee (PIF) and increase for the stormwater fee.

Ms. Oyeyemi reported that management is proposing to lower the initial proposal for the average residential customer bill impact from 7.5 percent to 5.9 percent in FY 2027. She explained the efforts undertaken by DC Water's Government Affairs team in pushing back with the district council on the PIF to extend the grace period for construction work in public spaces from 30 to 60 days and sunset the increased PIF fee for DC Water (starting FY31). Extending the grace period reduced the estimated annual cost for PIF from \$12.7 million to \$4.4 million. Management proposes that DC Water should absorb the PIF in FY 2027 and FY 2028 using the Rate Stabilization Fund (RSF) and not establish the new PIF charge for customers. Ms. Oyeyemi explained that this will result in a lower bill increase of 5.9 percent in FY 2027 (5 percent for DC Water's charges and 0.9 percent for the stormwater fee) and 5.3 percent in FY 2028. The proposal maintains customer affordability as a key objective by keeping the average residential bill increase below 6 percent.

Next, Ms. Oyeyemi reviewed the multi-year rate proposal which maintains 6 percent volumetric Water and Sewer rate increases for FY 2027 and FY 2028. The Customer Metering Fee, Water System Replacement Fee, Right-of-Way Fee, and High Flow Filter Backwash Rate remain unchanged. The proposal includes an increase of \$1.36-per-ERU for the District's Stormwater Fee and excludes the PIF from customer bills. Consequently, average residential customer bill increases of 5.9 percent in FY 2027 and 5.3 percent in FY 2028 remain below the Board's target of 6 percent and previous forecast. The average residential monthly bill is projected to increase from approximately \$147 in FY 2026 to \$232 in FY 2035. For FY 2027, excluding the PIF and increasing the stormwater fee lowered the projected bill from \$157 to \$156, with customers using up to four Ccf benefiting from the lower Lifeline Water Rate.

The revised ten-year financial plan reflects the proposed allocation of the balance of \$12.2 million from the projected FY 2026 cash position equally between increasing days cash on hand and the RSF. Committee Member Anthony Giancola thanked management for absorbing the PIF and reducing the proposed rate increase.

Ms. Oyeyemi also reviewed the Customer Assistance Programs (CAP) and encouraged eligible households to apply through the District's Department of Energy and Environment. In response to affordability concerns raised by seniors and fixed-income households, she noted that, under CAP+, a family of four earning approximately \$39,642 or less could have a projected FY 2027 monthly bill of \$18.15—an average discount of

88 percent. She also referenced an affordability metric of 1.5 percent based on 60 percent of median household income. She explained that some comparison utilities receive property-tax or other subsidies, while DC Water's bill reflects the full cost of services, District passthrough charges, and mandated Clean Rivers and Lead Free DC obligations.

III. PROPOSED REVISIONS TO FY 2027 AND FY 2028 OPERATING REVENUES BUDGETS AND 10-YEAR FINANCIAL PLAN

Ms. Oyeyemi reviewed the budget priorities supporting the rates proposal: maintaining authorized headcount through the reallocation of vacant positions; investing in the Washington Aqueduct, from which DC Water purchases its drinking water; addressing aging water and sewer infrastructure; and funding the mandated Clean Rivers and Lead Free DC programs. She explained that these priorities protect public health, maintain service reliability, and support long-term affordability.

The proposed FY 2027 and FY 2028 operating receipts budgets were reduced by approximately \$8.3 million in each year, reflecting the removal of approximately \$12.7 million in proposed Public Inconvenience Fee (PIF) revenue, partially offset by a \$4.4 million transfer from the Rate Stabilization Fund (RSF). The proposed FY 2027 operating revenue is \$1.061 billion, and FY 2028 is \$1.11 billion. Retail and Wholesale customer revenue projections remain unchanged. The 10-year Capital Improvement Program remains approximately \$9.69 billion in total sources and uses for asset investments and regulatory requirements, with approximately \$8.94 billion in anticipated cash disbursements after applying projected CIP spend rates.

Ms. Oyeyemi emphasized that financial strength supports affordability by preserving capital-market access and lowering borrowing costs borne by customers. The plan maintains the Board's goal of reaching 350 days cash on hand by 2032. To strengthen liquidity, management proposes allocating the balance of the projected FY 2026 net cash surplus of \$12.2 million: \$6.1 million to increase days cash on hand from 282 to 287 and \$6.1 million to the RSF to achieve lower rates. The RSF would increase from \$40.6 million to \$51.7 million, which includes the previously Board-approved transfer of \$5 million.

Management also proposes transferring \$4.4 million from the RSF in each of FY 2027 and FY 2028 to absorb PIF costs, reduce customer bill impacts, support the 5.9 percent average residential bill increase in FY 2027, and achieve the Board's target of 6 percent. After both transfers to lower the customer bill impacts, the RSF is projected to retain approximately \$42.9 million. Ms. Oyeyemi concluded that the revised plan is projected to meet applicable bond indenture requirements, Board policies, and Management targets. Excluding the RSF, days cash on hand are projected to range from 282 to 291 days; combined debt-service coverage from 1.81 to 2.35 times, above the 1.6-times policy requirement; and debt service from 23.8 to 32.4 percent of revenue, below the 33 percent limit.

IV. PUBLIC OUTREACH AND SUMMARY OF PUBLIC COMMENTS

Ms. Oyeyemi emphasized the importance of public engagement in the rate-setting process. In May 2026, DC Water held a town hall on the proposed rates and Capital Improvement Program (CIP) and promoted available customer assistance programs. Management also held three briefings with the Office of the People's Counsel (OPC) to answer questions and hear concerns. She thanked the customers, Board members, OPC, and community stakeholders who participated and submitted formal questions and comments.

Comments focused on affordability, transparency, alternative funding, capital-cost financing, and customer assistance. While acknowledging the need for infrastructure investment, commenters sought clearer explanations of the rates increases and resulting service improvements and urged DC Water to maximize federal grants and other funding before relying on rates increases. Seniors, fixed-income households, and low- and moderate-income customers expressed particular affordability concerns and requested expanded access to Customer Assistance Programs.

Ms. Oyeyemi stated that DC Water would continue working with Customer Care to promote the programs, educate eligible customers, and increase enrollment. Management incorporated this feedback in its final recommendation by reducing the proposed FY 2027 average residential customer bill increase from 7.5 percent to 5.9 percent and removing the proposed Public Inconvenience Fee from customer bills.

DC Water received 18 comments from OPC and 11 comments from members of the public; OPC made no formal recommendation. OPC's comments centered around DC Water's asset-management framework and CIP prioritization; the basis for capital-cost estimates; emergency capital repairs; contracting and staffing capacity to execute the CIP; long-term financing strategy; a potential five-year extension of the CIP; and comparisons of DC Water's financial metrics with similar utilities. OPC again suggested disaggregating the residential customer class. Management did not concur, explaining that the current rate structure is based on cost-of-service principles and metered usage. The complete comments and management responses are published online.

Mr. Giancola described OPC's comments as informative and well considered. He stressed the importance of the Board understanding DC Water's CIP-prioritization process and reiterated his previous request for a full-Board briefing, encouraging the Chair to schedule it for a future session. For the next outreach and ratemaking cycle, he suggested adding one or two presentation slides summarizing CIP priority setting, the rate structure, and management's rate-setting strategy, with further details available online or from staff. He commended management for its thorough responses to OPC and District residents. Mr. Matthew Brown, Interim CEO, stated that the related Environmental Quality and Operations Committee materials would be provided to Mr. Giancola and that the CIP-prioritization discussion would continue.

Ms. Oyeyemi mentioned that the Finance and Budget Committee had recommended

allocating the balance of the projected FY 2026 cash surplus of \$12.2 million: \$6.1 million to increase days cash on hand from 282 to 287 and \$6.1 million to the Rate Stabilization Fund (RSF). Management's recommendation to this Committee includes the revised FY 2026–2035 Financial Plan, including transfers of \$4.4 million from the RSF to the General Fund in each of FY 2027 and FY 2028 to offset PIF costs and keep the rates increase below 6 percent; adoption of the adjusted Rates, Fees, and Charges as a non-joint matter; and publication of the Notice of Final Rulemaking. The PIF would not be billed to customers; its costs would instead be covered through the proposed RSF transfers. In response to Mr. Gibbs, Ms. Oyeyemi reported that the RSF will have a remaining balance of \$42.9 million at the end of FY 2028 after all the proposed transfers.

Ms. Oyeyemi said the proposal responds to the Board, customers, and Office of the People's Counsel concerns about affordability and transparency while supporting service reliability and continued infrastructure investment. Mr. Brown acknowledged that rate increases are undesirable but necessary to sustain essential services and fund critical infrastructure. He emphasized management's accountability and stewardship in reducing the average FY 2027 residential bill increase to 5.9 percent despite two new District pass-through charges. Ms. Bhatt thanked management, staff, and the Chair and Board members of the Finance and Budget Committee for their collaboration.

Regarding the Board's June question, Ms. Bhatt asked how Payment Plan Incentive Program credits affected delinquent-balance recovery. Ms. Oyeyemi said \$984,966 was collected through payment plans in FY 2026; after \$461,929 in incentive credits, net recovery was \$523,037.

V. ACTION ITEMS

- A. Recommendation for Approval of FY 2027 and FY 2028 Rates, Charges, and Fees (Action Item 1)
- B. Recommendation for Approval of Revised 10-Year Financial Plan FY 2026–2035 (Action Item 2)

The Committee agreed to recommend both action items to the Board.

VI. DC RETAIL WATER AND SEWER RATES COMMITTEE WORKPLAN

Lola Oyeyemi reviewed the Committee's rate-making work plan. The proposed rates will be presented to the Board for approval on September 3, 2026, with an implementation date of October 1, 2026. These items will complete the work item to establish Retail Rates, Fees, and Charges for FY 2027 and FY 2028. All other items on the Committee's workplan for the year have been completed.

VII. AGENDA FOR SEPTEMBER 22, 2026, COMMITTEE MEETING

The meeting on September 22, 2026, will include the monthly update, the Committee workplan, and any other items the Committee wishes to discuss.

VIII. EXECUTIVE SESSION

After a motion was approved by roll-call vote, the Committee entered executive session at 10:20 a.m. to obtain legal advice and preserve attorney-client privilege under D.C. Official Code § 2-575(b)(4)(A).

IX. ADJOURNMENT

The Committee reconvened in open session at 11:15 a.m. and, hearing no further business, the meeting adjourned at 11:15 a.m.

Follow-Up Actions:

1. Mr. Marcus McKenzie will provide follow-up on any remaining amounts owed by Georgetown University related to the relocation of its meter. (Dr. McPhail).



CEO's Report

SEPTEMBER
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 September 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.



DC Water Inspires Future Leaders Through Summer Youth Engagement Programs

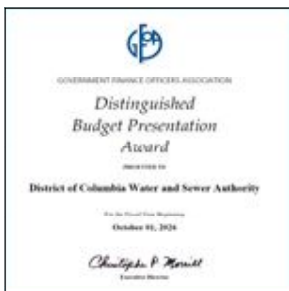
In late July, DC Water welcomed participants from two District-sponsored summer youth programs, providing hands-on learning opportunities and direct engagement with utility professionals. In partnership with the Mayor's Office of Community Affairs, DC Water hosted the District Leadership Academy, part of the Executive Office of the Mayor's 2026 Summer Youth Employment Program. Participants toured the Main Pumping Station and Headquarters Operations facility and joined a panel discussion on career pathways, professional growth, and workforce development led by DC Water staff and alumni of the Authority's apprenticeship program.



DC Water also hosted the Junior Rangers of Kingman Island through Living Classrooms, offering a tour of Headquarters Operations and an opportunity to learn about the utility's mission and operations. The students who are spending the summer developing skills related to the operation and maintenance of green infrastructure participated in a thoughtful and engaging discussion with staff. A second group from Living Classrooms is scheduled to visit DC Water on August 6, continuing the Authority's efforts to support workforce development, youth engagement, and environmental education throughout the District.



DC Water Earns 26th Consecutive GFOA Budget Award



DC Water has been recognized with the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for its Adopted FY 2027 Budget, marking the 26th consecutive year the Authority has received this national honor. The award recognizes governments that produce budget documents meeting the highest standards for transparency, accountability, and financial planning.

Established in 1984, the GFOA Distinguished Budget Presentation Awards Program recognizes budget documents that excel as a policy document, financial plan, operations guide, and communications tool. Approximately 1,900 state and local governments nationwide have earned the distinction.

This continued recognition reflects DC Water's commitment to sound financial management, effective communication, and responsible stewardship of public resources. Congratulations to the **Finance Department**, under the leadership of **Lola Oyeyemi** (Interim CFO), for earning this national recognition.



dc Highlights



DC Water Featured at ASCE State of Infrastructure Summit



On July 30, **Dr. Matt Ries** (Vice-President, Strategy & Performance) represented DC Water at the American Society of Civil Engineers

(ASCE) National Capital Section State of Infrastructure Summit held in Washington, DC. The event was the first in an annual series of infrastructure

overviews focused on the DC region. The Summit covered topics impacting infrastructure systems such as federal investment and workforce issues along with infrastructure specific sessions on transportation & highway; geotechnical & structural; regional transit & multimodal integration; and the state of Innovation, AI, and Sustainability. An opening session framing the region's unique opportunities and challenges was provided by Clark Mercer, Executive Director of the Metropolitan Washington Council of Governments, who noted the interest in data center hyperscalers for water resource engagement in the Potomac watershed. Dr. Ries shared a panel with Arlington County to discuss the state of water, wastewater, and environmental systems. He shared details on sector trends and investment needs along with DC Water's initiatives at Blue Plains and the water distribution system; the Potomac Interceptor, DC Clean Rivers, Lead Free DC, and the need and local/regional benefits of the Pure Water DC program.



Healthy, Safe and Well

Cybersecurity Threat and Critical Infrastructure Protection



The Office of Emergency Management (OEM) is coordinating with DC Water's Cybersecurity Team following recent federal warnings about cyber threat actors targeting programmable logic controllers (PLCs) used in water and wastewater operations. According to alerts issued by the FBI, EPA, and CISA, utilities in multiple states have reported attacks that disrupted operational technology systems and, in some cases, affected water operations. Threat actors have reportedly targeted internet-connected PLCs by changing passwords and device configurations, resulting in loss of monitoring and control capabilities. OEM participated in multiple federal webinars and reviewed threat bulletins and recommended mitigation measures, which were shared with relevant DC Water teams. The effort reflects DC Water's continued

focus on safeguarding critical infrastructure and maintaining operational resilience in the face of evolving cyber threats. Additional details regarding cybersecurity activities will be provided to the Board in executive session.



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	Apr 26	May 26	Jun 26	Jul 26
Operating Cash Balance (Millions \$)	\$341.6	\$386.2	\$367.3	\$375.5	\$369.3
Delinquent Account Receivables (%) †	3.30%	3.89%	3.80%	3.89%	3.95%
On-time Vendor Payments (%)	97%	97%	97%	97%	97%
Investment Earnings Data (Millions \$)	\$13.0	\$8.1	\$9.2	\$10.5	\$11.6
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		3.9%	4.0%	4.2%	4.3%
Core Investment Yield Data (%) - Actual Monthly Yield ††	3.82%	4.1%	4.1%	4.1%	4.1%
Short Term Investment Yield Data (%) - Merrill Lynch 3-Month Treasury Index *		3.7%	3.6%	3.7%	3.8%
Short Term Investment Yield Data (%) - Actual Monthly Yield ††	4.06%	3.8%	3.7%	3.7%	3.7%
Days of Cash on Hand** and ***	282**	361***	345***	356***	341***

Notes

* Represents 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.

***341 days of cash is made up of 34 days in the Rate Stabilization Fund and 307 days in the operating cash balance.

† Delinquent account receivables as a percentage of 12-month rolling average retail revenue.

†† 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, Procurement, and Compliance

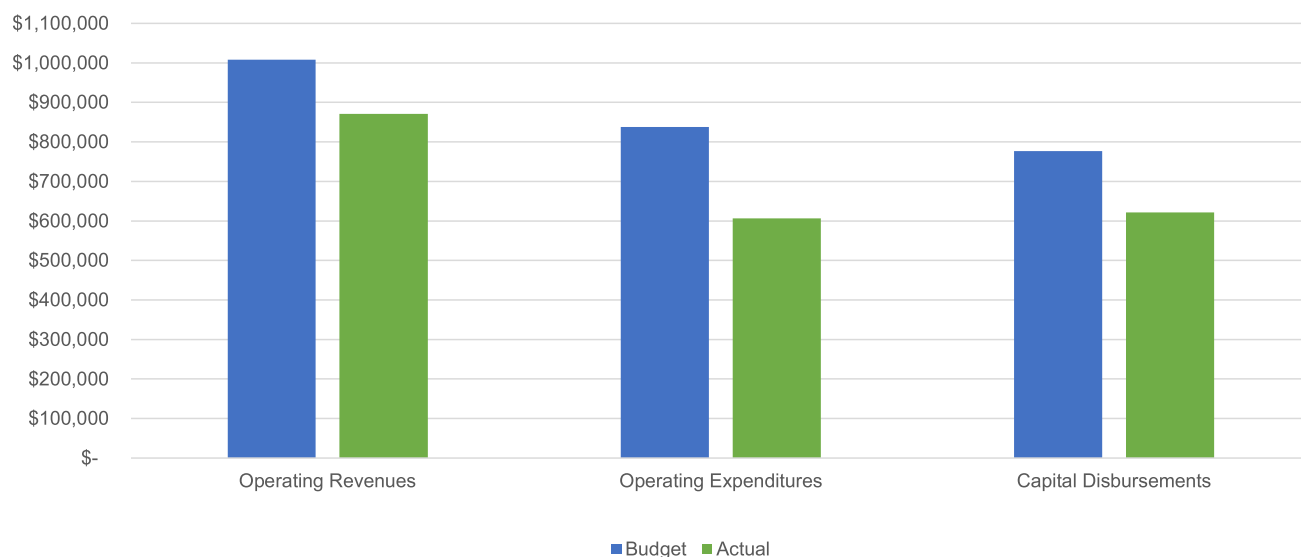
Finance Highlights

FY 2026 Financial Performance

As of July 31, 2026, with approximately 83 percent of the fiscal year completed, DC Water is on track with the revised budget. Total operating revenues were \$870.6 million, or 86.3 percent of the revised budget. Receipts for Residential, Commercial, and Multi-Family categories were slightly higher at \$496.2 million or 85.1 percent of the revised budget. The July 2026 receipts were higher by \$2.8 million due to higher collections. District government and DC Housing Authority revenues were below the revised budget at \$22.3 million and \$11.1 million, respectively, primarily due to lower-than-anticipated consumption. In addition, IMA wholesale customers Fairfax and Loudoun Counties, remitted their fourth-quarter payments of \$5.4 million and \$2.8 million respectively in July 2026, one month earlier than the scheduled August 2026 payment date. Similarly, the District government paid the DC Fire Protection Fee of \$4.3 million in July 2026 instead of the scheduled August 2026 payment date.

Total operating expenditures were \$606.4 million or 72.3 percent, and capital disbursements were \$621.6 million or 80.0 percent of the respective budgets. There is an uptick in Operations and Maintenance costs mainly due to higher than budgeted costs for key chemicals used at the Plant, electricity and automotive fuel required for operations, and water purchases based on increased water consumption and the rate adjustment effective February 2026.

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



Annual Budget Process

Planning activities are underway for the development of the FY 2028 budget proposal. The Interim CEO's Budget Kickoff is scheduled for August 31, 2026, and budget delivery to the Board anticipated in January 2027.

FY 2026 Interim Audit

On August 3, 2026, our external auditor, SB & Company, commenced the FY 2026 interim audit to review process changes and test internal controls. Fieldwork will continue through August, with the final audit scheduled to begin in November.



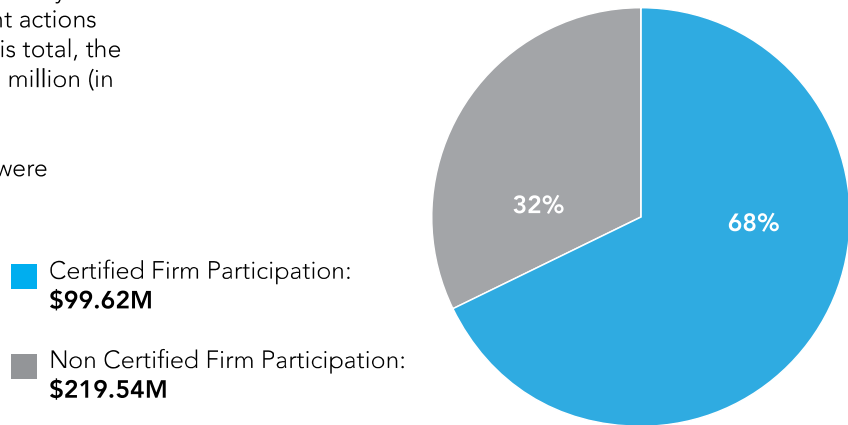
Finance, Procurement, and Compliance

Procurement and Compliance

In July, six procurement actions were approved by the Board. The value of the eligible procurement actions for this period totaled \$319.16 million. Of this total, the planned certified firm participation is \$99.62 million (in prime and subcontracting opportunities).

- All procurement actions approved in July were executed as of this report.

Certified Firm Participation July 2026 Awards



Highlights

Process Improvement

- **Internal Review Committee (IRC):** In accordance with the Business Travel and Purchasing Card Policy, the IRC has been formally reconstituted and convened its inaugural meeting on July 27th. This committee will provide oversight of the Purchase Card (P-Card) program to maximize policy compliance, mitigate financial risk, and protect organizational resources. Special thanks to Committee Chair Chris Lee, Jean Randall, and the entire IRC for their support and commitment.
- **DC Water Local Buy Initiative & Amazon Business Partnership:** DC Water is launching a new Local Buy Initiative through an expanded partnership with Amazon Business. This program integrates our commitment to local economic development directly into its purchasing workflow. The program works through DC Water cardholders having access to the Amazon Business marketplace using their DC Water Amazon credentials. When searching for items, the platform automatically filters and elevates products supplied by certified local businesses. Cardholders simply select items carrying the "Organization Preferred" badge to complete their checkout, ensuring immediate compliance with our local sourcing goals while tracking expenditures in real-time.
- **Purchase Order Processing (GS):** Materials Management and Purchasing Produced 340 PO's; Number of items purchased: 881; Number of items issued to work orders: 1,463; Cost Savings/Avoidance achieved: \$47,596.
- **Requisition Efficiency:** Converted 95.6% of July requisitions to purchase orders within 24 hours, marking a post-November 2022 high.
- **Material Availability:** Reduced emergency work orders awaiting material to an all-time low of 2.76% for FY26 through July 2026.
- **Inventory Optimization:** Partnered with internal departments to review key items and right-size stock levels, beating the previous FY21 record of 3.08%.

Outreach and Engagement

- **Continued our "Vendor Day" Contractor Engagement Efforts:** During this reporting period, meetings were held with 12 new and existing contractors interested in capital procurement and Goods and Service opportunities.



Procurement – continued

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

Goods and Services

Project Title	Description	Solicitation Type	Contract Type	Estimated Total Contract Value	Planned Solicitation Month and Year
Network Monitoring Services	24/7 Network Monitoring Services	RFI	Master Service Agreement	< \$1M	26-Jun
AI and Data Strategy	AI process integration	RFP	TBD	TBD	
Genesys Voice Solution	Conversation Analytics Platform	RFP	Master Service Agreement	TBD	
Translation Technology	Enterprise-wide machine translation platform	RFP	Master Service Agreement	TBD	

Capital Projects

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
Advanced Meter Infrastructure	Phased AMI modernization project utilizing ultrasonic meters and AMI communication technology.	RFP	Professional & Construction Services	\$10M - \$12M	Aug-26
Integrated Supplier Services Program Management	Professional services to support the Integrated Supplier Services (ISS) program management, materials management, and chain-of-custody coordination services supporting DC Water's water infrastructure programs.	RFP	Professional Services	\$1.5M	Aug-26
Water Interconnections and Booster Pump Station Upgrades	This contract scope will include upgrades to existing WSSC Interconnections Improvements - Phase I, Fourth High Reno WSSC Interconnection, WSSC Interconnections Improvements - Phase II, & Fourth High Reno Standby Booster Pumping Station.	RFQ/RFP	Construction Manager at Risk (CMAR)	\$22M - \$26M	Aug-26
Small Diameter Water Main (SDWM) Replacement - 19B	~ 4.44 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	\$16M - \$19M	Aug-26
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	Aug-26
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	Oct-26
260040.01 Potomac Interceptor Rehabilitation CMAR MSA: Project 1 Northeastern Segment MH40 to MH31.5	This Task Order will support rehabilitation of the Potomac Interceptor. ~17,000 Feet of 66"-72" pipe in Fairfax County	Competitive Task Order	CMAR Construction MSA for Qualified Contractors	TBD	Nov-26

– procurement continued

**Capital Projects**

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
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	Dec-26
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	Jan-27
Small Diameter Water Main (SDWM) Replacement - 19D	Small diameter water mains twelve inches in diameter and smaller and associated valves and appurtenances.	Competitive Task Order	Construction MSA for Qualified Contractors	\$16M - \$19M	Jan-27
Rock Creek Area Sewer Rehabilitation	DC Water intends to address all infrastructure within the park in a coordinated manner. Also included in this project will be sewers adjacent to Rock Creek Park which are not anticipated to require NPS coordination or NEPA permitting. Scope includes Pipe condition assessment, Sewer rehabilitation, including concrete, RCP, and brick pipe up to 180" diameter, Continuous flow diversion for all sewers as needed, MS4 outfall rehabilitation.	TBD	TBD	TBD	TBD



Location	# of New Hires
District of Columbia	21
Prince George's County	48
Montgomery County	5
Fairfax County	8
Loudoun County	2
Outside the User Jurisdiction	17

In July, DC Water Contractors filled five new positions. All five or 100% were filled by local residents.

There were a total of 101 new hires in FY 2026. The table at left highlights the total (combined) new hires for FY 2026 as of July 2026:

DC Water Works Highlights

Pathway to Public Service Program: The Department of Employment Services (DOES) kicked off the second Pathway to Public Service Program cohort during this reporting period. In partnership with DC Water Works, this one-year apprenticeship provides a DC resident with the hands-on experience and skills necessary for a public service career. Training under the Compliance Specialist I track, the participant receives comprehensive on-the-job training and instruction in contract compliance, workforce development, and local hiring requirements.



Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	Jun 26	Jul 26
FACILITIES: Preventive Maintenance Completion Rate	90%	94%	98%
FACILITIES: Service Request Completion Rate	90%	90%	94%
FLEET: Technician Resource Allocation	50-90%	56%	55%
FLEET: Priority One Vehicles In-Service	90%	85%	84%
FLEET: Technician Productivity	81%	81%	78%
SAFETY: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.0	0.2	0.1
SAFETY: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.4	0.8	0.8
SAFETY: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.1	0.76	0.77
SAFETY: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 2.5	1.62	1.55
SECURITY: Percent of security investigations completed within 21 days	95%	100%	100%
SECURITY: Security Camera operational uptime	90%	97%	97%
SECURITY: Smart card readers operational uptime	90%	97%	97%

Notes

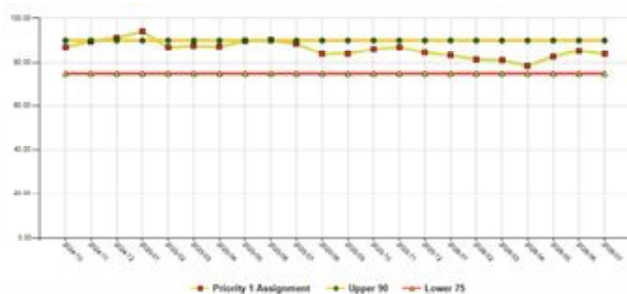
Priority One vehicles are defined as units used for emergencies, mission-critical assignments, and for the continuity of departmental operations. These assets are the primary focus of technician repair and maintenance resources, take precedence over vehicles with less operational impact, and are tracked through Fleet metrics to minimize downtime and maintain operational readiness. Examples include heavy-duty crew cabs, backhoes, excavators, bucket lift trucks, and sewer eductors.

Fleet, Facilities, Safety, Security and Emergency Management

Fleet Board Metrics for CEO Report: July 2026

Priority One vehicles are defined as units used for emergencies, mission-critical assignments, and for the continuity of departmental operations. These assets are the primary focus of technician repair and maintenance resources, take precedence over vehicles with less operational impact, and are tracked through Fleet metrics to minimize downtime and maintain operational readiness. Examples include heavy-duty crew cabs, backhoes, excavators, bucket lift trucks, and sewer educators.

Metric 1: Priority One (P1) Unit Availability measures the percentage of units available to meet the organization's operational mission. The target for this metric is 90%. In July, 84% of P1 vehicles were available for operation. The expectation is that technicians will continue to spend at least 50% of their hours focused on serving P1 vehicles.

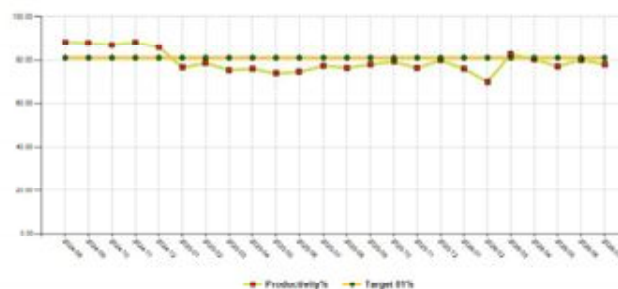


Metric 2: Priority 1 Assignment ensures the technician resources are allotted appropriately to the immediate service and repair of P1 units. In this period, 55% of the technician hours were allocated to P1 vehicles (prior month 56%). The target is at least 50% to support the goal of minimizing unit downtime. Technicians' remaining hours are split between servicing P2 & P3 units, representing 70% of the 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 78% of the technician hours were classed as productive (prior month 81%). This variation can be explained that anything above 81% implies that technicians may be working through breaks/lunch. Taking scheduled breaks is a mandatory, safety requirement, especially when operating heavy machinery. Any drop may be interpreted as idle, non-productive time, and potential lack of supervision. The target ensures the balance of productive work vs necessary breaks.

Fleet provided scheduled routine maintenance on 90 units including oil and filter changes, battery and safety checks, fluid top offs, and repair. Fleet responded to 52 roadside assistance calls and 43 fuel requests. Additionally, 10 vehicles sent to auction generated \$62,050 in revenue in July. Fleet auction and disposal revenue YTD is \$495,399.





Customer Assistance Programs (CAP)

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

- Delivered 21,198 flyers via Lead-Free DC Activators.
- Promoted assistance during customer calls and emails.
- Produced and shared social media posts for X, Bluesky, Facebook, and Instagram Stories to promote DC Water Cares.
- Collaboration with DOEE's Utility Discount Partnership (UDP) to advertise assistance.

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)

As of the end of July year-to-date, 63 assessments and repairs have been completed.

Program	FY2025 Enrolled	FY2025 Dollars	July Enrolled	July Dollars	# FY26 Enrolled	FY2026 Dollars	FY2026 Budget
CAP +	2,174	\$1,537,636	131	\$181,024	1,781	\$911,769	\$2,700,000
CAP I	1,863	\$1,225,594	91	\$110,604	1,383	\$573,407	\$2,100,000
CAP II	238	\$102,654	17	\$11,049	261	\$59,464	\$200,000
CAP III	54	\$5,749	34	\$1,688	138	\$5,613	\$10,000
Non Profit CRIAC Relief	174	\$900,902	101	\$93,777	551	\$643,999	\$843,133

CAP enrollment dollars were lower compared to the budget, due to the government shutdown November - December and limited marketing outreach, impacting program enrollment.



Notes

All targets were met for July.

Key Performance Indicators

Metric	Target/ Service Level	May 26	Jun 26	Jul 26
% of bills issued on time (w/in 5 days)	97.0%	98.6%	98.5%	98.4%
% unbilled	≤ 2%	1.1%	0.9%	0.2%
# of bill investigations (Disputes)	trend only	207	212	238
% Bill Investigations/Dispute Resolution ≤ 30 Days	80%	95%	96%	97%
% of calls answered in 60 Seconds (Call Center)	75%	88%	90%	89%
Monthly call volume served (Call Center)	trend only	9,754	10,705	11,242
Average Wait Time (minutes) (revised)	<0:50	:27	:28	:28
Abandon rate	3%	1%	1%	1%
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	1,665	\$565,342

FY 2026 Payment Plan Incentive Program

Adjustment Month	No. Accounts that Received Credits*	Adjustments
Mar-26	162	\$64,787
Apr-26	107	\$40,392
May-26	137	\$48,483
Jun-26	128	\$49,309
July-26	142	\$51,637
FY26 Distribution	1,665	\$565,342

*July Payment Plan Incentive updates will reflect in the August report

IT Monthly Report

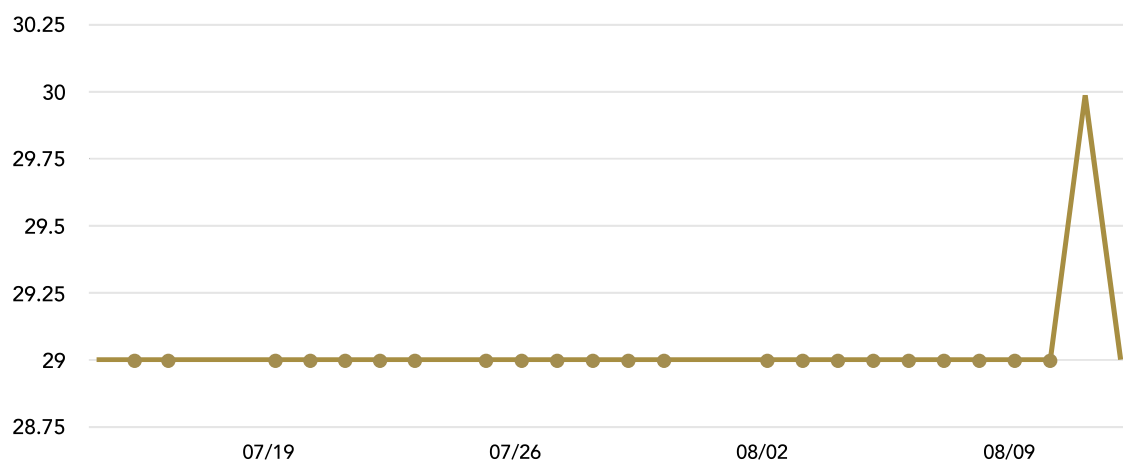
Metric	Target	May-26	Jun-26	Jul-26
Number of tickets submitted	Trend only	972	1097	1003
Number of open tickets	Trend only	28	30	49
SLA Compliance Rate	98%	99.2%	100%	99%
Number of active projects	Trend only	8	8	10
Number of completed projects	Trend only	0	2	0
On schedule performance	90%	100%	90%	90%
On budget performance	90%	100%	100%	100%
Cyber Awareness Training Compliance	97%	92.9%	95.41%	96.29%

Cyber Security Risk Profile

Cyber Awareness Training Compliance: Our organization has achieved 96.29% completion of the annual Cyber Awareness Training, reflecting strong engagement and continued commitment to strengthening our security posture.

Cyber Exposure Level: Our Exposure Score provides a high-level view of our organization's overall cybersecurity risk by measuring factors such as system configuration health, software vulnerabilities, and overall security posture. Our current score of 29 reflects a meaningful improvement and indicates that our recent vulnerability management efforts are having a positive impact. While there is still room to further reduce risk, the downward trend demonstrates that our remediation activities are strengthening our environment and increasing our resilience against cyber threats.

Endpoints Exposure Score Over Time



Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Apr 26	May 26	Jun 26	Jul 26
Wastewater Operations					
NPDES Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Air Permit Compliance, percent number of days	100%	100%	100%	100%	100%
Biosolids Class A Exceptional Quality (EQ) Compliance, percent number of days	100%	100%	100%	100%	100%
Tunnel Dewatering Compliance, percent of events tunnel dewatered within 59 hours of end of rainfall	100%	100%	100%	100%	100%
Renewable Electrical Energy Generated On Site, percent of total use at Blue Plains AWTP	>20%	24%	24%	23%	22%
Reactive Maintenance, percent of total maintenance hours	<20%	31%	36%	34%	34%
Critical Asset Availability, percent of total critical assets at the Blue Plains AWTP	>95%	95%	95%	96%	95%
Sewer Operations					
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	10,386	12,892	14,555	14,708
*NPDES Permit Requirement to inspect the catch basins in the Combined Sewer Anacostia Tributary area twice annually.	11,400	11,201	11,288	11,347	11,626
*NPDES Permit Requirements to clean 85% of Catch Basins in the Combined Sewer area annually	9,095	5,704	5,905	6,036	7,867
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	27	7.83	20.4	14.1
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	2	5	4	5
SSO's to Body of Water	Report	1	2	3	2
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	2.8	3	3.3	3.7
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0.68	0.8	1	1.2
Combined Sewer Overflows (CSOs)/Dry Weather Overflows	0	0	0	0	0
Pumping Operations					
Firm Pumping Capacity Maintained	100%	100%	100%	100%	100%
Reactive Maintenance	<20%	10%	10%	13%	15%
Critical Asset Availability	>95%	98%	98%	98%	98%

* 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	Apr 26	May 26	Jun 26	Jul 26
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	14	9	7	19
Approved Hydrant Flow Tests (Non-Winter Months)	>180	115	132	183	104
Fire Hydrant Operational Rate	99%	99.86%	99.87%	99.87%	99.82%
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%	90%	97%	90%	75%
Water Main Breaks	<28/Month	22	10	16	30
Water Main Break Rate /100 Miles (National Average is 25)	25	40.1	38.33	38.1	38.49
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	99%	100%	100%	100%
Lead Free DC					
Lead Service Line Replacements	100%*	115%	105%	122%	119%
Brass Service Line Replacements	N/A	**	5%	59%	15%
Material Verifications***	100%*	88%	N/A	N/A	N/A
Test Pits***	100%*	N/A	129%	131%	144%
Right-of-Entry Authorizations	100%*	236%	236%	274%	295%
Payment Time	30 Days	28.5	25	25.1	26
Public Events & Presentations	N/A	10	20	15	8
Overall Customer Satisfaction	7+	8.1	8	8	8

* Target is to complete 100% of the planned activity in each month ** Included in row above

*** The LFDC Team KPIs were updated to more accurately reflect construction activity from 'Material Verifications' to 'Test Pits' in May 2026.

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 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.

Total Fire Hydrants Replaced (>20/Month):

In July, the target for hydrant replacements was not achieved due to personnel and operational resource constraints that impacted the execution of planned replacement activities during the reporting period. The team is actively reviewing work planning, resource allocation, and deployment strategies to improve productivity and increase replacement activity. These efforts are expected to support progress toward meeting the established KPI target in upcoming months.

Hydrant Flow Tests (Non-Winter Months):

In July, 213 hydrant flow tests were completed, with 104 meeting the established performance criteria. Most tests were conducted in support of development activities and do not reflect a hydrant's ability to perform during fire suppression operations. The metric also includes follow-up test attempts performed after corrective actions. Performance variances continue to be evaluated and addressed through the Board-approved hydrant and valve improvement program, which is currently in the early stages of implementation and is expected to drive improvements over the next five years.



DC Water Capital Improvement Program

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

Lead Free DC

- In July, LFDC completed 384 Lead Service Line Replacements, exceeding the goal of 322, as well as 6 Brass Service Line Replacements.
- In July, 1,350 homes were test pitted to verify service line material. This is the fourth highest production month of the program.
- The LFDC Team worked with the DC Board of Medicine to publish information about the program in their July 2026 newsletter
- More than 50% of DC Water's pipe material inventory has now been verified (over 63,900 premises).
- In July, outreach operations resulted in over 31,500 touchpoints, which includes over 22,900 in-person touchpoints.
- LFDC had an active July, participating in 8 stakeholder engagement events, including:
 - 4 Community Meetings/Events,
 - 1 Strategic Stakeholder/Partnership Presentation to DC Board of Medicine,
 - 1 Civic/Citizen Association Engagement,
 - 1 CBO Engagement, and
 - 1 ANC Presentation (8A)



DC Clean Rivers Projects – Current Status

Potomac River Tunnel Contract B – Tunnel System Construction (PRT-B):

Working at West Potomac Park, CSO-020, CSO-022, CSO-024, CSO-027, CSO-028 and CSO-029. Tunnel Boring Machine (TBM) Mary resumed mining north and reached ring 102, just south of Independence Avenue, at the end of July.

Green Infrastructure (GI) Maintenance Contracts: GI facilities maintenance is ongoing. DC Water has awarded the new GI Maintenance Contract to National Service Contractors Inc. The contract has a 3-year base term plus two option years. Notice to Proceed (NTP) was issued on June 1, 2026.

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

Piney Branch Tunnel (RC-T): Construction Manager at Risk (CMAR) contractor, Clark Construction, has completed early work at the site including site setup & roadway relocation. Support of excavation around mining shaft & adjacent structures is underway.

Potomac Interceptor (PI) Condition Assessment & Capital Planning: Condition assessment activities remain ongoing, including CCTV review, advanced inspection technologies, and evaluation of system condition data. Inspection findings continue to support the identification and prioritization of future rehabilitation needs across the PI system through a risk-based prioritization framework.

PI - MH17 Emergency Repair & Permanent Rehabilitation: The interceptor has remained in normal operation since emergency stabilization was completed, and flow was returned to the pipe on March 14, 2026. Environmental rehabilitation continued in July, including canal restoration planning, completion of sediment and soil sampling, and coordination with MDE, NPS, CLEAR, and other stakeholders. Sampling results were below applicable EPA Class A biosolids criteria, and Montgomery County lifted the remaining health advisory for the Potomac River shoreline and river sediment. Planning and design of the permanent sliplining rehabilitation continues to advance. Approximately 50% of the bypass pipe has been fused and bypass support-post installation is nearing completion. The project team is also evaluating value-engineering opportunities to reduce construction duration and cost.





DC Water Capital Improvement Program

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

DC Clean Rivers Projects – Current Status, continued

PI - Other Emergency Rehabilitation Projects: Significant construction progress was achieved in July across the additional emergency rehabilitation projects as listed below and continued coordination with contractors, regulatory agencies, property owners, and other stakeholders remains ongoing to support safe and timely project delivery.

- MH410–411: Geopolymer rehabilitation of the approximately 175-foot emergency repair area and MH411 structure was completed, and the bypass system was returned to standby following completion of the work. Permanent repair activities are advancing, including pit development and preparation in advance of sliplining work.
- MH82–83: Cured-in-Place Pipe (CIPP) liner installation was completed, with manhole rehabilitation and site restoration activities continuing.
- MH72–73.81: Bypass system became fully operational, pipeline cleaning and inspection were completed, and preparations for grouting, geopolymer rehabilitation, and CIPP lining continued.
- MH1.6–MH4252: Site clearing, erosion and sediment controls, the temporary bridge, test pits, bypass pipe fusing, and the pump pad were completed, while excavation and support-of-excavation work for the suction and discharge pits and bypass pump installation continued.



Updates on Consent Decree Projects

Potomac River Tunnel Contract B – Tunnel System Construction

- North TBM Mary resumed mining. Eight additional gantries have been added and commissioned. Installation of surface conveyors at the north shaft is ongoing. Tunnel precast segments continue to be delivered to West Potomac Park (WPP). Surface assembly of south TBM Emily is ongoing.
- CSO-020: Installation of near-surface structure sheet piles went very well in July and was completed. The construction area was expanded and Brayman began mobilizing shaft drilling equipment for the vent riser (6 ft diameter) and drop pipe (11 ft diameter).
- CSO-022: Shaft excavation by drill and blast was completed and construction of the shaft base slab started. The CSO-022 outfall pipe has been fully exposed and flume installation was completed at the end of July.
- CSO-024: Jet grout sleeve installation was completed, and Drill Pac (the jet grout subcontractor) began jet grouting.
- CSO-027: The site is ready to begin secant pile installation with mobilization of the secant pile equipment just starting at month end.
- CSO-028: Installation of near-surface structure secant piles continued throughout the month.
- CSO-029: Shaft excavation by drill and blast started with the first shot on July 27.

Piney Branch Tunnel

Piney Branch Tunnel is a minimum 4.2-million-gallon tunnel to control CSO 049, the largest CSO to Rock Creek.

- The Early Work Package – Roadway relocation and site setup have been completed.
- Support of excavation around mining shaft and adjacent structures is the currently the main focus of the work.





DC Water Capital Improvement Program

Water Services, Sewer & Pumping Operations, Wastewater Treatment, & Engineering

Featured Project of the Month

Site 31 Pipe Rehabilitation Project at Great Falls, Virginia

DC Water, alongside the Design Build team and representatives from the Regional Park Service have completed a highly complex sewer pipe rehabilitation project, with the final completion walkthrough conducted on June 26, 2026. This project has been one of the most challenging due to its location on park property, where flows from Maryland and Virginia converge at different depths before continuing toward Blue Plains AWWTP in Washington DC. The pipe at this site has suffered from severe corrosion due to significant hydrogen sulfide that has been generated for decades as a result of the steep slopes and sudden increases in flow.



DC Water recognized the defect and its potential consequences early and identified this location as a high priority site for rehabilitation. The project faced numerous challenges, including limited site access, complicated bypass pumping, 60' deep rock excavation, close proximity to the Potomac River, limited access points, safety concerns, and extensive permitting requirements.

In response to these challenges, the team evaluated a full spectrum of alternative delivery methods to identify a feasible path forward. The selected approach focused on rehabilitating the most critical three hundred feet of pipe with major defects and incorporating corrosion mitigation measures to prevent further deterioration of other segments. This project was delivered as Progressive Design Build (PDB) because it facilitated a collaborative development of the project with both the designer and builder. Having the contractor engaged early to help shape safe, high quality constructible solutions was a key factor in the decision.



To reduce the steep slopes of the pipe, a large vortex structure was installed to make up the elevation change. This solution also aided in stripping hydrogen sulfide from the sewer which helps prolong other segments of the pipe downstream. Although the design of this project intended for construction to be completed in the dry, a standby bypass pumping contractor was retained to be ready to respond to emergency situations. During the 3-year construction period, a pipe cave in did occur; however, flow remained fully contained with no SSO. A large sinkhole also developed as a result but was stabilized through extensive excavation and support systems, immediate emergency bypass pumping, and the quick implementation of a new temporary pipe to convey flow. Despite the many challenges faced, the project developed solutions that delivered the successful completion of these upgrades.

dc DC Water Capital Improvement Program

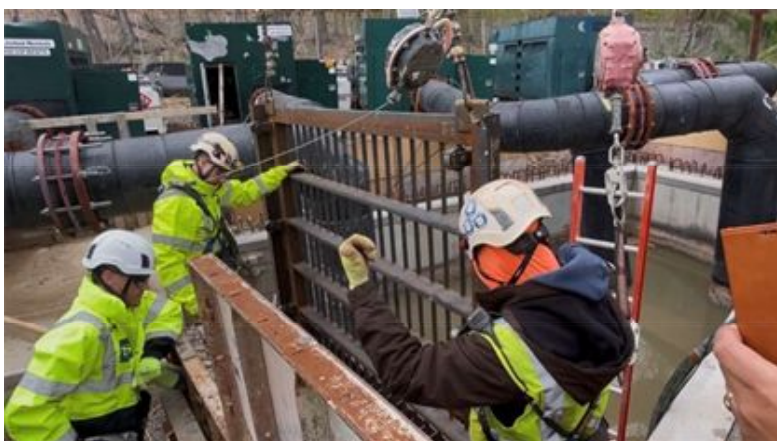
Water Services, Sewer & Pumping Operations, Wastewater Treatment, & Engineering

Featured Project of the Month, continued

This project is a strong example of effective collaboration across DC Water's Operations, Engineering, Office of Emergency Management, and Marketing & Communications teams, as well as coordination with permitting agencies, the National Park Service, and affected community members. The coordinated approach helped resolve every major technical, operational, and communication related bottleneck throughout the project lifecycle.



The benefits of this project extend far beyond addressing decades long corrosion. With the installation of the vortex structure, hydrogen sulfide generation at this location will be significantly reduced, lowering the likelihood of future corrosion induced defects in the Potomac Interceptor downstream of this site.



*I would like to express my appreciation to everyone involved in this project. In particular, I want to recognize **Deidre Saunders** and **Willis Thomas** for their leadership in construction management; **Eyasu Yilma** from Operations for his commitment from planning through construction completion; and **Zach Pistilli** for his strong performance during construction, especially throughout emergency conditions. Many others contributed to the successful completion of this project, and their efforts are sincerely appreciated.*

- Moussa Wone

dc 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

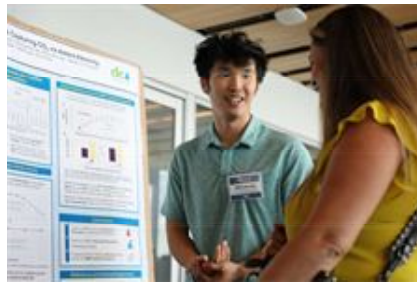
Learning & Development

2026 DC Water Summer Intern Expo

The Intern Expo celebrated 52 interns from more than 20 universities across Engineering, Finance, People & Talent, IT, and other divisions. Interns completed over 15 projects focused on automation, process improvement, gap analysis, and innovative solutions that supported DC Water's mission.

The event brought together interns, hiring managers, mentors, and executive leaders for project presentations and networking, highlighting the value interns bring to the organization and the hands-on experience gained through the program.

As the culminating event of the 2026 Summer Internship Program, the Expo reinforced DC Water's commitment to developing future talent, strengthening workforce pipelines, and preparing the next generation of leaders.



Learning & Development – continued

LinkedIn Learning Implementation

The Learning & Development team launched enterprise-wide LinkedIn Learning access on July 1, 2026, giving employees unlimited access to on-demand courses that support skill building, leadership development, compliance, and career growth. The initiative advances DC Water's commitment to continuous learning and employee development.

Leading Blue

The Leading Blue Mid-Level Leadership Development Program has reached its halfway milestone, with participants actively engaged in leadership sessions and capstone projects aligned with organizational priorities. The cohort remains on track for graduation in December 2026.

Wellness

July was a strong month for employee wellness, highlighted by the success of our annual Screening Day event. A total of 188 employees participated, representing a 37% increase from last year's 137 participants. Employees took advantage of a variety of preventive health services, including biometric screenings, mobility assessments, and wellness resources designed to help them better understand and improve their health. The increased participation reflects our employees' commitment to prioritizing their well-being and supports DC Water's ongoing focus on creating a healthier workforce.

Looking ahead, employees are encouraged to participate in our upcoming Self-Care Day Workshop, which will provide practical strategies for managing stress, preventing burnout, and building sustainable self-care habits. The session is designed to help employees invest in their personal well-being while enhancing resilience both at work and at home. We look forward to continuing the momentum from Screening Day and supporting employees on their wellness journey.

People and Talent Metrics

Metric	Target	May 26	Jun 26	Jul 26
Vacancies	N/A	175	161	170
FTEs	N/A	1108	1122	1113
*Vacancy Rate	10%	13.64%	12.55%	13.25%
Temporary Alternative Duty Program (TAD) +	50% of WC claims eligible for TAD program	90%	90%	92%

*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, the more DC Water 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%
Total Turnover Rate	5.71%	6.65%	7.61%	8.11%	7.11%

NOTE: AWWA Turnover Benchmark: 7%

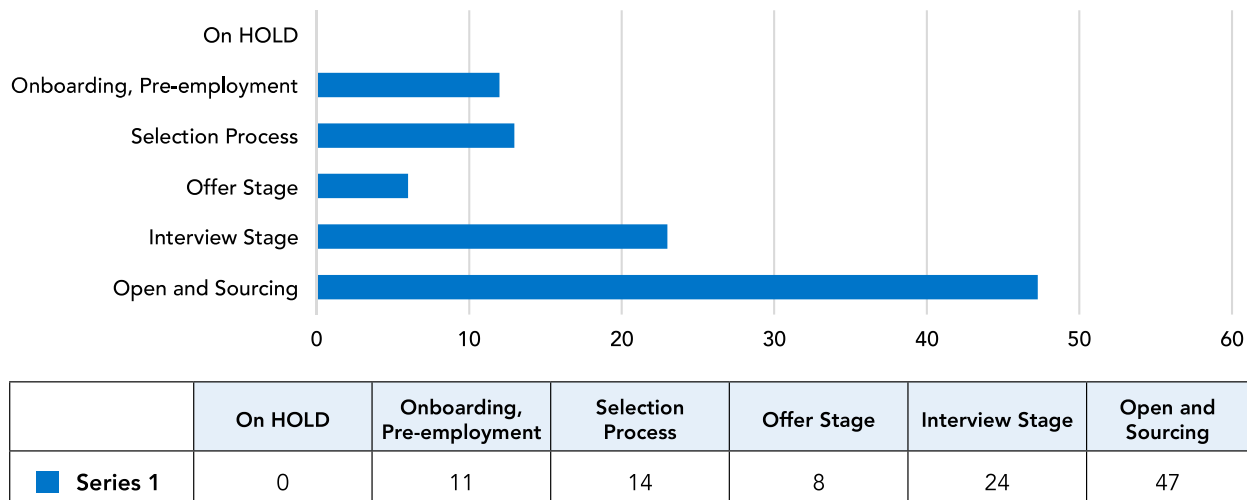
Key Performance Indicators by Cluster

Cluster	Metric	May 26	Jun 26	Jul 26
Learning & Development	Total cost of tuition assistance/reimbursement	\$23,579	\$38,840	\$13,365
	Total # of employees participating in tuition assistance/reimbursement	16	8	7
	Total # of employees seeking associate's degree	0	0	0
	Total # of employees seeking a bachelor's degree	1	2	4
	Total # of employees seeking a master's degree	1	4	3
	Total # of employees seeking a doctorate degree	0	1	0

Key Performance Indicators by Cluster – continued

Cluster	Metric	May 26	Jun 26	Jul 26
Learning & Development	Total # of employees seeking a certification	5	5	0
	Total # of employees participating in external training	14	14	0
Talent Acquisition	Hires	17 (4 external, 13 internal)	28 (19 external, 9 internal)	2 (1 external, 1 internal)
	Positions Under Recruitment*	90	89	104
Separations	Separations	9	5	10
	Term Reasons	• 8 voluntary (8 resignations) • 1 involuntary (1 death)	• 2 voluntary (2 resignations) • 3 involuntary (1 dismissal & 2 deaths)	• 6 Voluntary (5 resignations & 1 retirement) • 4 Involuntary (4 dismissals)
Benefits – Retirement Plan Participation	457(b) Pre-Tax	860 Employees Participated	861 Employees Participated	857 Employees Participated
	457(b) Roth	146 Employees Participated	151 Employees Participated	152 Employees Participated

As of 08/05/2026

Recruitment Report - 104 Total


Government Affairs Highlights

July 1-9

The Government Affairs team coordinated with the Clean Rivers Project team to support and facilitate invitations to key dignitaries and community representatives for the Piney Branch Tunnel Groundbreaking Ceremony.

July 7

Participated in the in-person Tobytown Community Meeting held on Tuesday, July 7, 2026. The meeting provided an opportunity to engage directly with community members, share project updates, address questions and concerns, and discuss ongoing activities related to the Potomac Interceptor (PI) project.

July 8

Presented updates and key discussion items to the DC Water Board's Government Affairs Committee, providing an overview of current initiatives, stakeholder engagement activities, and upcoming priorities requiring coordination and support.

July 16

Finalized the redline version of the Disconnection Bill, incorporating necessary revisions and preparing the document for further review and advancement internally.

July 21

Submitted the Current Strategies-drafted funding support letter to the Association of Metropolitan Water Agencies (AMWA) for transmission to House and Senate officials, supporting continued advocacy efforts for critical water infrastructure funding initiatives.

July 21

Submitted the American Water Works Association (AWWA)-drafted funding support letter to Congresswoman Eleanor Holmes Norton's Office to support continued advocacy for critical water infrastructure funding initiatives.



Government and Legal Affairs

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

	2nd Quarter	FY 2026 YTD
Cases Managed	29	33
New Cases	3	3
Cases Closed	7	4
Amount Demanded of DC Water in Closed Cases	\$10,775,000	\$11,282,999
Amount Paid by DC Water in Closed Cases	\$100,500	\$143,500

*This data is current as of 3/31/26.

Revenue Recovery Cases

Currently, DGLA is managing 232 open foreclosure cases and 60 active bankruptcy cases.

Receivership Data

Active Receiverships Appointed by Court	16
Payment Plans Established	15
Pending Hearing to Appoint Receivership	2
Stayed Due to Bankruptcy Filing	1
Receiverships Closed	8
Amount Collected in Closed Receiverships	\$563,162
Amount Collected in Payment Plans	\$ 2,177,404
Total Amount Collected	\$ 2,740,566

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 July 2026 related DC Water operational data and procurement.

FOIA Data

Open Requests	152
Requests Opened this Month	12
Requests Closed this Month	3

Other Legal Matters

Type of Legal Matter	# Reviewed/Processed
Contracts	19
Agreements	2
Easements	3
Subpoenas	0

Internal Audit CEO Report September 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

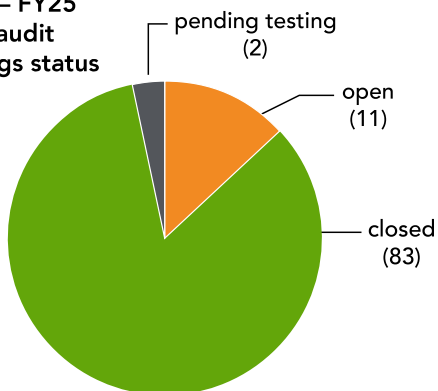
	Oct - 25	Nov - 25	Dec - 25	Jan - 26	Feb - 26	Mar - 26	Apr - 26	May - 26	Jun - 26	Jul - 26	Aug - 26	Sept - 26	Oct - 26	Status
Customer Billing and Collections Audit														In Progress
Emergency Management Policy Gap Analysis														In Progress
Legal Operational Audit														In Progress
Recruitment, Performance Evaluation, Compensation Analysis & Training/LMS Assessment														In Progress
Asset Management Lifecycle														Moved FY2027
Cloud Security														Complete
Work Order Management - Pumping Operations														In Progress
Procurement, Contracting, & Contract Compliance Audit														In Progress
Physical Security - Blue Plains														In Progress
Operational Technology Resiliency Audit														In Progress
FY 2027 Risk Assessment														In Progress
Ongoing Follow-up Procedures														Ongoing
Ongoing Hotline Monitoring														Ongoing

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-Facilities Audit	4/11/2025	5
Strategic Plan Monitoring Audit	9/29/2025	3
Third-Party Vendor Management Audit	11/6/2025	1
Contract Compliance Audit	12/16/2025	0
	total	11

 Original remediation target date has been extended.

FY23 – FY25 prior audit findings status



In total, 87% 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.

As a result of focusing on a shorter reporting period and adding the remaining FY25 findings, the percentage closed has decreased to 87% 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*

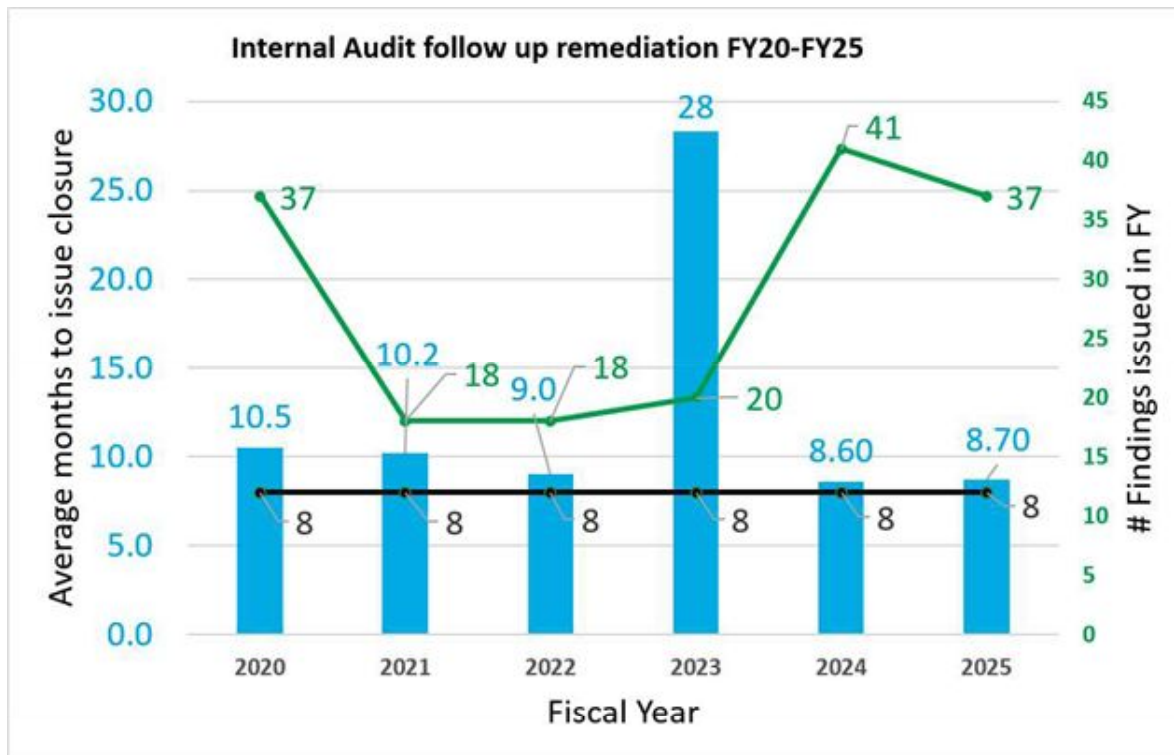
*Note: The audit findings reported below represent open findings through the FY25 Audit Plan year.

	Audit FY	Issue Date	Audit Report	Open Finding	Target Completion Date
1	2025	4/15/2025	Work Order Management-Facilities Audit	Lack or Current Asset Retirement and Disposal Standard Operating Procedures (SOPs)	9/30/2026
2	2026	6/18/2026	Cloud Security Audit	Awaiting management corrective action support. Once received, findings will be marked as closed, pending validation in the monthly reporting.*	8/15/2026

*TBD: Management is currently evaluating remediation actions and will provide a revised target completion dates.

Closure Time by Fiscal Year

The graphs below illustrate the average number of quarters from audit finding issuance to audit finding closure year-over-year as of July 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.



*Data before FY2023 was provided by RSM



Presented and Adopted: September 3, 2026

SUBJECT: Approval of Award and Authorization to Execute Contract No. 10638, Electric Energy Services and Electricity Generation and Transmission, Direct Energy Business, LLC (aka NRG)

**#26-51
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 September 3, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award and authorize execution of Contract No. 10638 with Direct Energy Business, LLC (aka NRG).

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract No. 10638 with Direct Energy Business, LLC (aka NRG). This contract, will provide DC Water with retail electricity services, including the generation and transmission of electricity to its seven largest metered locations in the District of Columbia. The total amount of this contract for a four-year and ten-month base term and up to five one-year options is \$129,373,271.00.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT NEW AWARD

**Electric Energy Services and Electricity Generation and Transmission
(Joint Use Direct)**

Approval of award and authorization to exercise a contract in the amount of \$129,373,271.00 for a base period of four (4) years and 10 months with up to five (5) one-year options.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Direct Energy Business, LLC (aka NRG) 804 Carnegie Center Princeton, NJ 08540	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year Contract Value:	\$129,373,271.00
Base Year Contract Dates:	12-01-2026 — 09-30-2031
No. of Option Years in Contract:	5
Option Years Dates:	10-01-2031 — 09-30-2036
Total Number of Proposals:	9

Purpose of the Contract:

This contract is to provide full requirements for retail electricity services to DC Water. Specifically, it covers the generation and transmission of electricity to DC Water's seven largest metered locations in the District of Columbia.

Contract Scope:

The contract scope includes purchasing of electric energy and PJM ancillary services for the seven main designated accounts. Additionally, the service provider will deliver strategic market information. Under DC Water's direction, the provider will solicit bids and purchase blocks of capacity and energy from the PJM wholesale market. These block purchases pass through to DC Water at the supplier's actual cost.

Financially, 85% of the contract services support the Department of Wastewater Treatment Operations, and 15% support the Department of Water and Sewer Operations. This contract action exercises the base period only; option years may be exercised annually.

Solicitation

Eight companies responded to DC Water's formal RFP for electricity supply, which was released on November 11, 2025 and closed on February 27, 2026. Because one bidder submitted two distinct variations, the team evaluated a total of nine proposals. The DC Water evaluation committee narrowed these down to a shortlist of four vendors: Constellation (the incumbent), NRG, WGL and BP. Following a second round of negotiations focused on a day-ahead-only block and index product—alongside a detailed review of supplier pricing and contract terms—NRG emerged as the highest-rated vendor and is recommended for the award.

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BUDGET INFORMATION**PROCUREMENT INFORMATION**

Contract Type:	Goods & Services	Award Based On:	Highest Rated
Commodity:	Electricity Services	Contract Number:	10638
Contractor Market:	Energy Services		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment Operations
Service Area:	Blue Plains	Department Head:	Nicholas Passarelli

ESTIMATED USER SHARE INFORMATION (DIRECT)

User - Operating	Share %	Dollar Amount
District of Columbia	41.52%	\$45,658,415.00
Washington Suburban Sanitary Commission	42.58%	\$46,824,068.00
Fairfax County	10.17%	\$11,183,672.00
Loudoun Water	5.02%	\$5,520,357.00
Other (PI)	0.71%	\$780,768.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$109,967,280.00

BUDGET INFORMATION

Funding:	Operating	Department:	Water and Sewer Operations
Service Area:	DC Water Pump Stations (Anacostia, Eastside, Potomac, Bryant St., Main and O Street)	Department Head:	Chris Collier

ESTIMATED USER SHARE INFORMATION (INDIRECT)

User - Operating	Share %	Dollar Amount
District of Columbia	61.76%	\$11,985,140.00
Washington Suburban Sanitary Commission	20.11%	\$3,902,545.00
Fairfax County	10.18%	\$1,975,530.00
Loudoun Water	6.86%	\$1,331,251.00
Other (PI)	1.09%	\$211,525.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$19,405,991.00

COMBINED ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	44.55%	\$57,643,555.00
Washington Suburban Sanitary Commission	39.21%	\$50,726,613.00
Fairfax County	10.17%	\$13,159,202.00
Loudoun Water	5.30%	\$6,851,608.00
Potomac Interceptor	0.77%	\$992,293.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$129,373,271.00

DocuSigned by:

Matthew Brown

7/8/2026

Matthew Brown
Chief Operating Officer & Executive
Vice-President

Signed by:

Lola Oyeemi

7/8/2026

Lola Oyeemi
Acting CFO and EVP of Finance, Procurement
and Compliance and Vice President, Budget

DocuSigned by:

Korey Gray

7/8/2026

Korey Gray
VP Compliance and
Chief Procurement Officer*Matthew T. Brown* 9/1/2026Matthew T. Brown
Interim CEO and General Manager

Presented and Adopted: September 3, 2026

SUBJECT: Approval to Exercise Contract Modification to Add Funding and Extend Option Year 7 of Contract No. 10240, Electric Energy Services and Associated Energy Generation and Transmission Services, Constellation New Energy, Inc

**#26-52
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 September 3, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve contract modification to add funding and extend option year 7 of Contract No. 10240, Constellation New Energy, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to execute contract modification to add funding and extend option year 7 of Contract No. 10240, Constellation New Energy, Inc. DC Water requires a qualified firm to provide ongoing retail electricity, generation, and transmission services. This contract supplies electricity services and purchased electrical generation capacity to the Departments of Wastewater Treatment Operations and Water and Sewer Operations. It also grants DC Water access to the Pennsylvania-New Jersey-Maryland wholesale competitive electricity market to meet the energy needs of its seven major metered locations in the District of Columbia. Supplemental funding for Option Year 7 is needed to address rising electricity costs, while the two-month extension will support a smooth transition to a new long-term vendor. The total value of this modification and extension is \$16,096,843.00.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT ADDITIONAL FUNDING

**CONSTELLATION NEW ENERGY, INC.
(Joint use Direct)**

Approval to exercise a contract modification to add funds and extend Option Year 7 for Electric Energy Services and associated Energy Generation and Transmission Services in the amount of \$16,096,843.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Constellation New Energy, Inc. 100 Summit Lake Drive, Suite 410 Valhalla, NY 10595	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Year – Option Year 3 Value:	\$91,375,000.00
Base Year – Option Year 3 Dates:	03-12-2014 – 03-11-2022
Option Year 3 – Option Year 6 Value:	\$73,043,862.00
Option Year 3 – Option Year 6 Dates:	10-01-2021 – 09-30-2025
Option Year 7 Value:	\$22,750,713.25
Option Year 7 Dates:	10-01-2025 – 09-30-2026
Option Year 7 Modification Value:	\$11,546,892.00
Option Year 7 Dates:	04/01/2026 – 09/30/2026
Option Year 7 Extension Value:	\$4,549,951.00
Option Year 7 Extension Dates:	10-01-2026 – 11-30-2026

Purpose of the Contract:

DC Water requires the services of a qualified firm to fulfill its ongoing need for retail electricity services, electricity generation, and transmission. This contract provides the Departments of Wastewater Treatment Operations and Water and Sewer Operations with electricity services and purchased electrical generation capacity. Additionally, this contract grants DC Water access to the Pennsylvania-New Jersey-Maryland (PJM) wholesale competitive electric market to meet the energy needs of its seven (7) major metered locations in the District of Columbia. The supplemental funds for Option Year 7 are necessary due to rising electricity costs. Furthermore, the two-month extension will enable DC Water to transition smoothly to a new long-term vendor.

Contract Scope:

The DC Water electric energy services contract encompasses energy market intelligence, and the procurement of electricity and associated PJM Interconnection ancillary services for seven designated accounts. At the direction of DC Water, the service provider solicits bids for and purchases blocks of energy and capacity directly from the PJM wholesale market. The cost of these block purchases is passed through to DC Water at the electricity supplier's actual cost. Contracted services are allocated as follows:

- 85% dedicated to Wastewater Treatment Operations
- 15% dedicated to Water and Sewer Operations

Spending Previous Years:

Cumulative Contract Value:	03-12-2014 to 09-30-2026: \$187,169,575.25
Cumulative Contract Spending:	03-12-2014 to 04-01-2026: \$184,883,353.25

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Contractor's Past Performance:

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

PROCUREMENT INFORMATION

Contract Type:	Goods & Services	Award Based On:	Highest Ranked
Commodity:	Electricity Services	Contract Number:	10240
Contractor Market:	Energy Services		

BUDGET INFORMATION

Funding:	Operating	Department:	Wastewater Treatment Operations
Service Area:	Blue Plains	Department Head:	Nicholas Passarelli

ESTIMATED USER SHARE INFORMATION (DIRECT)

User - Operating	Share %	Dollar Amount
District of Columbia	41.52%	\$5,680,897.83
Washington Suburban Sanitary Commission	42.58%	\$5,825,930.39
Fairfax County	10.17%	\$1,391,491.59
Loudoun Water	5.02%	\$686,852.29
Other (PI)	0.71%	\$97,144.45
TOTAL ESTIMATED DOLLAR AMOUNT	100%	\$13,682,316.55

BUDGET INFORMATION

Funding:	Operating	Department:	Water and Sewer Operations
Service Area:	DC Water Pump Stations (Anacostia, Eastside, Potomac, Bryant St., Main and O Street)	Department Head:	Chris Collier

ESTIMATED USER SHARE INFORMATION (INDIRECT)

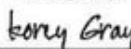
User - Operating	Share %	Dollar Amount
District of Columbia	61.76%	\$1,491,211.54
Washington Suburban Sanitary Commission	20.11%	\$485,561.27
Fairfax County	10.18%	\$245,798.79
Loudoun Water	6.86%	\$165,636.51
Other (PI)	1.09%	\$26,318.34
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$2,414,526.45

COMBINED SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	44.55%	\$7,172,109.37
Washington Suburban Sanitary Commission	39.21%	\$6,311,491.66
Fairfax County	10.17%	\$1,637,290.39
Loudoun Water	5.30%	\$852,488.81
Other (PI)	0.77%	\$123,462.79
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$16,096,843.00

DocuSigned by:

 Matthew T. Brown
 Chief Operating Officer and Executive Vice-President
 Date 7/8/2026

DocuSigned by:

 Korey K. Gray
 VP Compliance and Chief Procurement Officer
 Date 7/8/2026

DocuSign Envelope ID: 513048BE-F4C3-8D1D-80F7-81EED0A1D2BE

Signed by:
olade oyeemi 1/7/8/2026
Date
Acting CFO & EVP of Finance, procurement &
Compliance, and Vice President, Budget

Matthew T. Brown 9/1/2026
Date
Matthew T. Brown
Interim CEO and General Manager

Presented and Adopted: September 3, 2026

SUBJECT: Approval of Award and Authorization to Execute IDIQ Contract Nos. 10631, 10633 and 10634, Industrial High Pressure and High Vacuum Truck Services: Riviera Enterprises LLC, Jet Blast Inc. and Carter & Carter Enterprise Inc.

**#26-53
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 September 3, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award and authorize execution of Contract Nos. 10631, 10633, and 10634 with Riviera Enterprises LLC, Jet Blast Inc. and Carter and Carter Enterprises Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract Nos. 10631, 10633 and 10634 with Riviera Enterprises LLC, Jet Blast Inc. and Carter and Carter Enterprises Inc. This contract will engage qualified industrial high-pressure and high-vacuum truck service contractors to inspect and clean drains, channels, stormwater pump stations, catch basins, sump pits, wet wells, centrifuges, conveyance systems, screens, process and storage tanks, and associated piping throughout the Blue Plains facility. Services will include removing sediment, scum, grit, screenings, processing debris, and other materials. The total value for two base years and three option years is not to exceed \$7,400,000.00.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

DocuSign Envelope ID: 25982117-DC87-832C-8224-CACB5E9579C1

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT AWARD

Industrial High Pressure and High Vacuum Truck Services

(Joint use Direct)

Approval of award and authorization to execute IDIQ contracts for Industrial High Pressure and High Vacuum Truck Services in the amount not to exceed \$7,400,000.00 for two base years and three option years.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Riviera Enterprises LLC. (DBE) 7600 Penn Belt Dr, Forestville, MD 20747	NONE	DBE: 100%
Jet Blast Inc. (DBE) 6800 For Smallwood Rd, Baltimore, MD 21226		
Carter & Carter Enterprise Inc. (DBE) 212 Van Buren St. NW, Washington, DC 20012		

DESCRIPTION AND PURPOSE

Base Years 1-2 Value:	\$2,600,000.00
Base Years 1-2 Dates:	10-01-2026 – 09-30-2028
Option Years 1–3 Value:	\$4,800,000.00
Option Years 1–3 Dates:	10-01-2028 – 09-30-2031
Total No. of Proposals:	3
Proposal Price Range:	\$5.5M – \$7.4M

Purpose of the Contract:

This contract is for qualified Industrial High Pressure & High Vacuum Truck Services contractors to provide inspection, cleaning, and removal of sediment, scum, grit, screenings, general processing debris, and other materials from drains, channels, stormwater pump stations and catch basins, sump pits, wet wells, centrifuges, conveyance systems, screens, process tanks, storage tanks, and associated piping throughout the Blue Plains facility.

Contract Scope:

To provide inspection, cleaning, and removal of sediment, scum, grit, screenings, general processing debris, and other materials from drains, channels, stormwater pump stations and catch basins, sump pits, wet wells, centrifuges, conveyance systems, screens, process tanks, storage tanks, and associated piping throughout the Blue Plains facility.

DocuSign Envelope ID: 25982117-DC87-832C-8224-CACB5E9579C1

Supplier Selection:

The request for proposal (RFP) number was issued to the open market March 16, 2026, and closed on April 10, 2026. A mandatory site visit was held at DC Water's Blue Plains Advanced Wastewater Treatment Plant (BPAWWTP) on March 25, 2026. Three (3) responses to this solicitation were received and those three vendors will each be awarded to ensure competition and redundancy.

The awarded vendors were selected based on technical expertise, experience and compliance with contract requirements.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Best Value
Commodity:	Maintenance Services	Contract Numbers:	10631, 10633, 10634
Contractor Market:	Open Market with DBE/WBE Goals		

BUDGET INFORMATION

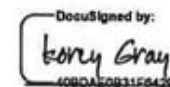
Funding:	Operating	Department:	Waste Water Treatment
Project Area:	DC Water Facilities	Department Head:	Chanda Albrittain

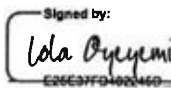
ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	41.52%	\$3,072,480.00
Washington Suburban Sanitary Commission	42.58%	\$3,150,920.00
Fairfax County	10.17%	\$752,580.00
Loudoun Water	5.02%	\$371,480.00
Other (PI)	0.71%	\$52,540.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$7,400,000.00

DocuSigned by:

 363C5D99CC1C403
 Matthew T. Brown
 Chief Operation Officer & Executive
 Vice-President
 Date

DocuSigned by:

 408DAE0B31F6428
 Korey Gray
 Vice-President &
 Chief Procurement Officer
 Date 7/8/2026

Signed by:

 E26E37F04620460
 Lola Oyeyemi
 Acting CFO & EVP
 Finance, Procurement & Compliance,
 and Vice President, Budget
 Date 7/8/2026


 Matthew T. Brown
 Interim CEO and General Manager
 Date 9/11/2026

Presented and Adopted: September 3, 2026

**SUBJECT: Approval of Award and Authorization to Execute Contract
No. 10637, Microsoft Enterprise Licenses Agreement, Dell
Marketing LP**

**#26-54
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 September 3, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award and authorize execution of Contract No. 10637 with Dell Marketing LP.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract No. 10637, Dell Marketing LP. The contract will provide Microsoft software licenses and annual maintenance for Microsoft Suite products used throughout the District of Columbia Water and Sewer Authority. The total amount of this contract for October 1, 2026 through September 30, 2029 is \$8,465,460,00.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

GOODS AND SERVICES CONTRACT NEW AWARD

MICROSOFT ENTERPRISE LICENSES AGREEMENT

(Joint Use Indirect)

Approval of award and authorization to execute contract for Microsoft Enterprise Licenses for three years in the amount of \$8,465,460.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Dell Marketing LP One Dell Way Round Rock TX 78680	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Award Contract Value:	\$8,465,460.00
Award Contract Dates:	10-01-2026—09-30-2029
No. of Option Years in Contract:	0
Total Number of Proposals:	2
Proposal Price Range	\$8,465,460.00 - \$8,585,650.00

Purpose of the Contract:

To provide Microsoft licenses and annual software maintenance. Various Microsoft Suite products are used throughout the District of Columbia Water and Sewer Authority.

Contract Scope:

The agreement allows for software licenses and Microsoft Suite products to be purchased for the next three-year period including tools such as Microsoft Office, Teams, Visio, SQL Server, Azure, Power BI, Project, among others. The actual contract amount will be awarded annually via issuance of a Purchase Order.

Solicitation:

The procurement method utilized was a Request for Quotation (RFQ) limited to Certified Microsoft Gold Partners, which is DC Water's minimum required qualification to support our Microsoft environment. The RFQ, DCW-SOL-26-10577, was released on May 12, 2026, and it closed on June 5, 2026. Two vendors, SHI Intl and Dell Marketing, provided responses. Subsequent to receipt of Best and Final Offers, Dell Marketing was selected for award based on being the lowest-priced vendor.

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PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Lowest Price
Commodity:	Software License Renewal	Contract Number:	10637
Contractor Market:	Limited Market (Microsoft Certified Resellers)		

BUDGET INFORMATION

Funding:	Capital Equipment	Department:	Information Technology
Project Area:	DC Water Wide	Department Head:	Dotun Olawunmi

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	65.63%	\$5,555,881.40
Washington Suburban Sanitary Commission	25.02%	\$2,118,058.09
Fairfax County	5.98%	\$506,234.51
Loudoun Water	2.95%	\$249,731.07
Potomac Interceptor	0.42%	\$35,554.93
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$8,465,460.00

Signed by:

Jesse Hillman

7/8/2026

Jesse Hillman

Date

Chief Information Officer and Executive Vice President

DocuSigned by:

Korey Gray

7/8/2026

Korey Gray

Date

VP Compliance and Chief Procurement Officer

Signed by:

Olade Oyeyemi

7/8/2026

Lola Oyeyemi

Date

Interim CFO and EVP of
Finance, Procurement and Compliance and
Vice President Budget*Matthew Brown* 9/11/2026

Matthew Brown

Date

Interim CEO and General Manager

Presented and Adopted: September 3, 2026

SUBJECT: Approval to Amend Transfer of Projected FY 2026 Net Cash Surplus to Days of Cash and to Rate Stabilization Fund to offset Public Inconvenience Fee (PIF) in FY 2027 and FY 2028

**#26-55
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 the Board meeting held on September 3, 2026, upon consideration of a joint-use matter decided by a vote of ____ () in favor and ____ () opposed, to approve the following action with respect to amending the transfer of the FY 2026 Net Projected Cash Surplus of \$22,084,546 to PAYGO, Rate Stabilization Fund and Ending Cash Balance for Permit Refunds, DC Insurance Reserve, Payment Plan Incentive Program, and to Increase Days of Cash on Hand.

WHEREAS, on December 4, 1997, the Board, in Resolution #97-121, approved establishing the Financial Policies for the Authority, which were subsequently amended in Resolutions #98-08, dated March, 1998, Resolution #04-30, dated April 2, 2004, Resolution #09-86, dated July 2, 2009; Resolution #13-57, dated May 2, 2013 to establish strong levels of cash reserves, strong debt service coverage, set the level of debt service coverage, and set operating and renewal & replacement reserve levels; and

WHEREAS, on October 7, 2021, the Board, through Resolution #21-84, further revised the Statement of Financial Policies, rescinding the PAYGO (pay-as-you-go) Policy and incorporating it into the Statement of Financial Policies, making other revision including establishing a minimum cash balance of 250 days of operating expenses and coverage of 160%, and conforming the debt service coverage requirements in the Debt Policy and Guidelines with those in the proposed Statement of Financial Policies; and

WHEREAS, the Statement of Financial Policies includes a requirement for the CEO and General Manager to report a forecast of expenditures and revenues and a recommendation for use of any projected surplus; and

WHEREAS, on October 5, 2023, the Board, through Resolution #23-58, revised the Statement of Financial Policies to amend the current operating cash reserve requirement of 250 days to be the minimum required reserve requirement and set a goal to achieve an operating cash reserve requirement of 350 days by 2032 by prioritizing the allocation

of year-end surplus to achieve this goal; and

WHEREAS, on June 25, 2026, the Finance and Budget Committee met and the General Manager presented the FY 2026 projected net cash surplus of \$22,084,546; and

WHEREAS, on June 25, 2026, the General Manager recommended the Finance and Budget Committee recommend to the Board transferring: \$12,200,000 to Ending Cash Balance to increase Days of Cash on Hand from 282 to 292 days; \$5,000,000 to Rate Stabilization Fund (RSF) to reach target of 5% of Retail Revenue as per the Board Policy; \$2,000,000 to Ending Cash Balance to carryover to FY 2027 for permit refunds; \$1,000,000 to Ending Cash Balance for Extending Payment Incentive Plan for FY 2027; \$1,000,000 to DC Insurance Reserve; and \$884,546 of the net projected cash surplus to PAYGO to reduce future borrowing; and

WHEREAS, on June 25, 2026, upon further discussion and consideration of the General Manager's recommendation, some members of the Finance and Budget Committee suggested to include as an option for the \$12,200,000 to increase the days of Cash on Hand, to transfer the \$12,200,000 to the Rate Stabilization Fund to offset the Public Inconvenience Fee (PIF) in FY 2027 and keep average monthly household bill increase below 6%; and

WHEREAS, on July 2, 2026, the Board through Resolution #26-45, approved the transfer of \$22,084,546 from the Authority's projected FY 2026 net cash surplus to (i) \$12,200,000 to Ending Cash Balance to increase Days of Cash or to the Rate Stabilization Fund (RSF) to offset the Public Inconvenience Fee in FY 2027; (ii) \$5,000,000 to Rate Stabilization Fund (RSF) to reach target of 5% of Retail Revenue as per the Board Policy; (iii) \$2,000,000 to Ending Cash Balance to carryover to FY 2027 for permit refunds; (iv) \$1,000,000 to Ending Cash Balance for Extending Payment Incentive Plan for FY 2027; (v) \$1,000,000 to DC Insurance Reserve; and (vi) \$884,546 of the net projected cash surplus to PAYGO to reduce future borrowing; and

WHEREAS, on July 23, 2026, General Manager requested the Finance and Budget Committee to recommend to the Board for approval for amendment item (i) to transfer \$6,100,000 to increase the Days of Cash from 282 to 287 days and transfer \$6,100,000 to Rate Stabilization Fund (RSF) to offset Public Inconvenience Fee in FY 2027 and FY 2028 and keep average monthly household bill increase for FY 2027 below 6%; and

WHEREAS, after consideration of the recommendations of the General Manager, the Finance and Budget Committee recommended to the Board for approval for amendment to transfer \$6,100,000 to increase the Days of Cash from 282 to 287 days and transfer \$6,100,000 to Rate Stabilization Fund (RSF) to offset Public Inconvenience Fee in FY 2027 and FY 2028 and keep average monthly household bill increase for FY 2027 below 6%.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board approves the amendment of Resolution #26-45 for the transfer of \$22,084,546 from the Authority's projected FY 2026 net cash surplus to (i) \$6,100,000 to Ending Cash Balance to increase Days of Cash from 282 to 287 days (ii) \$6,100,000 to transfer to Rate Stabilization Fund (RSF) to offset the Public Inconvenience Fee in FY 2027 and FY 2028; (iii) \$5,000,000 to Rate Stabilization Fund (RSF) to reach target of 5% of Retail Revenue as per the Board Policy; (iv) \$2,000,000 to Ending Cash Balance to carryover to FY 2027 for permit refunds; (v) \$1,000,000 to Ending Cash Balance for Extending Payment Incentive Plan for FY 2027; (vi) \$1,000,000 to DC Insurance Reserve; and (vii) \$884,546 of the net projected cash surplus to PAYGO to reduce future borrowing.
2. This resolution is effective immediately.

Acting Secretary to the Board of Directors

Presented and Adopted: September 3, 2026

SUBJECT: Approval of Proposed Revised Fiscal Year 2026-2035 Ten-Year Financial Plan

**#26-56
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 ("DC Water") at the Board meeting held on September 3, 2026, upon consideration of a joint-use matter decided by a vote of ____ () in favor and ____ () opposed, to take the following action with respect to the proposed revised Fiscal Year 2026-2035 Ten Year Financial Plan.

WHEREAS, prudent utility financial management requires a long-term financial plan that integrates common elements of the ten-year capital improvement program, future capital financing plans, projected operating and maintenance budgets, revenue requirements and projected rate increases to support long-term capital and operating needs; and

WHEREAS, the Board, in Resolutions 11-10, dated January 6, 2011 and 23-58, dated October 5, 2023 (Board Policies), adopted a series of financial policies in the areas of capital financing, long-term financial planning, and rate-setting to assure the short-term and long-term financial health of DC Water; and

WHEREAS, adherence to these financial policies has allowed the DC Water to receive strong bond ratings that will reduce debt service costs over the ten-year planning period; and

WHEREAS, consistent with the Board Policies and management financial targets, the General Manager has prepared a ten-year financial plan in conjunction with and based on the assumptions in the proposed FY 2027 Operating and Capital Budgets; and

WHEREAS, on March 5, 2026, the Board through Resolution #26-16, approved the proposed Fiscal Year 2026-2035 Ten Year Financial Plan is consistent with projections in the attached Schedules A, B and C of that Resolution; and

WHEREAS, on July 23, 2026, and July 28, 2026, the Finance and Budget Committee and the DC Retail Water and Sewer Rates Committee, respectively, met, reviewed and recommended the Board adopt the proposed revised Fiscal Year 2026-2035 Ten Year Financial Plan as recommended by the General Manager.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the proposed revised Fiscal Year 2026-2035 Ten Year Financial Plan that is consistent with the projections in the attached Schedule A, B and C and the proposed Fiscal Year 2027 and Fiscal Year 2028 Operating and Capital Budgets.
2. This resolution is effective immediately.

Acting Secretary to the Board of Directors

District of Columbia Water & Sewer Authority
Revised FY 2026 – FY 2035 Financial Plan
(In 000's)

OPERATING	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
Retail	828,827	853,845	898,154	942,103	989,001	1,038,284	1,070,208	1,124,449	1,177,798	1,226,162
Wholesale	123,769	134,090	140,055	145,657	151,484	157,543	163,845	170,399	177,215	184,303
Other	64,256	68,703	70,423	71,609	75,172	71,210	73,574	76,686	82,249	73,328
Rate Stabilization Fund (RSF) ⁽²⁾	-	4,400	4,400	-	-	-	-	-	-	-
Operating Receipts ⁽¹⁾	\$ 1,016,853	\$ 1,061,038	\$ 1,113,032	\$ 1,159,370	\$ 1,215,656	\$ 1,267,036	\$ 1,307,627	\$ 1,371,533	\$ 1,437,261	\$ 1,483,792
Operating Expenses	461,774	478,001	500,730	520,158	540,356	561,353	583,182	605,876	629,469	653,997
Debt Service	238,818	257,160	298,765	329,994	356,188	381,031	407,939	429,007	456,065	474,529
Cash Financed Capital Improvement	\$ 97,938	\$ 76,846	\$ 80,834	\$ 84,789	\$ 89,010	\$ 93,446	\$ 96,319	\$ 101,200	\$ 106,002	\$ 110,355
Net Revenues After Debt Service	\$ 218,322	\$ 249,030	\$ 232,703	\$ 224,428	\$ 230,102	\$ 231,207	\$ 220,187	\$ 235,449	\$ 245,725	\$ 244,912
Operating Reserve-Beg Balance	333,716	350,719	354,600	372,600	386,600	401,600	418,600	434,600	450,900	468,900
Other Misc (Disbursements)/Receipts										
Wholesale/Federal True Up	(8,679)	(497)	(10,000)	-	-	-	-	-	-	-
Project Billing Refunds	(2,900)	(2,000)	-	-	-	-	-	-	-	-
Transfer to DC Insurance Reserve/Payment Incentive Plan	(1,000)	(1,000)	-	-	-	-	-	-	-	-
Transfers to RSF ⁽²⁾	(11,100)	-	-	-	-	-	-	-	-	-
Pay-Go Financing	(177,640)	(241,652)	(204,703)	(210,428)	(215,102)	(214,207)	(204,187)	(219,149)	(227,725)	(225,912)
Operating Reserve - Ending Balance	\$ 350,719	\$ 354,600	\$ 372,600	\$ 386,600	\$ 401,600	\$ 418,600	\$ 434,600	\$ 450,900	\$ 468,900	\$ 487,900
Rate Stabilization Fund Balance RSF	\$ 51,744	\$ 47,344	\$ 42,944	\$ 42,944	\$ 42,944	\$ 42,944	\$ 42,944	\$ 42,944	\$ 42,944	\$ 42,944
Senior Debt Service Coverage	968%	1023%	1004%	1021%	838%	878%	797%	773%	848%	850%
Combined Debt Service Coverage	233%	235%	210%	201%	197%	192%	184%	185%	183%	181%
Actual/Projected Water/Sewer Rate Increases	6.00%	6.00%	6.00%	6.00%	6.00%	7.00%	7.50%	7.50%	7.00%	6.50%
Operating Receipts \$ Increase/Decrease										
Retail	25,884	25,017	44,309	43,949	46,898	49,283	31,925	54,240	53,349	48,364
Wholesale	9,428	10,321	5,965	5,602	5,826	6,059	6,302	6,554	6,816	7,089
Operating Receipts % Increase/Decrease										
Retail	3.2%	3.0%	5.2%	4.9%	5.0%	5.0%	3.1%	5.1%	4.7%	4.1%
Wholesale	8.2%	8.3%	4.4%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

⁽¹⁾ Includes interest earnings on senior lien revenue bonds' debt service reserve fund

⁽²⁾ FY 2026 - FY 2035 planned transfer of \$11.1 million to RSF and \$4.4 million each in FY27 and FY28 to offset the Public Inconvenience Fee (PIF) costs, which will keep the total fund balance at 51.744 million in FY27 and 47.344 million in FY28

District of Columbia Water & Sewer Authority

Average Residential Customer Monthly Bill

FY 2026- FY 2035

		Current				Proposed	Proposed								
	Units	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	
DC Water Water and Sewer Retail Rates (1)	Ccf	86.07	89.03	95.93	101.77	107.86	114.36	121.21	128.47	137.45	147.78	158.88	169.98	181.02	
DC Water Clean Rivers IAC (2)	ERU	18.14	21.86	21.23	24.23	25.50	27.22	29.25	31.54	32.51	28.74	28.75	28.76	28.11	
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	
DC Water Water System Replacement Fee (4)	5/8"	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30	
Subtotal DC Water Rates & Charges		\$ 118.26	\$ 124.94	\$ 131.21	\$ 140.05	\$ 147.41	\$ 155.63	\$ 164.51	\$ 174.06	\$ 184.01	\$ 190.57	\$ 201.68	\$ 212.79	\$ 223.18	
Increase / Decrease		\$ 6.89	\$ 6.68	\$ 6.27	\$ 8.84	\$ 7.36	\$ 8.22	\$ 8.88	\$ 9.55	\$ 9.95	\$ 6.56	\$ 11.11	\$ 11.11	\$ 10.39	
Percent Increase in DC Water Portion of Bill		6.2%	5.6%	5.0%	6.7%	5.3%	5.6%	5.7%	5.8%	5.7%	3.6%	5.8%	5.5%	4.9%	
District of Columbia PILOT Fee (1)	Ccf	\$ 3.20	\$ 3.31	\$ 3.31	\$ 3.36	\$ 3.36	\$ 3.41	\$ 3.47	\$ 3.52	\$ 3.58	\$ 3.63	\$ 3.69	\$ 3.74	\$ 3.79	
District of Columbia Right-of-Way Fee (1)	Ccf	1.03	1.03	1.03	1.08	1.08	1.08	1.14	1.14	1.14	1.14	1.14	1.19	1.19	
District of Columbia Right of Way / PILOT Fee		4.23	4.34	4.34	4.44	4.44	4.49	4.61	4.66	4.72	4.77	4.83	4.93	4.98	
District of Columbia Public Inconvenience Fee (5)	Ccf	-	-	-	-	-	-	-	-	-	-	-	-	-	
District of Columbia Stormwater Fee (3)	ERU	2.67	2.67	2.67	2.67	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	4.03	
Subtotal District of Columbia Charges		\$ 6.90	\$ 7.01	\$ 7.01	\$ 7.11	\$ 8.47	\$ 8.52	\$ 8.64	\$ 8.69	\$ 8.75	\$ 8.80	\$ 8.86	\$ 8.96	\$ 9.01	
Total Amount Appearing on DC Water Bill		\$ 125.16	\$ 131.95	\$ 138.22	\$ 147.16	\$ 155.88	\$ 164.15	\$ 173.15	\$ 182.75	\$ 192.76	\$ 199.37	\$ 210.54	\$ 221.75	\$ 232.19	
Increase / Decrease Over Prior Year		\$ 7.05	\$ 6.79	\$ 6.27	\$ 8.94	\$ 8.72	\$ 8.27	\$ 9.00	\$ 9.60	\$ 10.01	\$ 6.61	\$ 11.17	\$ 11.21	\$ 10.44	
Percent increase in Total Bill		6.0%	5.4%	4.8%	6.5%	5.9%	5.3%	5.5%	5.5%	5.5%	3.4%	5.6%	5.3%	4.7%	

(1) Assumes average monthly consumption of 5.42 Ccf, or (4,054 gallons)

(2) Assumes average 1 Equivalent Residential Unit (ERU)

(3) District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010, and \$4.03 effective October 1, 2026

(4) DC Water "Water System Replacement Fee" of \$6.30 for 5/8" meter size effective October 1, 2015

(5) Anticipated PIF costs will be absorbed using current year's Cash Surplus to keep Rate increase below 6.0%.

District of Columbia Water & Sewer Authority
Retail Rates, Charges and Fees
FY 2026 - FY 2028

	Units	Current FY 2026	Proposed FY 2027	Proposed FY 2028
DC Water Retail Rates – Water:				
Residential – Lifeline (0- 4 Ccf)	Ccf	\$5.78	\$6.49	\$7.11
Residential – (> 4 Ccf)	Ccf	7.60	8.4	9.40
Multi-family	Ccf	6.47	7.21	7.98
Non-Residential	Ccf	7.84	8.66	9.71
DC Water Retail Rates – Sewer				
Groundwater	Ccf	3.76	3.90	3.90
High-Flow Filter Backwash	Ccf	3.54	3.54	3.54
DC Water Clean Rivers IAC	ERU	24.23	25.5	27.22
DC Water Customer Metering Fee	5/8"	7.75	7.75	7.75
DC Water System Replacement Fee	5/8"	6.30	6.30	6.30
District of Columbia PILOT Fee	Ccf	0.62	0.62	0.63
District of Columbia Right of Way Fee	Ccf	0.20	0.20	0.20
District of Columbia Public Inconvenience Fee ⁽¹⁾	Ccf	0.00	0.00	0.00
District of Columbia Stormwater Fee ⁽²⁾	ERU	2.67	4.03	4.03

⁽¹⁾ DC Water will not establish the proposed PIF. The anticipated PIF costs will be absorbed using current year's Cash Surplus to keep Average Residential Rate increase below 6.0%

⁽²⁾ District Department of the Environment stormwater fee of \$2.67 effective November 1, 2010, and \$4.03 effective October 1, 2026

Presented and Adopted: September 3, 2026

SUBJECT: Approval of Award and Authorization to Execute Master Service Agreements (MSA) with Five Qualified Contractors, Contract No. 260040, Potomac Interceptor Rehabilitation: Anchor Construction Corporation, Clark Michels JV, Garney Companies, Inc, SAK Construction, LLC and Ulliman Schutte Construction LLC

**#26-57
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 September 3, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award and authorize execution of Contract No. 260040, Anchor Construction Corporation, Clark Michels JV, Garney Companies, Inc, SAK Construction, LLC and Ulliman Schutte Construction LLC.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract No. 260040, Anchor Construction Corporation, Clark Michels JV, Garney Companies, Inc, SAK Construction, LLC and Ulliman Schutte Construction LLC. The contract will provide construction services to rehabilitate the Potomac Interceptor based on inspection findings, as well as emergency response and preparedness services. The program has a not-to-exceed value of \$350,000,000.00 for an initial five-year term, with two optional one-year renewals exercisable at DC Water's discretion.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

**CONSTRUCTION MANAGER AT RISK (CMAR)
MASTER SERVICE AGREEMENT**

**POTOMAC INTERCEPTOR REHABILITATION
(Joint Use)**

Approval of award and authorization to execute Master Service Agreements (MSA) with five (5) qualified contractors for Potomac Interceptor Rehabilitation. The total authorized program value shall not exceed \$350,000,000.00 over a five (5) year contract term, with two one-year options for renewal held by DC Water.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:*	SUBS:	PARTICIPATION:
Anchor Construction Corporation 2254 25 Place NE Washington, DC 20018	TBD	See note below table regarding Utilization Goals.**
Clark Michels JV 23475 Rock Haven Suite, Suite 140 Sterling, VA 20166	TBD	
Garney Companies, Inc. 3959 Pender Drive, Suite 100 Fairfax, VA 22030	TBD	
SAK Construction, LLC 864 Hoff Road O'Fallon, MO 63366	TBD	
Ulliman Schutte Construction, LLC 14420 Albemarle Point Place, Suite 110 Chantilly, VA 20151	TBD	

*Five firms were prequalified to participate in the Potomac Interceptor Rehabilitation Program.

**Each of the five firms demonstrated a history of successfully meeting established goals for DBE/WBE utilization. Additionally, the qualified firms agreed to actively engage the certified business community and meet/exceed DC Water's business utilization goals established for each Task Order they are awarded.

DESCRIPTION AND PURPOSE

Not-To-Exceed Program Value:	\$ 350,000,000.00
Contract Time:	5 Years
No. of Option Years in Contract:	Two 1-year options
Anticipated Contract Start Date (NTP):	10-01-2026
Anticipated Contract Completion Date:	09-30-2031 (5 years)
Qualification Receipt Date	06-16-2026
Qualifications Received:	10
Anchor Construction Corporation***	Inliner Solutions
Clark Michels JV ***	SAK Construction, LLC***
Flatiron Dragados	Structural Preservation Systems
Garney Companies, Inc.***	Ulliman Schutte Construction, LLC***
Halmar International	Vortex

***Selected to execute MSA

Purpose of the Contract:

- Provide construction services to rehabilitate the Potomac Interceptor based on results of inspections

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- Provide emergency response services and emergency preparedness services

Contract Scope:

- Rehabilitation of 42" to 96" diameter pipelines using geopolymer lining, cured-in-place pipe (CIPP), slip lining, spiral wound lining and complementary technologies
- Anticipated Rehabilitation Projects
 - PI Northeastern Segment Manholes 40 to 31.5 - 3.2 miles
 - PI Difficult Run Extension Manholes 209 to 208.2 - 150 feet
 - Other additional projects that are identified as part of the CIP development
- Work around live flows in active interceptor with no redundancy
- Construct and operate bypass pumping, 40-140 mgd over lengths greater than 1 mile
- Construct temporary access chambers on active Potomac Interceptor
- Install permanent concrete access chambers
- Restoration including backfill, grading, landscaping and pavement restoration
- Emergency response services and emergency preparedness services as needed

Federal Grant Status:

This Construction Contract is eligible for Federal appropriations.

PROCUREMENT INFORMATION

Contract Type:	Master Services Agreement	Award Based On:	Qualification Based Selection
Commodity:	Construction	Contract Number:	260040
Contractor Market:	Open Market		

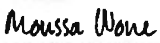
BUDGET INFORMATION

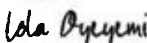
Funding:	Capital	Department:	Clean Rivers/Potomac Interceptor
Service Area:	Sanitary Sewer	Department Head:	Jeff Peterson
Project:	PI		

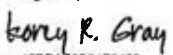
ESTIMATED USER SHARE INFORMATION

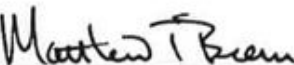
User	Share %****	Dollar Amount
District of Columbia	0.00%	\$ 0.00
Federal Funds	0.00%	\$ 0.00
Washington Suburban Sanitary Commission	4.42%	\$ 15,468,159.00
Fairfax County	50.89%	\$ 178,126,624.00
Loudoun County & Potomac Interceptor	44.69%	\$ 156,405,217.00
Total Estimated Dollar Amount	100.00%	\$ 350,000,000.00

****Work under this Master Service Agreement (MSA) will be authorized through specific task orders for the PI Northeastern Segment and PI Difficult Run Extension Manholes projects. Costs associated with other additional tasks identified through the Capital Improvement Program (CIP) development process and supported under this MSA have been incorporated based on an average projected allocation. As task orders are developed and project-specific costs are established for Potomac Interceptor-related work, participating users will be notified and charged in accordance with the agreed-upon cost-sharing arrangement.

Signed by:

 Moussa Wone
 Chief Engineer and Vice President
 Date: 8/20/2026

Signed by:

 Lola Oyeyemi
 Acting Chief Financial Officer
 and Vice President, Budget
 Date: 8/20/2026

Signed by:

 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer
 Date: 8/20/2026
 260040 Factsheet PI MSA

Signed by:

 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager
 Date: 9/1/2026

Prepared August 6, 2026

Presented and Adopted: September 3, 2026

**Subject: Approval of Supplemental Agreement No. 1 for
\$1,500,000.00 for Beveridge & Diamond, PC for
Privileged and Confidential Legal Services**

**#26-58
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 ("DC Water") at the Board meeting held on September 3, 2026, upon consideration of a joint use matter, decided by a vote of ____ () in favor and ____ () opposed, to approve Supplemental Agreement No. 1 for \$1,500,000.00 for Beveridge & Diamond for Privileged & Confidential Legal Services.

BE IT RESOLVED THAT:

1. The Board of Directors hereby authorizes the CEO & General Manager to execute a budget approval for Beveridge & Diamond, PC to provide privileged & confidential legal services to DC Water Department of Government and Legal Affairs -- the Supplemental Agreement No. 1 for \$1,500,000.00.
2. This resolution shall be effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

**LEGAL SERVICES:
Privileged & Confidential Legal Services
(Joint Use)**

Approval to execute Supplemental Agreement No. 1 for \$1,500,000.00. The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Beveridge & Diamond, PC 1350 I St NW, STE 700 Washington, DC 20005	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Original Contract Value:	\$ 900,000.00
Total of Previous SA's	\$ 0.00
Current Contract Value:	\$ 900,000.00
Value of this SA:	\$1,500,000.00
Total Contract Value, Including this SA:	\$2,400,000.00
Original Contract Time:	315 Days
Time extension, this SA:	N/A
Total Option Years & SA Contract time extension:	315 Days
Contract Start Date:	02-19-2026
New Contract Completion Date:	12-31-2026

Purpose of the Contract:

To provide privileged and confidential legal services to DC Water.

Purpose of the Supplemental Agreement:

The supplemental agreement amends the primary contract to address confidential and legal services for DC Water.

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PROCUREMENT INFORMATION

Contract Type:	Cost Plus Fixed Fee	Award Based On:	Highest Ranking Score
Commodity:	Legal Services	Contract Number:	DCW2638365
Contractor Market:	Exempt		

BUDGET INFORMATION

Funding:	Operating	Department:	Government and Legal Affairs
Service Area:	Legal Services	Department Head:	Ernest Tuckett, III

ESTIMATED USER SHARE INFORMATION

User - Operating	Share %	Dollar Amount
District of Columbia	65.63%	\$ 984,450.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	25.02%	\$ 375,300.00
Fairfax County	5.98%	\$ 89,700.00
Loudoun County & Potomac Interceptor	3.37%	\$ 50,550.00
Total Estimated Dollar Amount	100.00%	\$ 1,500,000.00

Signed by: Ernest Tuckett 8/26/2026
 Ernest Tuckett, III
 Chief Legal Officer
 and Executive Vice President

Signed by: Olade Oyeyemi 8/27/2026
 Lola Oyeyemi
 Acting Chief Financial Officer
 and Vice President, Budget

Signed by: Korey R. Gray 8/26/2026
 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer

Signed by: Matthew T. Brown 9/1/2026
 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager

Presented and Adopted: September 3, 2026

SUBJECT: Adoption and Approval to Publish the Notice of Final Rulemaking to Establish House By House Priority Full Lead Water Service Line Replacement Program

**#26-59
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“the DC Water”) at its meeting held on September 3, 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 the adoption and approval to publish the Notice of Final Rulemaking to Establish House By House Priority Full Lead Water Service Line Replacement Program.

WHEREAS, on March 13, 2019, the Council of the District of Columbia (Council) enacted the Lead Water Service Line Replacement and Disclosure Amendment Act of 2018 (Lead Replacement Act), effective May 18, 2018, but implementation was subject to funding; and

WHEREAS, the Lead Replacement Act requires DC Water to perform full lead pipe replacements unless the owner does not consent and established the District’s Lead Pipe Replacement Assistance Program (LPRAP) to provide funding up to 100% of the costs to replace the remaining portion of the lead service line on private property remaining after the replacement of the lead service line in public space resulting in the removal of all of the lead water service line. The Council approved funds in the District’s FY 2020 budget to cover the costs for DC Water to replace lead service lines on private property when replacing the portion in public space and funds to implement the LPRAP program; and

WHEREAS, in 2019, the General Manager established and implemented the Lead Free DC Program to replace lead service lines in the District by 2030 and used District funds to pay for the costs to replace the lead service line on private property through multiple programs: small diameter water main replacement projects (SDWM) and Capital Improvement Project and Emergency Repair Replacement (CIPERR), which includes Block by Block; and

WHEREAS, subsequent to the initial funding for FY 2020, the District reduced the amount of its funding for the LPRAP program from \$1.2 Million to \$356,591.53 for FY 2026, which is depleted within approximately 3 months of the fiscal year. Since September 2023,

Environmental Protection Agency (EPA) has authorized DC Water to use federal grant funds to supplement and cover the cost of lead pipe replacement on private property; and

WHEREAS, on October 30, 2024, EPA finalized the National Primary Drinking Water Regulations for Lead and Copper: Improvements (LCRI), requiring all public water systems, including DC Water to identify and replace all lead service lines under their control by December 31, 2037; and

WHEREAS, on April 15, 2026, the Environmental Quality and Operations Committee met, considered and recommended Board approval to publish Notice of Proposed Rulemaking to promulgate regulations to establish the House By House Lead Pipe Replacement Assistance Program and the House By House Priority Full Lead Water Service Line Replacement Program; and

WHEREAS, the House By House Lead Pipe Replacement Assistance Program will provide funding up to 100% of the costs to replace the remaining portion of the lead service line on private property remaining after the replacement of the lead service line in public space and result in the removal of all of the lead water service line, and the Priority Full Lead Water Service Line Replacement Program, would expedite the lead service line replacement at properties meeting certain high risk criteria: 1) occupied by pregnant/nursing women; 2) occupied by children under 6; 3) occupied by person with elevated blood lead levels; 4) property is a child development facility, and 5) lead water level exceeds the EPA lead action level; or 6) property has a leaking or broken lead water service line on private property; and

WHEREAS, on May 7, 2026, the Board through Resolution #26-27 approved the publication of the Notice of Proposed Rulemaking to promulgate regulations to establish House By House Lead Pipe Replacement Assistance Program and Priority Full Lead Water Service Line Replacement Program; and

WHEREAS, the General Manager published in the *District of Columbia Register* (DCR) for public comment the Notice of Proposed Rulemaking to establish House By House Lead Pipe Replacement Assistance Program and Priority Full Lead Water Service Line Replacement Program at 73 DCR 007913 and 73 DCR 007923, respectively; and

WHEREAS, on July 16, 2026, the Environmental Quality and Operations Committee met to consider the comments received during the public comment period for the NOPR to establish House By House Lead Pipe Replacement Assistance Program and Priority Full Lead Water Service Line Replacement Program and the General Managers recommendation for the final rules; and

WHEREAS, the General Manager discussed the public comments received from the Campaign for Lead Free Water, DC Healthy Housing Collaborative, Young Gifted & Green, and 3 individuals (2 DC residents, 1 CA resident); and based on those comments the General Manager did not recommend any revisions to the rules as published except to clarify the definition of "Partial Lead Water Service Line" in the rules for House By

House Lead Pipe Replacement Assistance Program, and to delete that term in the rules for the House By House Priority Full Lead Water Service Line Replacement Program; and

WHEREAS, on July 16, 2026, the Environmental Quality and Operations Committee after consideration of the comments received and the General Managers responses and recommendation for the final rules, recommended the Board to approve the publication of the Notice of Final Rulemaking as revised by the General Manager and presented in Attachment A; and

WHEREAS, subsequent to the Environmental Quality and Operations Committee meeting, the General Manager determined additional revisions were needed to be made to the rules for the House By House Lead Pipe Replacement Assistance Program and will present that proposal to the Environmental Quality and Operations Committee in September.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby adopts and approves the publication of the Notice of Final Rulemaking to establish House By House and Priority Full Lead Water Service Line Replacement Program as presented in Attachment A, effective October 1, 2026.
2. The Board directs the General Manager to publish the Notice of Final Rulemaking as presented in Attachment A, and to take all steps necessary in their judgment and as otherwise required, in the manner provided by the District of Columbia's Administrative Procedure Act.

This resolution shall be effective immediately.

Acting Secretary to the Board of Directors

**Attachment A – Notice of Final Rulemaking to Establish DC Water House by House
Priority Full Lead Water Service Line Replacement Assistance Program**

**Chapter 43, DC WATER PRIORITY FULL LEAD WATER SERVICE LINE
REPLACEMENT ASSISTANCE PROGRAM, of Title 21 DCMR, WATER AND
SANITATION, is added to read as follows:**

**CHAPTER 43 DC WATER HOUSE BY HOUSE PRIORITY FULL LEAD WATER
SERVICE REPLACEMENT ASSISTANCE PROGRAM**

- 4300 DC WATER PRIORITY FULL LEAD WATER SERVICE LINE REPLACEMENT
ASSISTANCE PROGRAM**
- 4301 APPLICATION PROCESS FOR AN EMERGENCY OR FULL LEAD WATER
SERVICE LINE REPLACEMENT**
- 4302 ELIGIBILITY**
- 4303 PRIORITY EMERGENCY LEAD WATER SERVICE LINE REPLACEMENT**
- 4304 PRIORITY FULL LEAD WATER SERVICE LINE REPLACEMENT**
- 4305 BENEFITS**
- 4306 DENIAL OR REVOCATION OF BENEFITS**
- 4307 ADMINISTRATIVE APPEALS**
- 4399 DEFINITIONS**

**Chapter 43, DC WATER PRIORITY FULL LEAD WATER SERVICE LINE
REPLACEMENT ASSISTANCE PROGRAM, of Title 21 DCMR, WATER AND
SANITATION, is added to read as follows:**

- 4300 DC WATER PRIORITY FULL LEAD WATER SERVICE LINE
REPLACEMENT ASSISTANCE PROGRAM**
- 4300.1 DC Water adopts these regulations to establish and implement the requirements for the DC Water House By House - Priority Full Lead Water Service Line Replacement (HBH Priority Replacement) Assistance Program for eligible property owners to receive assistance to perform an emergency replacement of a leaking or broken lead water service line on private property or to expedite a full lead water service line replacement on their property and in public space.
- 4301 APPLICATION PROCESS FOR AN EMERGENCY OR FULL LEAD
WATER SERVICE LINE REPLACEMENT**
- 4301.1 To allow DC Water to determine the eligibility of an applicant to receive HBH Priority Replacement Assistance to perform an emergency replacement of a leaking or broken lead water service line on private property or to expedite a full lead water service line replacement, the District property owner or their authorized representative shall complete and submit to DC Water or DC Water Contractor a

HBH Lead Water Service Line Replacement Application (HBH LSLR Application).

- (a) For a property owned by one person, the property owner or their authorized representative to act on behalf of the property owner must complete and submit a HBH LSLR Application.
- (b) For a property owned by multiple persons, at least one of the property owners or an authorized representative, to act on behalf of the property owner(s), must complete and submit a HBH LSLR Application.
- (c) As a condition of eligibility, each applicant shall sign a release or provide electronic acknowledgement that authorizes DC Water to obtain or verify information necessary to process the HBH LSLR Application or for reporting purposes.
- (d) An applicant requesting an expedited full lead water service line replacement must mark “Emergency” on the HBH LSLR application and provide the completed application to DC Water or DC Water’s Contractor.
- (e) An applicant requesting an emergency replacement must mark “Priority” on the HBH LSLR application and submit the completed application to DC Water.

4301.2 An authorized representative of the property owner(s) may apply on behalf of the property owner(s) if the representative provides:

- (a) A written document signed by the property owner designating the authorized representative to act on their behalf of the property owner(s); or
- (b) Other documentation that affirms the authorized representative is authorized to act on behalf of the property owner(s).

4301.3 After submitting the HBH LSLR Application, the applicant approved for HBH Priority Replacement assistance shall notify DC Water of any change in ownership of the property before the work begins.

4302 ELIGIBILITY

4302.1 To be eligible for the HBH Priority Replacement assistance, the applicant shall be the property owner or authorized representative of the property owner(s) of a property in the District of Columbia that meets the priority replacement criteria and has 1) a full lead water service line or 2) a leaking or broken lead water service line on private property.

- 4302.2 DC Water shall determine whether the property has a leaking or broken lead water service line on private property based on the information provided in a plumber/contractor's report or DC Water report attesting to: 1) a leaking or broken water service line on private property and 2) the portion of the water service line on private property is confirmed to be a lead water service line.
- 4302.3 DC Water shall determine whether the property has a full lead water service line if the portion of the water service line on private property and the portion in public space are confirmed to be a lead water service line.
- 4302.4 The material of the water service line on private property and/or in public space shall be confirmed to be a lead water service line based on:
- (a) Information on DC Water's Water Service Information Map (available at <https://dewater.com/leadmap/>) designates the water service pipe material as "verified lead" on private property and/or in public space.
 - (b) Information provided by the property owner(s) or their authorized representative confirms water service pipe material located on private property and/or in public space is a lead water service line.
 - (c) Information provided in the property owner(s) plumber/contractor's report confirms the water service pipe located on private property is leaking and the material is a lead water service line.
 - (d) Information from DC Water's report that confirms the water service pipe material located on private property is lead water service line.
- 4302.5 The property owner or authorized representative of the property owner(s) shall submit a HBH LSLR Application and supporting documentation that meets one or more of the following priority emergency or full lead water service line replacement criteria:
- (a) Property is occupied by a pregnant or nursing mother;
 - (b) Property is occupied by a child under 6;
 - (c) Property is occupied by a person with a blood lead value that exceeds the U.S. Centers for Disease Control and Prevention (CDC) level of three and five hundredths (3.5) micrograms of lead per deciliter of blood ($\mu\text{g}/\text{dL}$), or such more stringent standard as may be established by the CDC;
 - (d) Property has a lead water level exceeding the U.S. Environmental Protection Agency (EPA) Lead Action Level of fifteen (15) parts per billion

(ppb) or ten (10) ppb after November 1, 2027, or such more stringent standard as may be established by EPA;

(e) Property is a child development facility, including a child development center, home or expanded home, licensed by the D.C. Office of the State Superintendent of Education (OSSE); or

(f) Property has a leaking or broken lead water service line on private property.

4302.6 As a condition of eligibility, the applicant shall sign a release, or provide electronic acknowledgement, that authorizes DC Water to obtain or verify information necessary to process the application or for reporting purposes.

4302.7 The applicant shall cooperate fully in establishing eligibility by providing documentation or other proof of:

(a) Property ownership by the applicant for the property to be benefited; and

(b) Additional information that DC Water may require, which is relevant to establishing eligibility.

4302.8 DC Water may obtain the information used in determining eligibility from any relevant sources.

4303 PRIORITY EMERGENCY LEAD WATER SERVICE LINE REPLACEMENT

4303.1 An applicant requesting an expedited review and emergency replacement of the leaking or broken lead water service line on private property shall comply with the following requirements:

(a) Immediately call the DC Water 24-Hour Water and Sewer Emergency Number at 202-612-3400;

(b) Provide DC Water a copy of the plumber/contractor's report, if available;

(c) Permit DC Water or DC Water's Contractor to conduct an inspection of the water service line on their property and point of entry;

(d) Upon determination by DC Water that the property has a leaking or damaged lead water service line, complete, sign, and submit a HBH LSLR Application as required in 4301.1, and marking "Emergency" under the priority criteria; and

(e) Provide any information requested by DC Water or DC Water's Contractor.

4303.2 Upon notice of a leaking or broken lead water service line on property, DC Water shall:

- (a) Respond to the property owner confirming there is a leak on private property;
- (b) Turn off the water at the curb stop (if feasible and necessary); and
- (c) Confirm whether the water service line is a lead water service line by reviewing the plumber/contractor report and/or inspecting the service line at the location of the leak/break (if feasible) or inside the property at the point of entry.

4303.3 If DC Water determines the property has a leaking/broken lead water service line and the property owner or authorized representative completes and signs a HBH LSLR Application, DC Water shall assign a DC Water Contractor to perform the replacement on private property and public space if that portion is also a lead water service line.

4304 PRIORITY FULL LEAD WATER SERVICE LINE REPLACEMENT

4304.1 An applicant requesting an expedited full lead service line replacement, shall complete and sign HBH LSLR Application and submit it to DC Water through DC Water's website or mail to:

DC Water - Private LSL Replacement Project
5000 Overlook Avenue, SW, COF Bldg., 5th Floor
Washington, DC 20032

4304.2 DC Water shall review and complete the eligibility and benefit determination within thirty (30) days after it receives a completed application, or, in the event of an unexpected or extenuating circumstance that affects DC Water, such as a natural disaster, as promptly thereafter as possible, except that the following shall toll the timeline:

- (a) An applicant's failure to supply information to document facts stated in an application;
- (b) Applicants' refusal to permit DC Water to inspect their property, including the location inside where the pipe enters the structure;
- (c) DC Water's inability to make contact with an applicant after three (3) attempts;
- (d) Evidence of misrepresentation in an application;

- (e) A failure to respond by a third party from whom DC Water has requested necessary information and over whom DC Water has no control; or
 - (f) A delay in receipt of necessary information over which DC Water has no control.
- 4304.3 DC Water shall notify the applicant of the eligibility and benefit determination.
- 4304.4 If DC Water determines the applicant is eligible for HBH Priority Lead Water Service Line Replacement assistance, DC Water's Contractor shall contact the property owner or authorized representative to schedule the replacement.
- 4304.5 If DC Water's Contractor determines the water service pipe material located in public space or on private property is not lead, DC Water shall revoke the approval for HBH Priority Lead Water Service Line Replacement benefits.
- 4304.6 If DC Water determines the applicant is not eligible, the applicant may follow the procedures to appeal that decision as provided in Section 4306.
- 4304.7 Applicant approved for HBH Priority Lead Water Service Line Replacement benefits to replace a full lead service line shall complete the following actions to receive benefits:
- (a) Schedule the work with the DC Water Contractor and ensure the owner or authorized representative is present at the property during the work.
 - (b) Inform the DC Water Contractor of any hidden hazards or property defects during the initial site visit. Examples of hidden hazards could include an electric or gas line leading to a yard lighting fixture or a buried fuel tank for home heating oil.
 - (c) Take detailed pre-construction and post-construction photos inside and outside the home to help the DC Water Contractor restore the area as close as possible to pre-existing conditions once the work is completed.
 - (d) Make the area near the point of entry (POE), where the water service line enters the building, accessible to the DC Water Contractor by removing any furniture, shelves, appliances, etc. that may prevent the contractor from accessing the POE.
 - (e) Remove any trees, plants, shrubs, etc. within the work area prior to the start of the work.
 - (f) Ask DC Water or the DC Water Contractor any questions about the work.
 - (g) Notify DC Water of any change in ownership before the work begins.

4305 BENEFITS

4305.1 A HBH Priority Lead Water Service Line Replacement assistance is a one-time benefit per eligible District property:

- (a) DC Water's Contractor shall perform the emergency replacement of full lead water service line replacement at no cost to the owner.
- (b) The HBH Priority Lead Water Service Line Replacement assistance shall be subject to availability of funds.

4305.2 If DC Water determines that remaining available funds may be insufficient to provide relief during a fiscal year, DC Water may:

- (a) Suspend the process of taking new applications; or
- (b) Suspend the process of awarding new assistance and place the application on the waitlist.

4306 DENIAL OR REVOCATION OF BENEFITS

4306.1 If an applicant is determined ineligible for HBH Priority Lead Water Service Line Replacement benefits, DC Water will provide to the applicant notice of ineligibility, to include:

- (a) A statement of the determination of ineligibility and an explanation of that determination;
- (b) A statement of the action that the applicant must take, if any, to be found eligible; and
- (c) Notice of the applicant's right to appeal the determination, as provided in section 4307.

4306.2 If DC Water determines that a prior eligibility decision for HBH Priority Lead Water Service Line Replacement benefits was based on material error, falsity, misrepresentation, concealment, omission, or fraud, DC Water will:

- (a) Reopen the application;
- (b) Inform the applicant of DC Water's final action or intended action;
- (c) Provide the applicant with a reasonable opportunity to respond;
- (d) Revise or revoke the determination of eligibility; and

- (e) Take all steps authorized by law to recover any funds provided, if applicable.

4306.3 The applicant shall not have a right to appeal a denial or revocation of the HBH Priority Lead Water Service Line Replacement benefit based on a lack of available funding.

4307 **ADMINISTRATIVE APPEALS**

4307.1 With respect to a matter governed by §§ 4301 to 4306 of this chapter, an applicant adversely affected or aggrieved by an action of DC Water may file a written appeal to the General Manager of DC Water, or the General Manager's designee, stating the basis of the appeal, and providing any information or material that would support a change to DC Water's action. The appeal must be filed within fifteen (15) calendar days after receipt of DC Water's action.

4307.2 The General Manager shall review the applicant's appeal and issue a notice of final action. The decision of the General Manager or the General Manager's designee upon appeal shall become the final action of DC Water.

4307.3 An applicant may seek review of the General Manager's notice of final action by filing a petition for an administrative hearing to request a hearing before the DC Water Administrative Hearing Officer within fifteen (15) days of the date of the General Manager's notice of final action as provided in 21 DCMR § 412.

4399 **DEFINITIONS**

DC Water -- the District of Columbia Water and Sewer Authority.

House by House (HBH) Priority Full Lead Water Service Line Replacement Program – The DC Water House by House Assistance Program that provides eligible properties with assistance to expedite the full lead water service line replacement on their property and in public space.

Lead water service line – the pipe supplying potable water from the water main to the first connection in a property whose material is lead or galvanized.

~~**Partial Lead Water Service Line** – The lead water service line that remains after a partial replacement where the lead water service line in private property is replaced with a nonlead water service line from the watermain to the property line and the portion of the water service line in public space is a lead water service line.~~

Presented and Adopted: September 3, 2026

SUBJECT: Approval of Award and Authorization to Execute an Architectural and Engineering Contract No. DCFA #572-WSA, Water Program Management Consultant, HDR Engineering, Inc

**#26-60
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 September 3, 2026, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the award and authorize the execution of an Architectural and Engineering Contract No. DCFA #572-WSA, HDR Engineering, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute an Architectural and Engineering Contract No. DCFA #572-WSA, HDR Engineering, Inc. The purpose of this contract is to provide program management, owner’s advisory, and construction management services to plan and execute Capital Improvement Program (CIP) and non-CIP tasks; provide design services, staff augmentation, and operational support for the Water Service Area; and advise the owner on collaborative project delivery. The total contract value is not-to-exceed \$79,075,000.00 for an initial three-year base term with two optional one-year renewals exercisable solely at DC Water’s discretion.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

ENGINEERING SERVICES:

**Water Program Management Consultant
(Non-Joint Use)**

Approval of award and authorization to execute an architectural and engineering services contract not to exceed \$79,075,000 for the contract period of three years plus two renewal periods of one year each. The renewal periods will be approved at DC Water's sole discretion.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
HDR Engineering, Inc	Blue Cypress Consulting, LLC	
One M Street SE	Decatur, GA DBE	2.0%
Suite 250	DM Enterprises of Baltimore, LLC	
Washington, DC 20003	Baltimore, MD DBE	3.0%
	EBA Engineering Inc.	
	Laurel, MD DBE	4.0%
	FOXXSTEM DC LLC	
	Washington, DC DBE	6.0%
	InterAgency, Inc	
	Washington, DC DBE	6.0%
	PSI Engineering	
	Washington, DC DBE	4.0%
	River to Tap, Inc.(R2T)	
	Philadelphia, PA WBE	2.0%
	SZ PM Consultants, Inc.	
	Washington, DC WBE	2.0%
	V & A Consulting Engineers	
	Baltimore, MD WBE	2.0%
	Wave Civil LLC	
	Alexandria, VA DBE	3.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: Contract \$79,075,000.00
 Time: 1,096 Days (3 Years, 0 Months)
 Option Years 2
 Anticipated Contract Start Date: 10-01-2026
 Anticipated Contract Completion Date: 09-30-2031 (Including 2 Option Years)
 Other Proposals received from:

AtkinsRealis

AECOM Technical Services, Inc

Hazen-Jacobs (Joint Venture)*

* Asterisk indicates short listed firms.

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Purpose of the Contract:

Provide program management, owner advisor services, and construction management services required to plan and execute the Capital Improvement Program (CIP) and non-CIP tasks; provide design services, staff augmentation, and operations support in the Water Service Area; and serve as the owner advisor for collaborative project delivery.

Contract Scope:

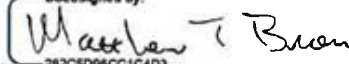
- Provide general program management functions.
- Assist DC Water in the delivery of the capital improvement program.
- Provide technical and engineering services, including:
 - Design and design reviews,
 - Maintenance of Water hydraulic model,
 - Geographic Information System (GIS) support, and
 - Other as directed.
- Provide general support for planned inspections and condition assessment programs, including opportunistic surveys, and survey of cathodic protection systems.
- Serve as Owner Advisor for all new collaborative delivery projects executed in the Water Service Area.
- Provide Construction Management Services for non-collaborative delivery projects..
- Augment DC Water staff with experienced & qualified technical resources, project managers and construction managers.
- Support operational departments to:
 - Develop and implement agreed-upon tactics to identify and reduce real and apparent losses from DC Water's distribution system.
 - Provide technical support and engineering response during emergencies.
 - Provide technical support to Operations Department.
- Coordinate with other programs; Lead Free DC (LFDC) and Small Diameter Watermain (SDWM) Program Management team(s) and Pure Water DC.

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PROCUREMENT INFORMATION			
Contract Type:	Cost-Plus Fixed Fee	Award Based On:	Best Value
Commodity:	Professional Services	Contract Number:	DCFA #572-WSA
Contractor Market:	Open Market		

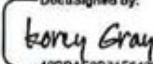
BUDGET INFORMATION			
Funding:	Capital	Department:	Water Program and Lead Free DC
Service Area:	Water	Department Head:	William Elledge
Project:	NU, S8		

ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$79,075,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$79,075,000.00

DocuSigned by:

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 Matthew T. Brown
 Chief Operating Officer
 and Executive Vice President

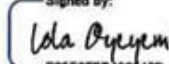
7/8/2026

Date

DocuSigned by:

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

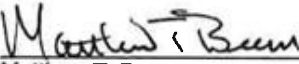
7/8/2026

Date

Signed by:

 E25E37FD482245D...
 Lola Oyeyemi
 Acting Chief Financial Officer
 and Vice President, Budget

7/8/2026

Date


 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager

7/9/2026

Date

Presented and Adopted: September 3, 2026

SUBJECT: Approval to Execute Change Order No. 02 of Contract No. 220110, Water Infrastructure Rehabilitation and Replacement Contract FY23-FY25, Capitol Paving of DC Inc.

**#26-61
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on September 3, 2026, upon consideration of a non-joint use matter, decided by a vote of ____ () in favor and ____ () opposed to approve the execution of Change Order No. 02 of Contract No. 220110, Capitol Paving of DC Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to execute Change Order No. 02 of Contract No. 220110, Capitol Paving of DC Inc. This contract provides 24/7, year-round emergency repair and rehabilitation services for DC Water's existing water assets throughout the distribution system, both within and outside public space in the District of Columbia. After investigating an emergency report, DC Water creates a work order, defines the scope, and assigns the work to the contractor through a task order. The total value of this change order is \$4,512,248.00.

This Resolution is effective immediately.

Acting Secretary to the Board of Directors

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

ACTION REQUESTED

CONSTRUCTION CONTRACT CHANGE ORDER:

**Water Infrastructure Rehabilitation & Replacement Contract FY23-FY25
(Non-Joint Use)**

Approval to execute Change Order No. 02 for \$4,512,248.00 The modification exceeds the Chief Executive Officer's approval authority.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Capitol Paving of DC Inc. 2211 Channing Street NE Washington, DC 20018	United Construction Services LLC Upper Marlboro, MD DBE	10.0%
	Royal Construction Materials McLean, VA WBE	6.0%
	Omni Excavators, Inc. Washington, DC DBE	10.0%

DESCRIPTION AND PURPOSE

Original Contract Value:	\$29,331,337.00
Value of this Change Order:	\$ 4,512,248.00
Cumulative CO Value, including this CO:	\$26,757,272.00
Current Contract Value, including this CO:	\$56,088,609.00
Original Contract Time:	1,095 Days (3 Years)
No of Option Years in Contract:	1
Option Years Exercised:	1
Time extension, this CO:	0 Days
Total CO contract time extension:	0 Days
Contract Start Date (NTP):	10-01-2022
Anticipated Contract Completion Date:	09-30-2026 (Including Option Years)
Cumulative CO % of Original Contract:	91%
Contract completion %:	94%

Purpose of the Contract:

This contract provides emergency response on 24/7 basis and 365 days per year in repairing and rehabilitating DC Water's existing water assets throughout the distribution system in and outside the public space within the District of Columbia. As emergencies are identified and reported to the Command Center, the location is investigated, and a work order is created to address the emergency. A scope of work is developed and issued to the contractor on a task order basis as needed by DC Water.

Original Contract Scope:

- Emergency repair/rehabilitation of various size water mains.
- Rehabilitation and replacement of several types of valves, valve castings and valve boxes.
- Rehabilitation and replacement of fire hydrants, fire hydrants lead.
- Emergency lead service line replacements in public and private space.
- Rehabilitation and replacement of water service lines in public spaces.
- CIPP lining of tributary and distribution water mains.
- Robotic/CCTV- Pipe Condition Assessment (PCA) of water main Inspection.

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Previous Change Order Scope:

- Due to increased work activities associated with the aging infrastructures. There have been substantial increases in water main breaks, valve replacements, service line repairs and replacements and system rehabilitation projects which were greater than originally anticipated.
- These increases occurred throughout the contract period; however, the winter seasons particularly generated an unprecedented number of water main breaks and other system related challenges.

Current Change Order Scope:

- Due to increased repair activities and system rehabilitation projects that exceed the original projections under the contract. There have been significant increases in water main breaks, valve replacements, and special engineering projects that were large in scope and complexity.
- Due to the aging infrastructure, the elevated level of work activities is expected to remain. Just in FY25 and FY26, more than 500 valves were replaced, and several special projects were executed.
- These activities and the associated costs have nearly exhausted the contract limit and necessitated this change order to complete the remaining contract period.
- A competitive bidding process was completed, and a new contract will begin on October 1, 2026.

PROCUREMENT INFORMATION

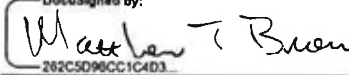
Contract Type:	Unit Price	Award Based On:	Lowest responsive, responsible bidder
Commodity:	Construction	Contract Number:	220110
Contractor Market:	Open Market		

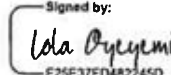
BUDGET INFORMATION

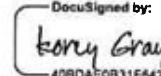
Funding:	Capital	Department:	Water & Sewer Operations
Service Area:	Water	Department Head:	Chris Collier
Project:	KZ, BW		

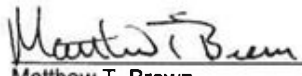
ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	100%	\$4,512,248.00
Washington Suburban Sanitary Commission	0%	\$0
Fairfax County	0%	\$0
Loudoun County & Potomac Interceptor	0%	\$0
Total Estimated Dollar Amount	100.00%	\$ 4,512,248.00

DocuSigned by:

 262C5D96CC1C4D3
 Matthew T. Brown
 Chief Operating Officer
 and Executive Vice President
 Date 7/8/2026

Signed by:

 F25E37ED487145D
 Lola Oyeyemi
 Acting Chief Financial Officer
 and Vice President, Budget
 Date 7/9/2026

DocuSigned by:

 42BDAE0B31F6429
 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer
 Date 7/8/2026


 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager
 Date 7/11/2026

Presented and Adopted: September 3, 2026

SUBJECT: Approval to Publish Notice of Final Rulemaking for Fiscal Years 2027 and 2028 Retail Metered Water and Sewer Service Rates, Right-of-Way (ROW), Payment-in-Lieu of Taxes (PILOT) Fee, Clean Rivers Impervious Area Charge (CRIAC), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate

**#26-62
RESOLUTION
OF THE
BOARD OF DIRECTORS OF THE
DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

The District members of the Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority (“DC Water”) at the Board meeting held on September 3, 2026 upon consideration of a non-joint use matter, decided by a vote of _____ () in favor and _____ () opposed, to approve the following action with respect to the Fiscal Year 2027 and Fiscal Year 2028 Retail Metered Water and Sewer Rates, Clean Rivers Impervious Area Charge (IAC), Right-of-Way Occupancy Fee (ROW), Payment In Lieu of Taxes Fee (PILOT), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate.

WHEREAS, pursuant to Resolution 11-10, dated January 6, 2011, the Board has adopted a revised rate setting policy that calls for rates, charges and fees that, together with other revenue sources, yield a reliable and predictable stream of revenues that will generate the required amount of funds to pay for DC Water’s projected operating and capital expenses; and

WHEREAS, on March 5, 2026, the Board, through Resolution #26-22, approved the publication of the Notice of Proposed Rulemaking (NOPR) and Notice of Public Hearing in the *District of Columbia Register (D.C. Register or DCR)* for public comment on the proposed FY 2027 and FY 2028 rates, charges and fee adjustments in accordance with D.C. Official Code § 34-2202.16(b), 21 DCMR Chapter 40, and the District of Columbia Administrative Procedure Act; and

WHEREAS, on March 20, 2026, DC Water published the NOPR in the D.C. Register at 73 DCR 00434508, and published the NOPH at 73 DCR 004506 to receive public comments on the NOPR at a Public Hearing on May 14, 2026 and during the public comment period ending May 21, 2026; and

WHEREAS, on May 7, 2026, the Board, through Resolution #26-28, approved the Notice of Extension of Public Comment Period (NOEPR) to change the date of the Public

Hearing to June 23, 2026 and extend the public comment period to June 29, 2026 for the proposed rulemaking for the FY 2027 and FY 2028 rates, charges and fees; and

WHEREAS, on May 22, 2026, DC Water published the NOEPR in the D.C. Register at 73 DCR 007912, and published the NOPH at 73 DCR 007812 to receive public comments on the NOPR at a Public Hearing on June 23, 2026 and during the public comment period ending June 29, 2026; and

WHEREAS, during the public comment period, DC Water held a Town Hall Meeting on May 28, 2026 to inform customers about the proposed FY 2027 and FY 2028 rates, charges and fee adjustments, discuss the Capital Improvement Program and the existing and new customer assistance programs; and

WHEREAS, DC Water also held briefings with the Office of the People's Counsel to discuss the budget and the two-year rates proposal; and

WHEREAS, on June 23, 2026, the Board held a virtual Public Hearing to receive testimony and comments on the FY 2027 and FY 2028 proposed rates, charges and fee adjustments from the Office of the People's Counsel and members of the public; and

WHEREAS, on July 28, 2026, the D.C. Retail Water and Sewer Rates Committee met to consider the comments received at the Public Hearing and during the public comment period and the General Manager's response to those comments and recommendations for the final proposed FY 2027 and FY 2028 rates, charges and fee adjustments; and

WHEREAS, the General Manager discussed DC Water's response to the comments submitted by the Office of the People's Counsel and members of the public; and

WHEREAS, the General Manager recommended the DC Retail Water and Sewer Rates Committee recommend to the Board to adopt and approve the FY 2027 and FY 2028 rates, charges and fee adjustment as presented in Resolution 26-22 and NOPR published in the *D.C. Register*, with one exception to delete the proposed Public Inconvenience Fee; and

WHEREAS, on June 25, 2026, after having evaluated the revenue requirements and projections, and the capital and operating expenditures, the public comments and the General Manager's recommendation, the DC Retail Water and Sewer Rates Committee recommend the Board adopt and approve the FY 2027 and FY 2028 Retail Metered Water and Sewer Rates, Clean Rivers Impervious Area Charge (IAC), Right-of-Way Occupancy Fee (ROW), Payment In Lieu of Taxes Fee (PILOT), Retail Groundwater Sanitary Sewer Service Rate and High Flow Filter Backwash Sewer Rate; and

WHEREAS, on September 3, 2026, after consideration of the recommendation of the DC Retail Water and Sewer Rates Committee, the recommendation of the General Manager, and the comments received during the Public Hearing and public comment period, the District members of the Board of Directors approve the FY 2027 & FY 2028 adjusted rates, charges and fees as published in the NOPR with the deletion of the proposed Public Inconvenience Fee.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board adopts and approves the following adjusted rates, charges and fees:

Retail Metered Water Service Rates

- a. An increase in the **retail metered water services rate**:

	Metered Water Services									
	FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential - Lifeline (0-4 Ccf)	\$5.78	\$7.73	\$6.49	\$8.68	\$7.11	\$9.51	\$0.71	\$0.95	\$0.62	\$0.83
Residential - (>4 Ccf)	\$7.60	\$10.16	\$8.40	\$11.23	\$9.40	\$12.57	\$0.80	\$1.07	\$1.00	\$1.34
Multi-Family	\$6.47	\$8.65	\$7.21	\$9.64	\$7.98	\$10.67	\$0.74	\$0.99	\$0.77	\$1.03
Non-Residential	\$7.84	\$10.48	\$8.66	\$11.58	\$9.71	\$12.98	\$0.82	\$1.10	\$1.05	\$1.40

Retail Sewer Service Rates

- b. An increase in the **retail sanitary sewer services rate**:

	Metered Sewer Services									
	FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$12.52	\$16.74	\$12.91	\$17.26	\$13.39	\$17.90	\$0.39	\$0.52	\$0.48	\$0.64
Multi-Family	\$12.52	\$16.74	\$12.91	\$17.26	\$13.39	\$17.90	\$0.39	\$0.52	\$0.48	\$0.64
Non-Residential	\$12.52	\$16.74	\$12.91	\$17.26	\$13.39	\$17.90	\$0.39	\$0.52	\$0.48	\$0.64

Clean Rivers Impervious Area Charge (CRIAC)

- c. An increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$290.76 to \$306.00 per Equivalent Residential Unit (ERU) in FY 2027 and an increase in the annual Clean Rivers Impervious Area Charge (CRIAC) from \$306.00 to \$326.64 per Equivalent Residential Unit (ERU) in FY 2028.

The **CRIAC** charge per ERU will be billed monthly at:

Clean River Impervious Area Charge (CRIAC)					
	FY 2026	FY 2027	FY 2028	FY 2027 vs. FY 2026 Incr. / (Decr.)	FY 2028 vs. FY 2027 Incr. / (Decr.)
	ERU	ERU	ERU	ERU	ERU
Residential Customers	\$24.23	\$25.50	\$27.22	\$1.27	\$1.72
Multi-Family	\$24.23	\$25.50	\$27.22	\$1.27	\$1.72
Non-Residential	\$24.23	\$25.50	\$27.22	\$1.27	\$1.72

**District of Columbia Pass Through Charge
Right-of-Way Occupancy / PILOT Fee**

- d. No increase in the **Right-of-Way Occupancy Fee** in FY 2027 and FY 2028:

ROW										
	FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$0.20	\$0.27	\$0.20	\$0.27	\$0.20	\$0.27	\$0.00	\$0.00	\$0.00	\$0.00
Multi-Family	\$0.20	\$0.27	\$0.20	\$0.27	\$0.20	\$0.27	\$0.00	\$0.00	\$0.00	\$0.00
Non-Residential	\$0.20	\$0.27	\$0.20	\$0.27	\$0.20	\$0.27	\$0.00	\$0.00	\$0.00	\$0.00

- e. No increase in the **Payment-in-Lieu of Taxes Fee** for FY 2027, an increase in the **Payment-in-Lieu of Taxes Fee** for FY 2028:

PILOT										
	FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
Residential Customers	\$0.62	\$0.83	\$0.62	\$0.83	\$0.63	\$0.84	\$0.00	\$0.00	\$0.01	\$0.01
Multi-Family	\$0.62	\$0.83	\$0.62	\$0.83	\$0.63	\$0.84	\$0.00	\$0.00	\$0.01	\$0.01
Non-Residential	\$0.62	\$0.83	\$0.62	\$0.83	\$0.63	\$0.84	\$0.00	\$0.00	\$0.01	\$0.01

- f. An increase in the **retail groundwater sewer service rate** for FY 2027. There is no increase in the **retail groundwater sewer service rate** for FY 2028:

Groundwater									
FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
\$3.76	\$5.03	\$3.90	\$5.21	\$3.90	\$5.21	\$0.14	\$0.18	\$0.00	\$0.00

- g. There is no increase in the **high flow filter backwash sewer rate** for FY 2027 and FY 2028:

High Flow Filter Backwash Wastewater Retail Sewer Rate									
FY 2026		FY 2027		FY 2028		FY 2027 vs. FY 2026 Incr. / (Decr.)		FY 2028 vs. FY 2027 Incr. / (Decr.)	
Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.	Ccf	1,000 Gal.
3.54	4.73	3.54	4.73	3.54	4.73	\$0.00	\$0.00	\$0.00	\$0.00

2. District of Columbia Public Inconvenience Fee

DC Water will not establish the proposed Public Inconvenience Fee (PIF). The anticipated PIF costs will be absorbed using current year's Cash Surplus to keep rate increase below 6.0%.

3. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required to publish the Notice of Final Rulemaking to amend the District of Columbia Municipal Regulations to promulgate the adjusted rates, charges and fees in accordance with the District of Columbia Administrative Procedure Act.
4. This resolution is effective immediately.

Acting Secretary to the Board of Directors