



District of Columbia Water and Sewer Authority Board of Directors

334th Meeting of the Board of Directors

Thursday, October 8, 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 September 3, 2026 Board Meeting](#)**
- IV. **Chairperson's Overview**
- V. **Committee Reports**
 1. [Human Resources and Labor Relations Committee with Union Presidents \(Jed Ross\)](#)
 2. [Environmental Quality & Operations Committee \(Christopher Herrington\)](#)
 3. [DC Retail Water and Sewer Rates Committee \(Rachna Bhatt\)](#)
 4. [Finance and Budget Committee \(Anthony Giancola\)](#)
- VI. **[CEO and General Manager's Report \(Matthew T. Brown\)](#)**
- VII. **Consent Items (Joint Use)**
 1. [Approval of Award and Authorization to Execute Phase One of Contract No. 250210, Main Sewage Pumping Station Rehabilitation \(MSPSR\) – Historic Rehabilitation, Structural Preservation Systems LLC – Resolution No. 26-63 \(Recommended by the Environmental Quality and Operations Committee 09-17-26\)](#)
 2. [Approval of Award and Authorization to Execute Master Service Agreements with Two \(2\) Contractors, Contract No. 260080, Supervisory Control and Data Acquisition \(SCADA\) System Integrator Services Contract III: M.C. Dean, Inc and Optimum Controls Corp - Resolution No. 26-64 \(Recommended by the Environmental Quality and Operations Committee 09-17-26\)](#)
 3. [Approval of Award and Authorization to Execute Architectural and Engineering Services Contract No. DCFA #557-WSA, Water, Sewer, Storm Linear Infrastructure Condition Assessment Program, Arcadis District of Columbia, P.C. – Resolution No. 26-65 \(Recommended by the Environmental Quality and Operations Committee 09-17-26\)](#)
 4. [Approval and Authorization to Fund Rolling Owner Controlled Insurance Program \(ROCIP\) VII, Insurance Premiums, Contract No. 10632, Alliant Insurance Services, Inc. – Resolution No. 26-66 \(Recommended by the Finance and Budget Committee 09-24-26\)](#)

5. [Approval and Authorization to Execute the Award of Contract No. 10652, Independent Risk Management Consulting Services, Artex Risk Solutions, Inc. – Resolution No. 26-67](#) (Recommended by the Finance and Budget Committee 09-24-26)

VIII. Consent Items (Non-Joint Use)

1. [Approval to Publish the Second Notice of Proposed Rulemaking to Establish the House by House Lead Pipe Replacement Assistance Program – Resolution No. 26-68](#) (Recommended by the Environmental Quality and Operations Committee 09-17-26)
2. [Approval to Publish the Notice of Proposed Rulemaking to Amend CRAIC Billing and Bill Dispute Regulations – Resolution No. 26-69](#) (Recommended by the DC Retail Water and Sewer Rates Committee 09-22-26)

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

- | | |
|---------------------------------------|--|
| • October 14 th @ 9:30 am | Governance Committee |
| • October 15 th @ 9:30 am | Environmental Quality and Operations Committee |
| • October 20 th @ 10:00 am | DC Retail Water and Sewer Rates Committee |
| • October 22 nd @ 9:30 am | Finance Committee |
| • October 22 nd @ 11:00 am | Audit and Risk Committee |

Next Board of Directors' Meeting | In-person

Thursday, November 5, 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.



**333RD BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
SEPTEMBER 3, 2026
(Via Hybrid Format)**

DIRECTORS PRESENT

District of Columbia Members

1. Unique Morris-Hughes, Principal, Board Chair
2. Rachna Bhatt, Principal, Vice Chair
3. Anthony Giancola, Principal
4. Howard Gibbs, Principal
5. Alexander McPhail, Alternate
6. Jimmy Ortiz, Alternate
7. Robert Hawkins, Alternate

Prince George's County Members

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

Montgomery County Members

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

Fairfax County Members

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

DC WATER STAFF

1. Matthew Brown, Interim General Manager
2. Ernest Tuckett III, Chief Legal Officer & EVP
3. Lola Oyeyemi, Interim Chief Financial Officer & EVP

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

The 333rd 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 9:41 a.m. The meeting was hybrid and streamed live at dcwater.com. Interim Secretary to the Board Debra Mathis called the roll, and established a quorum.

I. APPROVAL OF THE MINUTES

Dr. Morris-Hughes asked for a motion to approve the minutes of the Board of Directors meeting on July 2, 2026.

Upon a motion made, the Board of Directors approved the minutes of the Board of Directors meeting on July 2, 2026, as presented.

II. CHAIRPERSON'S OVERVIEW

Chair Morris-Hughes thanked the Board members who participated in the Piney Branch Tunnel Project groundbreaking ceremony on July 9, 2026.

On July 24, 2026, the Washington Aqueduct hosted Customer Appreciation Day, where Board members, senior staff, and agency dignitaries learned more about Aqueduct operations and toured the facility.

Chair Morris-Hughes and Chief Legal Officer and EVP Ernest Tuckett attended an inaugural board governance workshop for water utilities in San Diego hosted by the Association of Regional Water Organizations, the Association of Metropolitan Water Agencies, and Rogue Water Lab.

DC Water has engaged executive search firm Heidrick and Struggles to lead the search for the organization's next CEO and general manager on an accelerated timeline to identify and present highly qualified candidates for Board consideration. A search committee will work with Heidrick and Struggles on candidate sourcing and evaluation, while the full Board will participate in finalist interviews at the end of October.

Interim Chief Finance Officer Lola Oyeyemi and the finance team received the Government Finance Officers Association's Distinguished Budget Presentation Award, marking DC Water's twenty-sixth consecutive recognition.

III. COMMITTEE REPORTS

Meeting of the Governance Committee

Reported by Howard Gibbs

The Governance Committee met on July 8, 2026.

Chris Peot, Director, DCW Resource Recovery, reported continued growth in renewable energy credits, Bloom sales, royalties, HQO rentals, and cell tower revenue. Renewable energy credits reached approximately \$4.5–\$4.6 million year-to-date and are expected to exceed last year's total. Bloom sales are ahead of schedule at 46,000 tons, or 75 percent of the annual goal. A third-party audit is underway.

Recent Maryland and Virginia PFAS laws distinguish municipal biosolids from industrially affected materials, and DC Water's Bloom product is expected to remain compliant.

Blue Drop acquired a 46-acre farm parcel on Turkey Hill Road and is negotiating to acquire another 78 acres to support operations.

Korey Gray, Vice President and Chief Procurement Officer, reported 34.8 percent certified business participation, exceeding the 34 percent goal, with \$297 million awarded to disadvantaged business enterprises and \$54 million to women business enterprises. Despite federal certification and reporting changes, DC Water will continue supplier diversity efforts through mentor–protégé relationships, consortium building, and race-conscious and race-neutral strategies supporting certified and local firms.

Barbara Mitchell, Associate General Counsel and Director of Government Affairs & Public Policy, summarized legislative engagement on public inconvenience fees, stormwater fees, billing and disconnection modernization, and proposed air pollution permitting requirements.

Key developments included a 2030 sunset for the amended public inconvenience fee (PIF), retention of its sixty-day grace period, efforts to codify current billing practices, and DC Water's testimony and comments on the Strengthening Air Pollution Permitting Amendment Act of 2026.

Meeting of the Human Resources and Labor Relations Committee

Reported by Jimmy Ortiz for Jed Ross

The Human Resources and Labor Relations Committee met July 8, 2026.

The meeting opened with a moment of silence for Jonathan Shanks, president of AFGE Local 872.

Shawn Brown, Vice President, Employment, Labor, and HR Compliance, provided these union updates:

- Union representation and meeting concerns with Local 872 are resolved.
- Preliminary analysis of Local 631's promotion request for wastewater treatment operators is complete; a compensation study is next.
- Sick leave coding is in litigation, with a hearing scheduled for September 2026.
- Outside counsel is reviewing the unions' request for retirement committee representation and will brief the chair and committee.

Chief People Officer and EVP Amber Jackson served on an ACE 2026 panel and highlighted the July 1 launch of Authority-wide LinkedIn Learning and the onboarding of Chief Legal Officer Ernest A. Tuckett III and Chief Information Officer Jesse Hillman.

Benefits and wellness programs continue to draw strong participation, with an employee health screening day upcoming.

The vacancy mitigation and workforce evolution strategy aims to reduce aged vacancies by 25–35 percent within 12 months, starting with the oldest. The 30-, 60-, and 90-day implementation roadmap was reviewed.

Chair Morris-Hughes requested an update on the strategy; Ms. Jackson noted that District residents comprise 16 percent of total FTEs.

Board member Anthony Giancola also requested recent employee separation totals and key reasons for departure.

As of August 31, 2026, Ms. Jackson reported about 170 vacancies: 97 under recruitment and 10 filled but awaiting onboarding. FY 2026 separations totaled 77.

Interim CEO and General Manager Matthew Brown said the updated CEO report will include more detailed separation data and reasons for leaving, when available.

Meeting of the Finance and Budget Committee

Reported by Anthony Giancola

The Finance and Budget Committee met on July 23, 2026.

Interim Chief Financial Officer and EVP Lola Oyeyemi presented the June 2026 Financial Report. Operating revenues were approximately \$764.7 million, or 75.9 percent of budget; operating expenses were \$545.4 million, or 65 percent; and capital disbursements were \$539.1 million, or 69 percent. Liquidity remained strong.

Cash investments totaled \$606.9 million, including 40.6 percent in the rate stabilization fund (RSF). Interest income through June was approximately \$10.5 million and was expected to exceed the year-end budget. Delinquent accounts rose to \$32.6 million across 12,516 accounts due to paused disconnections for multifamily and commercial customers.

David Calvert and Jack Schnorbus of PFM Asset Management reported that, as of June 2026, operating revenues were approximately \$309 million, total assets were \$539 million, and construction fund drawdowns exceeded \$60 million.

The portfolios are generating strong fixed-income returns, with U.S. Treasuries comprising nearly 41 percent of allocations and yielding above 4 percent.

Mr. Gray presented the inaugural quarterly procurement report. Since October 2025, all 38 Board-approved procurement actions have been executed—31 within 45 days and seven later.

Ms. Oyeyemi presented the 2027 budget proposal, final recommendations, and public comments. Management reduced the proposed customer bill increase from 7.5 percent to 5.9 percent for 2027, while maintaining 5.3 percent for 2028. The proposal includes the District's proposed pass-through PIF and stormwater fee increases.

Ms. Oyeyemi recommended splitting the projected \$12.2 million 2026 cash position: \$6.1 million to increase cash on hand from 282 to 287 days toward the 2032 goal of 350 days, and \$6.1 million to the RSF.

Ms. Oyeyemi reviewed 18 comments from the Office of the People's Counsel (OPC) and 11 from the public received during DC Water's ratemaking process.

The committee recommended two action items to the Board.

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

The Environmental Quality and Operations Committee met July 16, 2026.

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all July 2026 NPDES permit requirements, capturing 85 million gallons

with no overflows. On-site generation supplied about 23 percent of facility power. Blue Plains produced about 14,500 tons of biosolids, including 4,000 tons sold as Bloom.

Mr. Brown and Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers Project, reported that C&O Canal environmental rehabilitation continues after favorable soil results and coordination with the National Park Service. The nearly complete assessment will guide emergency priorities and CIP revisions. As of July 16, repairs were underway at several sites with no odor complaints.

Chris Collier, Vice President, Water and Sewer Operations, reported that the non-revenue water program is advancing through the AWWA M36 methodology and a new enterprise water stewardship team. About \$9 million over three years will fund AMI improvements and boundary metering, targeting a 5–7 percent reduction within three to five years.

William Elledge, Director, Capital Water and Lead-Free DC, summarized comments on proposed house-by-house rules expanding private-side lead service line replacement eligibility for vulnerable residents and certain emergencies.

The Committee reviewed fact sheet updates and recommended four joint-use and one non-joint-use item to the Board.

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

The Environmental Quality and Operations Committee held a special meeting on August 31, 2026.

Dr. Wone presented a 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. The initial projects under the MSA are estimated at \$253 million, leaving approximately \$100 million for flexibility and additional approved CIP work.

Task orders will be competitively awarded based on the lowest responsive price or best value for the individual work items, and any increases above the \$350 million ceiling would be submitted for Board approval. Ten firms were evaluated for experienced, capacity, staffing, and safety, with five recommended.

Christopher Herrington noted that over the summer break, the Blue Drop team celebrated Bloom's tenth anniversary. Paul Guttridge, PMP Director, CIP Infrastructure Management, represented DC Water at the ACEC Metropolitan Washington luncheon

where he discussed DC Water's procurement opportunities with critical contractors in the region.

Meeting of the Audit and Risk Committee

Reported by Dr. Samuel Moki

The Audit and Risk Committee met in emergency session July 23, 2026.

Francis Cooper, Director of the Enterprise Program Management Office, reported that the FY 2026 ERM annual report is approximately 60 percent complete.

The Authority added ERM 201 and 202 to mandatory ERM 101 training. The courses will be integrated into Oracle learning modules and are undergoing approval to become mandatory.

The enterprise risk assessment will combine top-down and bottom-up reviews, with services planned for August and interviews in September. Input from management, senior leaders, and Board members will identify emerging risks, inform prioritization and internal audit integration, and support an executive summary in early FY 2027.

Mr. Collier reported that DC Water is establishing a non-revenue water baseline using AWWA M36 top-down and bottom-up assessments. Data validity improved from 51 to 54 from 2024 to 2025, while reported real losses rose from 175 to 195 gallons per connection per day because of better detection, not greater losses.

DC Water identified 42 strategies to reduce apparent and real losses, prioritizing measurement, unauthorized-use investigations, meter accuracy, data handling, and infrastructure. Work includes field investigations, closer Washington Aqueduct coordination, attention to about 18,000 customer meters, assessment of about 13,000 AML endpoints, and formation of an enterprise water stewardship team.

Cherry Bekaert reported that eight FY 2026 audit engagements are underway.

One management assessment and the FY 2027 risk assessment will occur this fiscal year. The FY 2026 cloud security audit is complete, with results scheduled for the committee's next executive session.

Cherry Bekaert reported 11 open prior audit findings, including three high-risk findings, and 85 findings closed from FY 2023 through FY 2025.

The Fraud, Waste and Abuse Hotline received 24 reports year-to-date: 16 closed and eight open, plus four open FY 2025 cases.

Meeting of the Retail Water and Sewer Rates Committee

Reported by Rachna Bhatt

The Retail Water and Sewer Rates Committee met July 28, 2026.

The Committee reviewed adjusted FY 2027–2028 rates, fees, and charges and the revised 10-year financial plan.

Syed Khalil, Vice President of Rates and Revenue, summarized cash receipts, delinquencies, and permit refunds through June 30, 2026.

Ms. Oyeyemi reviewed the proposed FY 2027–2028 rates and final recommendations, balancing reliable service, compliance, infrastructure, operating costs, District pass-through charges, and affordability.

Management reduced the average FY 2027 residential bill increase from 7.5 to 5.9 percent; FY 2028 remained at 5.3 percent. Both are below the Board's 6 percent target.

Government Affairs secured a PIF grace-period extension from 30 to 60 days and a sunset on DC Water's PIF payments beginning in FY 2031, reducing estimated annual costs from \$12.7 million to \$4.4 million.

Management proposed using the RSF to absorb the PIF in FY 2027–2028.

Ms. Bhatt said the Rates Committee, Finance and Budget Committee, and Board jointly advocated for lower rates and secured concessions for ratepayers.

The proposal retains 6 percent volumetric water and sewer rate increases for FY 2027–2028. DC Water fees remain unchanged, while the District stormwater fee rises 1.36 percent per ERU.

Ms. Oyeyemi said the 5.9 percent proposed FY 2027 bill increase comprises 5 percent in DC Water charges and 0.9 percent in stormwater fees, excluding the PIF.

Ms. Oyeyemi also presented the operating budget and 10-year financial plan, including priorities supporting the rate proposal.

Proposed FY 2027–2028 operating receipts were reduced by about \$8.3 million annually, reflecting removal of the \$12.7 million PIF, partly offset by a \$4.4 million RSF transfer.

Proposed operating revenue is \$1.061 billion for FY 2027 and \$1.11 billion for FY 2028, with retail and wholesale projections unchanged. The \$9.69 billion 10-year CIP includes \$8.94 billion in anticipated cash disbursements.

Management proposed splitting the projected \$12.2 million FY 2026 net cash surplus equally between increasing cash on hand from 282 to 287 days and the RSF. It also proposed annual \$4.4 million RSF transfers to the general fund in FY 2027 and FY 2028 to absorb the PIF, leaving a projected 10-year RSF balance of \$42.9 million.

The revised 10-year financial plan is projected to meet bond indenture requirements and Board financial policies.

The committee reviewed 11 public and 18 OPC comments on affordability, transparency, funding, financing, customer assistance, and infrastructure. Seniors, fixed-income households, and low- and moderate-income customers sought greater affordability and broader assistance eligibility.

Mr. Brown said rate increases are needed to sustain essential services and infrastructure, noting Management reduced the average FY 2027 residential bill increase to 5.9 percent despite two new District pass-through charges.

The Chair and committee commended Management's response to OPC and District residents.

IV. CEO AND GENERAL MANAGER'S REPORT

Interim Chief Executive Officer and General Manager Matthew Brown opened by noting that after serving in the role of interim Chief Financial Officer for the last nine months, Lola Oyeyemi has accepted the permanent position.

He reviewed several special projects and noted that for the Freedom 250 Grand Prix, DC Water supported welding down 103 manholes on the race route. He also commended Management and the Board's efforts to hold retail rate increases below the Board's 6 percent target while funding critical operations and capital needs.

DC Water hosted the Department of Energy and Environment over the last two months during the Authority's annual NPDES inspection. Mr. Brown noted DC Water's enormous responsibility in providing drinking water to the District of Columbia and treating nearly half of the region's wastewater.

During the interim period, the senior executive team will focus on seven priorities:

- asset management, to extend the life of the Authority's assets and measurably reduce outages and system failures;

- water resilience, including work to reduce non-revenue water and planning for potential water reuse;
- performance management, beginning with an upgraded CEO's report;
- facilities and fleet reliability, including improvements to employee spaces;
- employee investment, to reduce turnover and provide clear pathways for employee growth;
- external engagement, to improve our stakeholder confidence; and
- cyber resilience, to reduce exposure to cyberattacks across critical systems.

Mr. Brown also provided an update on the House by House Program to ensure customers most at risk for lead exposure have their properties addressed.

The Potomac Interceptor master service agreement is progressing, with allowance to expand the contract as needed.

While Blue Plains generates approximately 25 percent of the Authority's energy needs, the need for power remains enormous. Mr. Brown highlighted Management's procurement efforts and the use of the projected FY 2026 cash surplus to help offset the PIF for district ratepayers.

Several employees and teams were recognized for their contributions, including cybersecurity staff who maintained readiness during heightened threat activity, the outgoing Jeffrey Peterson for his leadership of the Clean Rivers Program, the team that responded to the Ridge Place Southeast sewer backup, the IT team for ensuring the Authority was shielded from cyberattacks, and outgoing Women of Water co-chairs Flora Klise and Dr. Shirley Thomas for strengthening engagement, professional development, and community across the organization.

V. CONSENT ITEMS FOR APPROVAL (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 Corporation¹ 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)

Upon a motion made, the Board of Directors voted to approve Joint-Use Resolutions Nos. 26-51 through 26-58 as presented.

VI. CONSENT ITEMS FOR APPROVAL (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, HOR 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)

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolutions Nos. 26-59 through 26-62 as presented.

VII. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 10:44 a.m.

- To obtain legal advice and preserve attorney-client privilege or settlement terms under D.C. Official Code § 2-575(b)(4)(A).

VIII. ADJOURN

The Board reconvened in open session at 12:39 p.m. and hearing no further business, the meeting adjourned at 12:40 p.m.

Debra L. Mathis
Interim Secretary to the Board of Directors



**MINUTES OF THE MEETING
HUMAN RESOURCES AND LABOR RELATIONS COMMITTEE
SEPTEMBER 16, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Jed Ross, Principal, Chair, District of Columbia
2. Dr. Jimmy Ortiz, Alternate, District of Columbia
3. Derrick Coley, Alternate, Prince George's County
4. Howard Gibbs, Principal, District of Columbia
5. John Markovs, Principal, Montgomery County

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager and COO & EVP
2. Lola Oyeyemi, Chief Financial Officer & EVP
3. Shawn Brown, Vice President, Employment, Labor, and HR Compliance
4. Ernest Tuckett III, Chief Legal Officer & EVP
5. Debra Mathis, Acting Secretary to the Board

UNION PRESIDENTS

1. Kevin Poge, AFSCME 2091
2. Michelle Hunter, NAGE, R3-06
3. Jermaine Quattlebaum, AFGE 631
4. Rev. Howard Coles II, AFGE 872
5. Ray Huffman, AFGE 2553

I. CALL TO ORDER

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

II. UNION TOPICS

Retirement Plan Withdrawal Age – Alignment with IRS and Industry Standards

Jermaine Quattlebaum, president of AFGE 631, advised that, following the previous

Committee meeting, the Union locals had submitted designated liaisons and requested to meet with, and participate in some form with, the Retirement Committee. The Union had not yet been granted the meeting or participation. Additionally, the Union requested clarification regarding the positions of DC Water and Fidelity concerning the withdrawal age of 59.5.

Shawn Brown, Vice President, Employment, Labor, and HR Compliance, advised that DC Water is coordinating a meeting between the Retirement Committee and Union leadership. The meeting will be scheduled before September 30, 2026, and the Union will receive an update once the date is confirmed.

Mr. Quattlebaum emphasized the importance of meeting before the upcoming benefits open season period and noted that, under the collective agreement, the Union wished to have input regarding changes to benefits and retirement plans. Mr. Ross noted that a meeting is expected to occur by the end of September 2026 with the intention to establish quarterly meetings going forward.

Barbara Milton, representing Local 631, also addressed upcoming benefits open season, including potential benefit and rate changes and potential out-of-pocket costs for employees. Shawn Brown advised that DC Water takes its responsibility to communicate with the Union regarding benefits seriously and that the benefits team had only recently received the applicable rates. He indicated that communication with Union leadership regarding any changes will occur shortly.

Rev. Howard Coles II, president of AFGE 872, supported the comments made by Mr. Quattlebaum.

DC Water's Continued Failure to Acknowledge and Respond to the Unions' Bargaining Demands

Mr. Quattlebaum raised concerns regarding outstanding Union requests to bargain over changes affecting working conditions. One issue concerned a new motor vehicle record (MVR) review/background-check process. He advised that this represented a change in working conditions and that the Union had submitted both an information request and a request to bargain. Some information was received shortly before the meeting; however, additional information remained outstanding and the Union had not received a response to its request to bargain. Additionally, the Union identified a proposed scanner inside trucks as another change over that it requested to bargain. Information concerning the swipe mechanism had not yet been provided.

Shawn Brown advised that DC Water had received the Union's initial information request on July 9, 2026, and had provided a response on July 17, 2026. The Union subsequently submitted additional information requests, and DC Water provided a response on September 14, 2026, which remained under review by the Union. DC

Water's position is that the MVR review process represented the status quo rather than a change in working conditions. However, once the Union has completed its review of the information provided and the outstanding information has been addressed, DC Water will revisit whether bargaining is appropriate and, if necessary, schedule a bargaining session. He anticipated that the scanners will warrant a bargaining session and advised that Delise Miller, DC Water Senior Labor Relations Specialist, has been assigned to the scanner issue. She will be asked to communicate with Union leadership regarding the request to bargain on the scanner issue.

Ms. Milton stated that the MVR review represented a new process because DC Water had previously verified that employees held valid driver's licenses but had not required the proposed background checks through HireRight. She expressed concern regarding the potential consequences of the MVR review and any additional background checks. She maintained that the issue is negotiable under Article 4 of the collective agreement.

Mr. Ross stated that open and direct communication concerning background checks and other working conditions is important. He requested that the Union provide the Committee with specific information identifying the following:

- The date each request or inquiry was submitted;
- Whether and when a response was received;
- The substance of any response received; and
- The current status of each matter.

Mr. Ross noted that disagreement could arise between the parties regarding whether a particular matter is subject to bargaining; however, the Committee considered it important that requests receive a response.

DC Water's Failure to Provide Notice to the Union of Intent to Change Engineer Job Duties

Mr. Quattlebaum raised concerns regarding changes to engineering positions and job duties. Positions historically held by Union employees have been advertised as non-Union positions, with some Union employees subsequently promoted into the positions while continuing to perform work that had previously been performed by bargaining-unit employees. The matter was particularly concerning because the positions appeared to have been renamed and converted from Union engineer positions to non-Union positions. The Union raised the issue with Matt Brown, Interim CEO/General Manager and COO & EVP, and Shawn Brown, and it was understood that DC Water is investigating the issue. It was reported that some related activity had been put on hold pending the investigation. Mr. Quattlebaum expressed concern that approximately four to six employees have been promoted into such positions and that vacancies for the positions continue to be advertised.

Shawn Brown confirmed that, after learning of the issue, the related recruitments had been put on hold so that DC Water could determine what had occurred, why it had occurred, and which legal and contractual obligations applied. DC Water supports collective bargaining and intends to ensure that its contractual obligations are followed. Shawn Brown reported that he met with some engineering stakeholders on the matter and will meet with additional stakeholders before the end of the current week to continue discussions. The Committee and Union leadership will be updated following those discussions.

Howard Gibbs noted his interest in the matter and requested that Shawn Brown coordinate a meeting to discuss particulars with him.

Ms. Milton provided historical background on the issue. She explained that approximately three to four years earlier, Local 631 negotiated with DC Water regarding changes to engineer job descriptions related to professional engineer licensing requirements. At that time, the Union proposed changing the engineer titles to Project Manager, consistent with positions in the District government. The matter was subsequently placed on hold, and the Union had not received notice that DC Water intended to proceed with the changes. The roles are now being referred to as Program Manager positions. She expressed concern that bargaining-unit positions had effectively been converted to non-Union positions. She noted that the current job descriptions referenced work under a licensed professional engineer.

Mr. Ross acknowledged that additional details are required to fully understand the issue. He requested an update at the next Committee meeting.

III. HR UPDATE

Shawn Brown provided the update.

DC Water participated in a hiring/career event intended to support recruitment and reinforce DC Water's position as an employer of choice.

The Learning and Development team continues to focus on leadership development, performance matters, and organizational effectiveness. Key initiatives include the annual performance evaluation process, a leadership development program, and the recently launched People and Talent Leadership Journey.

Lola Oyeyemi has been hired as the Chief Financial Officer & EVP of Finance, Procurement and Compliance, effective September 6, 2026.

The People and Talent team continues to support employee benefits, health and wellness initiatives, financial education, and employee engagement programming. Upcoming programming will focus on health awareness and fitness.

In response to a question from Mr. Ross regarding whether the recent hiring event resulted in any direct hires, Andre Montgomery, from the People and Talent team, confirmed that no direct hires were made at the event. However, DC Water has established contact with a number of qualified individuals who subsequently applied for positions with DC Water. HR is reviewing the applications and considering candidates for interviews for positions for which they are qualified. He estimated that at least three or four positions could potentially be relevant to individuals identified through the event.

In response to a question from Dr. Jimmy Ortiz about upcoming recruitment or industry events, Mr. Montgomery advised that DC Water will participate in WEFTEC later in September 2026. This is a major industry event, providing a significant opportunity to engage with individuals within and outside the local area.

IV. ADJOURNMENT

Hearing no further business, the meeting adjourned at 10:09 AM.

Follow-up Actions:

1. Mr. Ross asked Local 631 to provide the Committee with a chronological summary of their bargaining demands, including the date of the request, when a response was received, the substance of the response, and the current status.
2. Shawn Brown is to arrange a session with Mr. Gibbs and the Committee to further discuss the matter of engineer job duties.



**MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
September 17, 2026
(via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Christopher Herrington, Chairperson, Principal, Fairfax County
2. Howard Gibbs, Principal Board Member
3. Alexander McPhail, Alternate, District of Columbia
4. Amy Stevens, Alternate, Montgomery County

DC WATER STAFF PRESENT

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

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.

Minutes of the September 17, 2026, Environmental Quality & Operations Committee Meeting

II. August 2026 Blue Plains Wastewater Treatment Plant Performance

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for August 2026, with an average daily flow of just under 260 million gallons per day (MGD) and a peak flow of 361 MGD. During the month, approximately 4.3 inches of rainfall were recorded, with 181 million gallons captured in the tunnel system and zero overflows.

On-site electrical generation accounted for approximately 20 percent of total facility power demand, with the Combined Heat and Power (CHP) system producing an average of 4.7 megawatts (MW). Solar generation provided an additional average of 0.75 MW. Total electricity consumption at Blue Plains averaged approximately 27.4 MW, with approximately 21.9 MW purchased from the Pepco grid. Mr. Passarelli also reported approximately \$2.7 million in purchase power savings through the first three quarters of fiscal year 2026.

Regarding biosolids operations, Mr. Passarelli reported that Blue Drop sold 1,595 tons of Bloom biosolids in August, bringing the fiscal year-to-date total to just under 54,000 tons toward the annual goal of 62,000 tons. Blue Plains produced approximately 12,000 tons of biosolids during the month, with approximately 10,500 tons managed through the land application program.

Mr. Passarelli also highlighted fiscal year performance metrics, noting that Blue Plains continues to compare favorably with industry benchmarks for staffing and treatment costs. He reported projected savings of approximately \$3 million from the Bloom program and approximately \$4.5 million in Renewable Energy Credit revenue.

III. Potomac Interceptor Update

Matthew Brown, Interim CEO and General Manager, provided an update on the Potomac Interceptor (PI) environmental rehabilitation efforts. Mr. Brown reported that environmental rehabilitation work continues, with current efforts focused primarily on restoration of the C&O Canal. DC Water is awaiting comments from the Maryland Department of the Environment on the submitted environmental rehabilitation plan. Elevated E. coli levels remain in the material stockpile area, and lime treatment will be used to address the issue. DC Water is also coordinating with the National Park Service regarding restoration of the canal profile and placement of the clay liner. A potential public meeting is anticipated for early October, with canal and lock restoration work expected to proceed during the fall and substantial completion anticipated by late fall or early January.

Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers Project, provided an update on the Potomac Interceptor condition assessment and rehabilitation projects. Dr. Wone reported that the condition assessment of the entire Potomac Interceptor has been completed, with data processing and internal quality control approximately 95 percent complete. He noted that repairs at Dulles Airport and Broad Run have been completed, with restoration and closeout activities remaining.

Dr. Wone reported that approximately 175 feet of geopolymer rehabilitation was completed at the Manhole 1.6 to 4252 project to strengthen the pipe before sliplining. He also noted schedule delays at the Muddy Branch project due to significant groundwater encountered in the work pits. Wells are being installed to manage the water, and grouting activities are planned to begin the week of September 28.

Dr. Wone stated that next steps include advancing canal restoration, permanent rehabilitation and sliplining activities, closing out completed projects, developing the draft Capital Improvement Program, and advancing additional high-priority projects.

Chairperson Herrington commended the team for the significant amount of work completed and the professionalism demonstrated in managing multiple complex projects while planning future rehabilitation efforts.

IV. Path to Future: Update on Capital Improvement Program

Dr. Wone presented the proposed Capital Improvement Program (CIP) investment framework and requested Committee feedback. He outlined four scenarios ranging from the currently approved CIP (Scenario A) to comprehensive asset renewal (Scenario D), with Scenarios B and C progressively adding emergency, high-priority, and condition-assessment-driven infrastructure needs.

Committee Member Amy Stevens asked why infrastructure repair and replacement was separated from the sewer, stormwater, and water linear infrastructure categories. Dr. Wone explained that this work is managed by Operations and that additional funding could allow Operations to proactively repair deficiencies identified in the field rather than demobilizing and referring the work to longer term capital projects managed by Engineering.

Mr. Brown emphasized that the scenarios could be combined rather than selected in their entirety and that additional investments would require consideration of infrastructure risk, costs, rate impacts, contractor capacity, and other CIP trade-offs.

Minutes of the September 17, 2026, Environmental Quality & Operations Committee Meeting

Paul Guttridge, Director of Shared Services and Asset Management provided additional details on the four scenarios, including progressively increased investments in water, sewer and stormwater infrastructure, the Potomac Interceptor, water supply resiliency, Blue Plains, and the Washington Aqueduct.

Committee Member Howard Gibbs asked whether the increased design workload would be performed by in-house staff or consultants. Dr. Wone explained that internal staff would be supported by program managers and consultants and that alternative delivery methods would be used where appropriate.

Chairperson Herrington asked about the proposed acceleration of transmission main rehabilitation. Dr. Wone and Mr. Brown explained that the increased investment would target infrastructure with a high consequence and risk of failure through accelerated rehabilitation, condition assessments, and inspections.

Chairperson Herrington also asked about the proposed scenario D 20 MGD expansion at Blue Plains AWTP. Ryu Suzuki, Director of Wastewater Engineering, explained that the concept originated from a request by Fairfax and could accommodate additional jurisdictional flow. Mr. Passarelli added that modeling of the Potomac Interceptor is underway to evaluate capacity and related requirements.

Mr. Gibbs emphasized the need to balance infrastructure investments with affordability and rate impacts. Mr. Guttridge noted that continued inspections and condition assessments would help staff refine and reprioritize investments.

Committee Member Alex McPhail asked whether long-term economic returns and operating-cost reductions would be considered in addition to risk reduction. Mr. Brown confirmed that reliability, resiliency, sustainability, and long-term operating costs would be considered in evaluating investments.

Dr. McPhail also asked about opportunities to expand solar generation and its economic benefit. Mr. Brown explained that the existing Blue Plains solar project was implemented through a power purchase agreement without direct capital investment by ratepayers and that DC Water is pursuing a similar approach for a second phase.

Mr. Guttridge concluded that staff will further develop the scenarios, project costs, and associated rate impacts for Committee discussion in October.

Minutes of the September 17, 2026, Environmental Quality & Operations Committee Meeting

V. House by House Rulemaking Public Comments

William Elledge, Director, Capital Water and Lead-Free DC, presented proposed amendments to the House-by-House Lead Pipe Replacement Assistance Program (LPRAP) and requested that the Committee recommend Board approval of a second notice of proposed rulemaking. He explained that the House-by-House program is intended to provide year-round private-side lead service line replacements that closely align with the District's LPRAP.

Mr. Elledge explained that a second notice is necessary following revisions to the District's program. The proposed amendment would remove the specific reasonable cost cap and instead reference project costs under the District program, allowing the programs to remain aligned when costs are updated. He noted that the amendment does not affect the previously approved House-by-House Priority Replacement Program. The proposed rulemaking also includes a revision to the definition of a partial lead service line.

Mr. Elledge stated that, following Board approval and completion of the rulemaking process, the program is anticipated to begin at the start of the calendar year.

The Committee raised no objections and agreed to recommend the second notice of proposed rulemaking to the full Board for approval.

VI. Automated Metering Update

Chris Collier, Vice-President, Director of Water and Sewer Operations provided an update on the Automated Metering Infrastructure (AMI) performance assessment and optimization program and its role in DC Water's broader non-revenue water strategy. He reported that approximately 18,000 customer meters or endpoints require investigation and remediation. Approximately 400 additional meters and radios stop providing usable reads each month, with most failures associated with communication devices rather than the meters themselves.

Mr. Collier stated that an RFP was issued on August 10 to procure third-party support to investigate and replace failing meters and meter transmission units (MTUs). DC Water is also improving installation procedures, quality assurance, meter testing, systems integration, and customer access processes to address the underlying causes of system failures.

Approximately 15,700 meters currently require cyclical manual readings, with more than 15,200 recently read successfully. Mr. Collier emphasized that manual reading is a

temporary contingency and that the primary objective is to increase the repair and replacement rate above the approximately 400-unit monthly failure rate.

Mr. Collier reported that the current forecast for the stabilization and remediation phase is approximately \$12.1 million, compared with the initial \$9 million identified for approximately 15,000 locations. Phase One is expected to continue through FY29 and will focus on addressing the current backlog while establishing a sustainable approach to long-term AMI renewal.

Mr. Gibbs asked about the total number of meters and the cause of the elevated failures. Mr. Collier stated that DC Water has approximately 136,000 meters and that the current failure rate is approximately 4 percent, compared with an industry-standard range of approximately 1 to 1.5 percent. He identified premature battery failures as the primary issue. In response to Mr. Gibbs' question regarding alternative manufacturers, Mr. Collier stated that the ongoing RFP will evaluate available technologies and manufacturers, with selection anticipated around February or March 2027.

VII. ACTION ITEMS

The Committee reviewed and recommended approval of the three Joint Use Fact Sheets.

Joint Use

- a. Contract No. 250210 – Main Sewage Pumping Station Rehabilitation – Structural Preservation Systems
- b. Contract No. 260080 – Supervisory Control and Data Acquisition System Integrator Services Contract III – Optimum Controls Corp
- c. Contract No. DCFA-557 – Water, Sewer, Storm Linear Infrastructure Condition Assessment Program (WSSLI-CAP) Contract – Arcadis District of Columbia, P.C.

VIII. Adjournment

The meeting was adjourned at 11:13 AM.



**MINUTES OF THE MEETING
RETAIL WATER AND SEWER RATES COMMITTEE
SEPTEMBER 22, 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. Jimmy Ortiz, Alternate
7. Jed Ross, Principal, District of Columbia

DC WATER STAFF

1. Matthew Brown, CEO and General Manager
2. Lola Oyeyemi, 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 August 31, 2026. Year-to-date (YTD) cash receipts were \$961.8 million, or 95.4 percent of the budget, representing a favorable variance of 1.8 percent compared with the YTD budget.

Several customer categories make quarterly payments, including the Federal Government, which made its fourth payment in July, 2026, and Wholesale customers, which made their fourth payment in August, 2026.

Residential, Commercial, and Multi-Family receipts were \$12.8 million below budget, due to higher-than-anticipated summer consumption. Residential and Multi-Family revenue in August, 2026 was \$2.5 million above the budgeted \$48.6 million. Housing Authority receipts totaled \$12.3 million, or 81.1 percent of the budget, due to lower consumption. Housing Authority revenue in August, 2026 was \$0.1 million below the budget of \$1.3 million. Mr. Khalil explained that 65 properties associated with the Housing Authority were transferred from the Housing Authority classification to the Residential classification, contributing to the variance. Wholesale year-to-date receipts totaled \$123.0 million, or 99.0 percent of budget. The Town of Vienna had not yet made its third-quarter payment of \$0.6 million, which Mr. Khalil anticipated would be reflected in the September, 2026 report. District Government revenue had been lower earlier in the year but was 1.4% positive following increased summer consumption.

Mr. Khalil reported that, compared to last month, delinquencies decreased by \$0.3 million in August, 2026, while the number of delinquent accounts decreased by six. The decrease was primarily driven by a \$0.22 million increase in Commercial, a \$0.14 million decrease in Multi-Family, and a \$0.1 million increase in Residential.

Mr. Khalil reported that permit refunds issued during the month totaled approximately \$193,000 across 21 accounts, compared to approximately \$386,000 across 24 accounts in the previous month.

Lola Oyeyemi noted that eight days remained in the current fiscal year. The market is being monitored closely, particularly in light of the ongoing conflict in the Middle East and its potential effect on chemical, energy, and fuel costs. These factors are expected to have an impact on the FY 2027 budget. Updates will continue to be provided to the Committee and the Finance and Budget Committee as additional information becomes available.

II. EXECUTIVE SESSION

After a motion was approved by roll-call vote, the Committee entered an executive session at 9:39 a.m. to obtain legal advice and preserve attorney-client privilege under D.C. Official Code § 2-575(b)(4)(A).

The Committee reconvened at 10:28 a.m.

III. CLEAN RIVERS IMPERVIOUS AREA CHARGE (CRIAC)

Mr. Khalil reviewed the current CRIAC regulations, which are based on Equivalent Residential Units (ERUs) and impervious area. The current residential tier structure includes six tiers, with non-residential and multi-family properties charged based on their calculated impervious area. Tier 6 applies to properties with 11,100 square feet or more of impervious area.

The existing regulations distinguish between single-family residential and multi-family

properties based on the type and purpose of property, the number of dwelling units, and how the property is metered. Mr. Khalil advised that two rule-makings were being addressed in response to rulings by the D.C. Court of Appeals (DCCA) and D.C. Superior Court (DCSC), which require amendments to the existing regulations.

Katie Cromwell, Vice President of Raftelis, presented the results of an analysis examining whether property classification and the number of dwelling units could be used to define CRIAC customer classifications. Ms. Cromwell reported that properties with one to three dwelling units demonstrated similar impervious area characteristics, while properties with four or more dwelling units showed greater variation in impervious-area distributions and average and median impervious-area values.

Based on the analysis and discussions with DC Water staff, the proposed classifications are:

- Residential: Properties with one to three dwelling units;
- Multi-Family: Properties with four or more dwelling units;
- Non-Residential: Properties that do not fall within the residential or multi-family classifications; and
- Impervious-area-only: Properties without water and sewer service.

Ms. Cromwell reviewed the current Tier 6 residential classification, which includes properties with more than 11,100 square feet of impervious area. The analysis found that Tier 6 properties currently range from 11,100 square feet to more than 49,000 square feet of impervious area. The median impervious area for the existing Tier 6 properties is 13,539 square feet, corresponding to the current 13.5 ERU value for Tier 6. For properties between 11,100 and 20,000 square feet, the median impervious area is 13,458 square feet, which is also consistent with the current Tier 6 ERU value.

Under the proposed amendments, Tier 6 would apply to residential properties with between 11,100 and 20,000 square feet of impervious area at 13.5 ERUs. A new Tier 7 would apply to residential properties with more than 20,000 square feet of impervious area, with charges based on the property's calculated ERUs and actual impervious area. Ms. Cromwell estimated that approximately 10 residential properties would be affected by the proposed Tier 7. These properties are being researched to confirm their customer classification and impervious-area calculations.

Ms. Cromwell reviewed summary statistics comparing impervious area by number of dwelling units. Properties with one to three dwelling units showed similar median and average impervious-area values. The wider range among one-unit properties was mainly attributed to a small number of properties with unusually large amounts of impervious area, several of which are currently within Tier 6 and could be affected by the proposed Tier 7. Properties with four or more dwelling units showed greater variation in median and average impervious-area values. The average impervious area increased beginning with four-unit properties and continued to increase for properties with larger numbers of dwelling units.

IV. RECOMMEND PROPOSED AMENDMENT TO 21 DCMR CHAPTER 4 AND 41

Ms. Cromwell reviewed the proposed amendments, as follows:

- Revise the residential Tier 6 impervious-area range to 11,100–20,000 square feet;
- Establish a new residential Tier 7 for properties exceeding 20,000 square feet;
- Establish the methodology for calculating ERUs for Tier 7 properties;
- Clarify the existing ERU calculation methodology for properties outside the residential customer class;
- Update CRIAC customer classifications to be based on property characteristics rather than water and sewer meter status;
- Define Residential properties as those with one to three dwelling units;
- Define Multi-Family properties as those with four or more dwelling units;
- Define Non-Residential properties as those not falling within the residential or multi-family classifications;
- Define Impervious-area-only properties as those without water and sewer service;
- Add and revise definitions relating to impervious surfaces; and
- Extend dispute procedures to Residential customers, rather than limiting those provisions to Non-Residential and Multi-Family customers.

The proposed amendments would allow DC Water imagery/photos to be used as evidence in disputes concerning a property's impervious area.

Mr. Khalil advised that the proposed amendments are intended to comply with applicable DCCA and DCSC rulings and to support the regulatory framework for CRIAC. The public hearing date had not yet been finalized.

Mr. Khalil requested that the Committee recommend approval of the proposed amendments to the CRIAC regulations, including:

- Revising the residential Tier 6 structure to establish a 20,000-square-foot cap while maintaining the 13.5 ERU basis;
- Adding a new residential Tier 7 for properties exceeding 20,000 square feet of impervious area, with charges based on actual calculated impervious area; and
- Revising CRIAC customer classifications based on property characteristics.

Chair Bhatt inquired whether the 10 properties expected to be affected by Tier 7 are evenly distributed among the District's eight wards. Ms. Cromwell explained that the properties are not believed to be evenly distributed across all eight wards; however, the properties will be classified by ward and the ward-level information will be provided to the Committee.

V. ACTION ITEM

- A. Recommendation for Proposed Amendment to 21 DCMR Chapter 4 & 41 (Action Item 1)

The Committee agreed to recommend the action item to the Board.

VI. DC RETAIL WATER AND SEWER RATES COMMITTEE WORKPLAN

Ms. Oyeyemi reported that the Committee had completed all items on its workplan. The new rates will take effect on October 1, 2026. DC Water is working with Customer Care to ensure that appropriate billing notices are provided to customers.

The only outstanding workplan item involves an update to the CRIAC regulations. Updates will be provided following the public comment process and once a determination is made regarding the timing of any public hearing.

VII. AGENDA FOR OCTOBER 27, 2026, COMMITTEE MEETING

The meeting on October 27, 2026, will include the monthly update, the Capital Improvement Program, and any other items the Committee wishes to discuss.

VIII. ADJOURNMENT

The meeting adjourned at 10:48 a.m.

Follow-Up Action:

1. Debra Mathis will confirm whether the October 27, 2026, Committee meeting conflicts with the Board retreat.



**MINUTES OF THE MEETING
FINANCE AND BUDGET COMMITTEE
September 24, 2026
(Via Microsoft Teams)**

COMMITTEE MEMBERS PRESENT

1. Anthony Giancola, Principal, Chair, District of Columbia
2. Richard Jackson, Principal, District of Columbia
3. Unique Morris-Hughes, Principal, District of Columbia

DC WATER STAFF

1. Matthew Brown, Interim General Manager
2. Lola Oyeyemi, Chief Financial Officer & EVP
3. Ernest Tuckett III, Chief Legal Counsel & EVP
4. Kirsten Williams, Chief Administration Officer & EVP
5. Paul Guttridge, Director, Shared Services and Asset Management
6. Robert Donati, Acting Risk Manager
7. Daryl Tate, Acting Assistant Board Secretary

Chair Anthony Giancola called the meeting to order at 9:30 a.m. The meeting was conducted via MS Teams. Acting Assistant Board Secretary Daryl Tate called the roll.

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Chief Financial Officer and EVP, presented the August 2026 Financial Report. With approximately 92 percent of the fiscal year complete, operating revenues were \$961.8 million, or 95.4 percent of the revised budget; operating expenditures were \$667.4 million, or 79.6 percent; and capital disbursements were \$688.6 million, or 88.6 percent. Ms. Oyeyemi stated that the year-end revenue projections were expected to remain within 1–2 percent of the revised budget, while operating expenditures were expected to remain within overall budget through savings in personnel and debt service.

Operating revenue receipts totaled approximately \$961.8 million or 95.4 percent of budget. Residential, Commercial, and Multi-family receipts were favorable due to higher

CRIAC revenue and slightly increased summer water consumption. Federal government receipts slightly exceeded the budget following the fourth quarter payment received in July. Other Revenue totaled \$67.3 million, or 99 percent of budget, supported by miscellaneous revenue, Washington Aqueduct backwash, and interest earnings. DC Housing Authority receipts were below budget due to lower consumption, the reclassification of approximately 65 properties to residential accounts, and higher vacancy rates of several properties due to ongoing renovations in the District. Wholesale receipts were approximately 99.0 percent of budget, with a \$0.6 million payment from the Town of Vienna expected in September.

Total operating expenses were approximately \$667.4 million. Year-to-date expenditures for the O&M budget line were approximately \$422.5 million, which is approximately \$32 million higher than the same period last year due to higher costs. Ms. Oyeyemi identified continuing cost pressures from water purchases, chemicals, electricity, automotive fuel, supplies, freight, and transportation due to volatile market conditions, which are expected to continue into the new fiscal year with a significant budget impact. She noted, methanol and ferric chloride prices had increased approximately 75 percent since December, creating an estimated \$12–\$13 million impact on major chemicals, while electricity and automotive fuel were expected to add approximately \$6 million, for total projected pressure of \$18–\$19 million. The Finance, Procurement, and Operations teams were continuing to review vendor pricing and potential budget mitigations.

Ms. Oyeyemi reviewed the capital disbursements, which totaled \$688.6 million, or 88.6 percent of the revised budget. Total cash investments, including the Rate Stabilization Fund balance of \$40.6 million, were approximately \$573.6 million. Ms. Oyeyemi reported operating interest income of approximately \$1 million in August and with the year-to-date at \$12.7 million, with interest income expected to exceed the \$13 million budget because of favorable yields. Delinquent accounts declined by approximately \$200,000 in August, including reductions in multi-family delinquencies driven by resumed disconnections and enhanced customer outreach efforts.

In response to Mr. Giancola's questions regarding increased water purchases and potential leakage, Matthew Brown, Interim General Manager, explained that DC Water continues to investigate non-revenue water losses, including infrastructure leaks, meter transmission failures, and unmetered service connections. Water purchases from the Washington Aqueduct increased without a corresponding increase in water sold, indicating continued non-revenue water loss, although the rate of growth had slowed. Mr. Brown further explained that losses include physical leakage from an aging system, water-main breaks, and facility leaks, as well as apparent losses related to billing and

metering. Approximately 18,000 meters are experiencing transmission issues, prompting the Board's approval for approximately \$9 million initiative to address meter transmission problems, warranty coverage and revise meter specifications. DC Water has also strengthened permitting requirements for new service connections. Mr. Brown noted that non-revenue water remains a priority due to its impact on customer service and retail rates and that additional committee briefings on corrective actions and proposed solutions are planned.

Mr. Giancola requested analysis of fleet fuel usage, vehicle utilization, and alternative-fuel adoption in response to rising diesel costs. He also encouraged DC Water to explore opportunities for regional collaboration on electric charging infrastructure with agencies such as Metro, WSSC, and Fairfax County. In response, Kirsten Williams, Chief Administrative Officer and EVP, stated that DC Water had been evaluating hybrid and electric vehicle options for several years and had received a DERA ([Diesel Emissions Reduction Act](#)) grant supporting fleet modernization efforts. She stated that planned fleet modernization briefing will address fuel consumption trends, electric and hybrid vehicle opportunities, and the infrastructure needed to support fleet electrification. She noted that operational and facility constraints, particularly for heavy-duty vehicles, must be considered when evaluating alternative-fuel options. DC Water is considering station locations, capacity, and demand at sites including Blue Plains and other operational areas, while aligning the work with District clean-energy goals. For next steps, Ms. Williams noted that the presentation would be coordinated with Ms. Oyeyemi and Mr. Brown and aligned with broader fiscal-year initiatives. October had been discussed as a possible timing. Mr. Giancola offered availability for an earlier briefing if feasible.

II. CAPITAL IMPROVEMENT PROGRAM QUARTERLY UPDATE

Paul Guttridge, Director, Shared Services and Asset Management, provided the Capital Improvement Program (CIP) update for the third quarter, with approximately \$628 million in construction spending through August, with projected year-end spending approximately \$14 million above the baseline budget. He noted that DC Water has effectively doubled CIP spending over the last three years and is on pace to exceed its previous annual capital spending record. This was achieved through coordinated efforts across planning, engineering, construction management, and operations teams.

Major projects updates included upgrades at Blue Plains, flood wall resiliency improvements, major sewer infrastructure projects, critical valve replacements, water main renewals, and sewer rehabilitation efforts that exceeded annual targets. In total, 41 key performance indicators (KPIs) are planned for the year, 17 were completed within threshold and 19 were projected outside the threshold at the end of the third quarter.

Ms. Oyeyemi noted that detailed CIP investment scenarios, including cost estimates, rate impacts, and wholesale customer impacts, will be presented in October to support Board discussions on future capital investment levels and risk tolerance before the FY 2028 budget is finalized.

III. ROLLING OWNER CONTROLLED INSURANCE PROGRAM VII (ROCIP) UPDATE

Robert Donati, Acting Risk Manager, presented an overview of the proposed ROCIP VII insurance program covering approximately \$1.2 billion in planned construction activity for DC Water's capital program, describing its six-year structure, updated coverage terms, marketing progress, and planned insurer-selection timeline.

Mr. Donati explained that ROCIP combines insurance for multiple capital projects and participating contractors under coordinated master policies. The program supports uniform claims handling, safety and loss control, broader coverage, and provides access for certified small and disadvantaged firms that might otherwise face significant insurance barriers.

ROCIP VII is based on an estimated \$1.2 billion construction value and has a six-year coverage term from November 2026 through November 2032. The estimated premium is \$22.23 million; the master builder's risk policy has a four-year term, and projects can be enrolled during the applicable enrollment windows while retaining up to four years to complete construction after enrollment. Staff reported strong market interest following an industry presentation attended by more than 100 insurance professionals; proposals were received for the program's insurance components.

The planned timeline includes insurer presentations on October 7, Board approval of the premium authorization on October 8, best and final offers on October 14, and binding coverage on November 15. Mr. Donati requested the Committee recommendation to bind insurance coverage at a total not-to-exceed amount of \$22.23 million for workers' compensation, general liability, excess liability, master builder's risk, and master contractors' pollution liability coverage for the November 2026 through November 2032 period.

IV. ACTION ITEMS

Scott Kang, Manager of Category Management, Procurement Goods and Services, presented two action items for Committee consideration:

1. Recommendation for approval for ROCIP VII insurance program at a not-to-exceed amount of \$22.23 million

2. Recommendation for approval for Independent Risk Management Consulting Services valued at approximately \$1.41 million

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

V. AGENDA FOR OCTOBER 2026 COMMITTEE MEETING

Ms. Oyeyemi confirmed that the October meeting agenda will include the September financial report, the FY 2027 committee work plan, and a ROCIP update. Planning will also reflect the proposed consolidation of CIP scenario reporting for the board.

VI. ADJOURNMENT

The meeting was adjourned at 10:17 a.m.

FOLLOW-UP ITEMS:

1. **Non-Revenue Water:** Prepare a committee briefing on non-revenue water losses, including infrastructure leaks, meter transmission failures, unmetered service connections, planned interventions, and proposed solutions. **(Mr. Giancola)**
2. **Fleet Modernization:** Provide the Committee with a consolidated fleet-modernization briefing covering diesel versus gasoline usage, hybrid and electric vehicle options, alternative-fuel procurement, charging-station requirements, facility impacts, and benchmarking with peer utilities. **(Mr. Giancola)**



General Manager's Report

OCTOBER
2026



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

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dc Highlights

Chair Morris-Hughes, and members of the Board, it is my pleasure to present you with the General Manager's Monthly Report for October 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; Operations and Engineering; and People and Talent, as well as the monthly update from Internal Audit.



Equitable

Visits with Local 872



On Saturday, August 29, it was my pleasure to join the members of Local 872 at their Annual Member Appreciation Cookout. The day offered an opportunity to reconnect with our front line staff in an informal setting, and a chance to remind them how important they are to our collective success.

It was also a chance to share stories and remembrances of **Jonathan Shanks, Sr.**, former president of Local 872, and a 36-year veteran of the Authority, who passed away in June. Mr. Shanks was deeply respected by his fellow union members and by colleagues throughout Water Services and across the Authority.

On September 10, I continued the conversation with the leadership and members of Local 872 to discuss organizational priorities, operational matters, and issues important to our workforce. The discussion provided an opportunity to hear directly from employees, answer questions regarding the Authority's direction and leadership priorities, and reinforce the importance of open communication and employee engagement across the organization.



Sustainable

FY 2028 Budget Kickoff Emphasizes Stewardship, Integrity, and Mission

DC Water has begun development of the FY 2028 budget, with a focus on maintaining affordability, advancing strategic priorities, and managing continued cost pressures associated with chemicals, energy, and other operating expenses.

The proposed FY 2028 budget will be presented to the Board in January, with adoption anticipated in March following committee review.

With increases in the cost of chemicals and energy, we anticipate that this will be a more challenging budget process. The budget process is one that requires work across the Authority as each department is asked to put forward their baseline requests within a financially constrained target and then any new needs.



Lola Oyeyemi (Chief Financial Officer and EVP) announced a Budget Idea Challenge to employees, asking departments to actively solicit ideas from their teams, focused in one of three areas: cost reductions, efficiencies, and customer impact.

The FY 2028 budget development process will emphasize alignment with Blueprint 2.0 and responsible stewardship of Authority resources while supporting critical operational and capital needs.

dc Highlights



Water Main Break Repaired with Minimal Customer Impact

On the morning of September 9, DC Water crews responded to a major water main break at Connecticut Avenue and Florida Avenue, NW, after a 20-inch cast iron water main split and began leaking. Water Operations staff quickly isolated the affected section of pipe, limiting service impacts to nearby customers, and coordinated with an emergency contractor to complete repairs. The main was successfully restored to service approximately 24 hours after the leak was identified.

As part of the response, DC Water assessed potential impacts to critical facilities and identified MedStar Georgetown University Hospital as a possible concern. Although system monitoring indicated minimal effects on water pressure, staff established direct communication with hospital personnel and provided updates throughout the repair process to ensure continuity of operations.

The incident underscores the expertise, coordination, and rapid response of DC Water crews, whose work helps maintain reliable water service across the District while minimizing disruptions to customers and critical facilities.

Team Blue Wave Delivers Strong Performance at Tri-Con

The Authority's Operations Challenge Team, Team Blue Wave, performed admirably at the Chesapeake Water Environment Association's (CWEA) Tri-Con, in Ocean City, Maryland.

The team once again delivered a strong performance, placing second in both the Collections and Lab Practices categories across the District, Maryland, and Delaware. Congratulations to Coach Gregory Stephens and the entire team on another impressive performance.

The tapping team, led by **Louie Sun** (Manager, Water Quality), improved upon their previous times, and finished second in the tapping category. I am proud of their dedication, professionalism, and commitment to continuous improvement.

The team's commitment to their craft yields benefits for the Authority through strengthening teamwork and speed across a wide range of operational skills.



dc Highlights

Resilient

Potomac Interceptor Repairs Advance with Completion of Second Critical Segment

DC Water has completed the second of four priority Potomac Interceptor repair projects, restoring a 490-foot section of the sewer line at Broad Run in Loudoun County. The milestone follows completion of repairs near Dulles International Airport and represents continued progress in addressing critical infrastructure issues identified earlier this year.

Work remains underway at Pennyfield Lock and near the Maryland-DC line, where crews continue emergency rehabilitation efforts to protect this critical regional wastewater asset. Groundwater conditions have created challenges at the Pennyfield site, and crews are implementing mitigation measures to allow sliplining activities to proceed.



Healthy, Safe and Well

Self-Care Day Promotes Employee Wellness and Engagement

On Wednesday, August 26, DC Water hosted Self-Care Day, providing employees with an opportunity to prioritize their physical, mental, and emotional well-being while connecting with colleagues across the Authority. Throughout the day, employees participated in a variety of wellness activities and experiences designed to encourage relaxation, healthy habits, and connection. Employees participated in a range of wellness activities designed to encourage relaxation, healthy habits, stress management, and workplace connection.

Thank you to **Madison MacDougall** and the Benefits team for their leadership in organizing the event.

This event was sponsored by Cigna and included participation from employees from across the Authority.





Divisions

The GM 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 GMs Monthly Report reflects the most recent information available at the time of production and printing.



Finance, Procurement, and Compliance

Financial Metrics

Metric	Target	May 26	Jun 26	Jul 26	Aug 26
Operating Cash Balance (Millions \$)	\$341.6	\$367.3	\$375.5	\$369.3	\$360.9
Delinquent Account Receivables (%) †	3.30%	3.80%	3.89%	3.95%	3.90%
On-time Vendor Payments (%)	97%	97%	97%	97%	97%
Investment Earnings Data (Millions \$)	\$13.0	\$9.2	\$10.5	\$11.6	\$12.7
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.0%	4.2%	4.3%	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 *		3.6%	3.7%	3.8%	3.8%
Short Term Investment Yield Data (%) - Actual Monthly Yield ††	4.06%	3.7%	3.7%	3.7%	3.7%
Days of Cash on Hand** and ***	282**	345***	356***	341***	355***

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.

***355 days of cash is made up of 34 days in the Rate Stabilization Fund and 301 days in the operating cash balance.

† Delinquent account receivables as a percentage of 12-month rolling average retail revenue. FY 26 aged delinquencies rose due to disconnection pauses and the multi-family (MF) moratorium, delaying collections.

†† August market volatility, driven by escalating Middle East tensions, pushed energy prices and Treasury yields higher, pressuring bond valuations. The portfolio modestly trailed its Treasury-only benchmark, reflecting both market conditions and its credit exposure. Performance is expected to improve.



Finance, Procurement, and Compliance

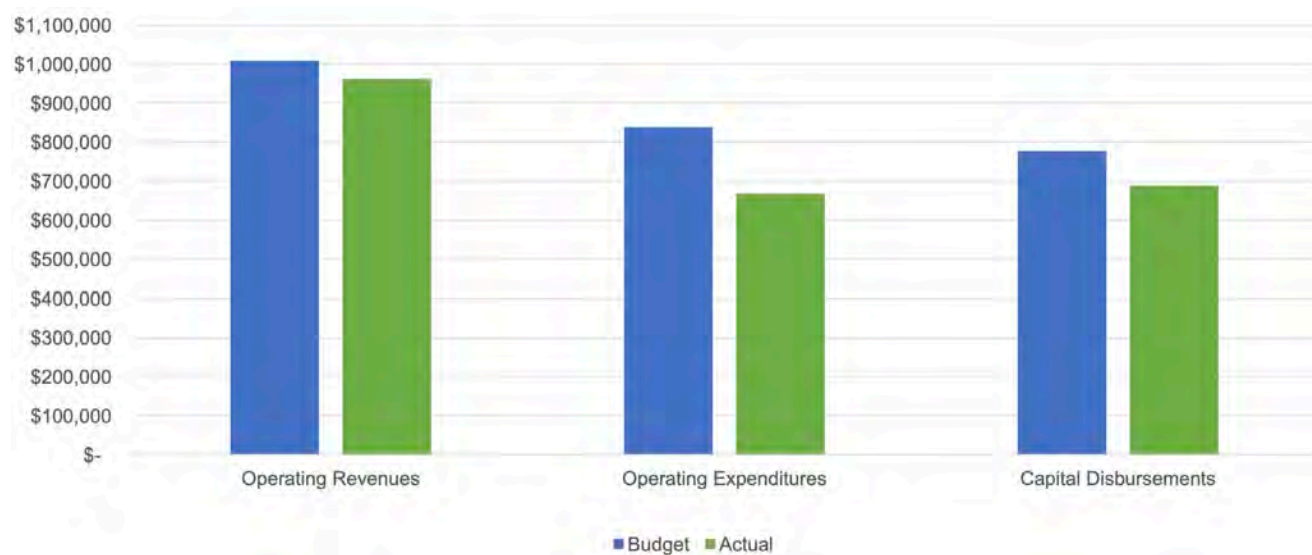
Finance Highlights

FY 2026 Financial Performance

As of August 31, 2026, with approximately 92 percent of the fiscal year completed, DC Water remains on track with the revised budget. Total operating revenues were \$961.8 million, or 95.4 percent of the revised budget. Receipts from the Residential, Commercial, and Multi-Family categories totaled \$547.2 million, or 93.9 percent of the revised budget. The August 2026 receipts were \$2.5 million higher than budgeted, primarily due to higher collections. DC Housing Authority revenue was \$12.3 million, below the revised budget, primarily due to lower-than-anticipated consumption.

Total operating expenditures were \$667.4 million or 79.6 percent, and capital disbursements were \$688.6 million or 88.6 percent of the respective budgets. There is an uptick in Operations and Maintenance costs mainly due to inflationary cost pressures impacting major 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

Development of the Proposed FY 2028 Budget remains on schedule. Following the August 31 Budget Kickoff, the Budget Office continued to host weekly Budget Cafés throughout September to provide further guidance, answer departmental questions, and support budget development efforts.

Budget recommendations are expected to be finalized by calendar year-end 2026, with the Budget Workshop and Board Committee reviews scheduled for January and February 2027. Final Board adoption is anticipated in March 2027.



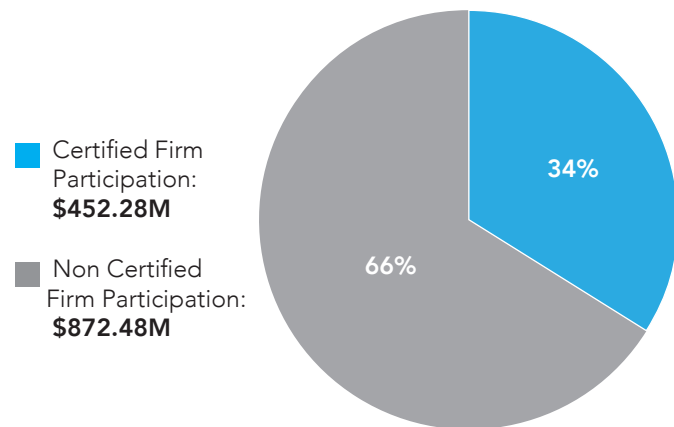
Finance, Procurement, and Compliance

Procurement and Compliance

The Board did not meet in August 2026, and no procurement actions were approved during this period. For the fiscal year to date (October 1, 2025, through August 31, 2026), the total value of eligible procurement actions reached \$1.324 billion. Total certified firm participation, for FY '26—encompassing both prime contracting and subcontracting opportunities—accounts for \$452.28 million. With these ongoing initiatives, DC Water continues meeting its annual certified firm goals of 34%.

- All procurement actions approved by the Board up to this point, including the six actions approved in July, have been fully executed as of this report.

**Certified Firm Participation
October 2025 — August 2026**



Highlights

Process Improvement

- Purchase Order Processing (GS): Materials Management and Purchasing produced 375 POs.
- Number of items purchased: 778; Number of items issued to work orders: 1,261; Cost Savings/Avoidance achieved: \$94,722.
- Rebate: DCW received a rebate check in August from the Omnia Group/Grainger for \$164,509.74 from our MRO Contract # 240078 with Grainger. This amount is over and above the discounts DC Water receives off Grainger list prices.
- Requisition Efficiency: Converted 98% of August requisitions to purchase orders within 24 hours, achieving the highest level since migration from the Lawson Financial System to ERP in Sep 2020.
- Material Availability: Maintained emergency work orders awaiting material at 2.76% for FY26 through August 2026.
- Inventory Optimization: Decreased slightly to 3.11% for FY26 through August due to a couple of long lead time items.
- Chemical Procurement Optimization: Mitigated global market pressures and freight cost volatility through strategic vendor reviews and commodity adjustments. Notably, negotiations led by **Scott Kang** secured a Best and Final Offer (BAFO) of \$0.151 per dry pound for sodium hypochlorite for FY 27. This effort reversed an initial market-driven vendor proposal of \$0.190 and outperformed the FY26 baseline rate of \$0.167, generating \$1,482,000 in total cost savings and avoidance across the required 38,000,000 dry pound annual volume.
- PI Rehabilitation Program: Presentation at the Special August EQ & Ops meeting of the procurement evaluation approach, weighted scoring criteria, and the competitive shortlist for the Board approval of award and authorization to execute Master Services Agreements for the Potomac Interceptor Rehabilitation Program. Five pre-qualified contractors were approved for the MSA rehabilitation program.
- Capital Procurement Team collaborated with Engineering on development and presentation to EPA and the Army Corps of Engineers of the administrative process flow and project delivery phase checklists for CMAR and PDB project delivery to ensure procurement compliance understanding and oversight. This also included alignment and understanding of task order delivery utilizing CMAR and PDB delivery via DC Water's Master Service Agreement (MSA) programs.



Finance, Procurement, and Compliance

Highlights, continued

Outreach and Engagement

- MTBMA Transportation Symposium: The Maryland Transportation Builders & Materials Association (MTBMA) Transportation Symposium on August 6, 2026, connected regional contractors with multi-modal agencies to discuss upcoming local infrastructure budgets and project pipelines. **Kevin Bellamy**, Director of Capital Procurement, was the featured speaker at the event to engage and share updates on the CIP activities and upcoming opportunities with the MTBMA contractor community. Through this presentation, attendees gained critical insights into upcoming project pipelines, material supply discussions, and certified business participation goals.
- Continued our "Vendor Day" contractor engagement efforts. During this reporting period, meetings were held with eleven (11) new and existing contractors interested in capital procurement and Goods and Service opportunities.

Upcoming Business Opportunities:

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

Capital Projects

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
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
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



Finance, Procurement, and Compliance

Capital Projects

Project Title	Description	Solicitation Type	Contract Type	Estimated Contract / Program Value	Planned Solicitation
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



In August, DC Water Contractors filled eleven new positions. Ten or 91% were filled by local residents.

There have been 112 new hires during FY 2026. The table below highlights the total (combined) new hires for FY 2026 as of August 2026:

Location	# of New Hires
District of Columbia	24
Prince George's County	53
Montgomery County	6
Fairfax County	9
Loudoun County	2
Outside the User Jurisdiction	18

Total Number of New Hires: 112

- Total Number of New Hires Within the User Jurisdiction (Local Hires): 94
- Local Hires Achieved: 84% (75% Goal)



Fleet, Facilities, Safety, Security and Emergency Management

Administration Metrics

Metric	Target	Jul 26	Aug 26
FACILITIES: Preventive Maintenance Completion Rate	90%	98%	93%
FACILITIES: Service Request Completion Rate	90%	94%	91%
FLEET: Technician Resource Allocation	50-90%	55%	50%
FLEET: Priority One Vehicles In-Service	90%	84%	86%
FLEET: Technician Productivity	81%	78%	81%
SAFETY: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.0	0.1	0.1
SAFETY: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.4	0.8	0.7
SAFETY: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.1	0.77	0.79
SAFETY: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 2.5	1.55	1.59
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.



Customer Assistance Programs (CAP)

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

- Delivered 18,250 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.
- Collaborated with DOEE's Utility Discount Partnership (UDP) to advertise assistance.

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)

As of the end of August year-to-date, 73 assessments and 32 repairs have been completed.

**Repairs completed count for July YTD was erroneously left off the previous report*

Program	FY2025 Enrolled	FY2025 Dollars	Aug Enrolled	Aug Dollars	# FY26 Enrolled	FY2026 Dollars	FY2026 Budget
CAP +	2,174	\$1,537,636	114	\$184,814	1,895	\$1,096,583	\$2,700,000
CAP I	1,863	\$1,225,594	107	\$115,381	1,490	\$688,788	\$2,100,000
CAP II	238	\$102,654	25	\$12,039	286	\$71,504	\$200,000
CAP III	54	\$5,749	36	\$974	174	\$6,587	\$10,000
Non Profit CRIAC Relief	174	\$900,902	101	\$62,765	652	\$706,764	\$843,133

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



Notes

All metrics were met for August.

Key Performance Indicators

Metric	Target/ Service Level	Jun 26	Jul 26	Aug 26
% of bills issued on time (w/in 5 days)	97.0%	98.5%	98.4%	97.38%
% unbilled	≤ 2%	0.9%	0.2%	1.0%
# of bill investigations (Disputes)	trend only	212	238	239
% Bill Investigations/Dispute Resolution ≤ 30 Days	80%	96%	97%	98%
% of calls answered in 60 Seconds (Call Center)	75%	90%	89%	93%
Monthly call volume served (Call Center)	trend only	10,705	11,242	10,446
Average Wait Time (minutes) (revised)	<0:50	:28	:28	:22
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	1,750	\$600,257

FY 2026 Payment Plan Incentive Program

Adjustment Month	No. Accounts that Received Credits*	Adjustments
Apr-26	107	\$40,392
May-26	137	\$48,483
Jun-26	128	\$49,309
July-26	142	\$51,637
Aug-26	85	\$34,915
FY26 Distribution	1,750	\$600,257

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

IT Monthly Report

Metric	Target	Jun-26	Jul-26	Aug-26
Number of tickets submitted	Trend only	1,097	1,003	956
Number of open tickets	Trend only	30	49	56
SLA Compliance Rate	98%	100%	99%	98.8%
Number of active projects	Trend only	8	10	10
Number of completed projects	Trend only	2	0	0
On schedule performance	90%	90%	90%	90%
On budget performance	90%	100%	100%	100%
Cyber Awareness Training Compliance	97%	95.41%	96.29%	96.29%

Information Technology Note: I will discuss the cybersecurity, and related operational reporting with the Board to determine the future process for reporting.

Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	May 26	Jun 26	Jul 26	Aug 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%	23%	22%	20%
Reactive Maintenance, percent of total maintenance hours	<20%	36%	34%	34%	35%
Critical Asset Availability, percent of total critical assets at the Blue Plains AWTP	>95%	95%	96%	95%	97%
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	12,892	14,555	14,708	14,833
*NPDES Permit Requirement to inspect the catch basins in the Combined Sewer Anacostia Tributary area twice annually.	11,400	11,288	11,347	11,626	11,700
*NPDES Permit Requirements to clean 85% of Catch Basins in the Combined Sewer area annually	9,095	5,905	6,036	7,867	9,002
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	7.83	20.4	14.1	14
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	5	4	5	2
SSO's to Body of Water	Report	2	3	2	1
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	3	3.3	3.7	3.8
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	0.8	1	1.2	1.3
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%	13%	15%	11%
Critical Asset Availability	>95%	98%	98%	98%	98%

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	May 26	Jun 26	Jul 26	Aug 26
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	9	7	19	21
Approved Hydrant Flow Tests (Non-Winter Months)	>180	132	183	104	185
Fire Hydrant Operational Rate	99%	99.87%	99.87%	99.82%	99.81%
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%	97%	90%	75%	90%
Water Main Breaks	<28/Month	10	16	30	32
Water Main Break Rate /100 Miles (National Average is 25)	25	38.33	38.1	38.49	38.95
% of Hydrant Leaks in inventory that are not leaking	>90%	99%	99%	99%	99%
Permit Operations					
Overall On-time completion of Permit Reviews	90%	100%	100%	100%	100%
Lead Free DC					
Lead Service Line Replacements	100%*	105%	122%	118%	115%
Brass Service Line Replacements	N/A	5%	59%	25%	20%**
Test Pits	100%*	129%	131%	144%	122%
Right-of-Entry Authorizations	100%*	236%	274%	295%	164%
Payment Time	30 Days	25	25.1	26	26.5
Public Events & Presentations	N/A	20	15	8	13
Overall Customer Satisfaction	7+	8	8	8	9

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

** LFDC has been encountering fewer brass service lines during work than anticipated.

Explanation of Missed Targets

Wastewater Operations Reactive Maintenance (<20%):

DC Water has 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 Water Resource Recovery Facility.

Explanation of Missed Targets continued –

dc Operations and Engineering

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

Explanation of Missed Targets, continued

Renewable Electrical Energy Generated On Site (>20%)

CHP energy production was lower than expected in August 2026 due to reduced digester gas availability and equipment-related issues that limited generation capacity.

Generation capacity was limited by CHP equipment availability. CT1 experienced delays associated with its scheduled engine replacement due to Solar's (OEM) issues with the new engine that have since been resolved. The facility operated with only two combustion turbines for much of the month due to high pressure gas compressor repairs. Three compressors and three turbines are available at this time. Lastly, annual emissions testing of the combustion turbines and duct burners further affected normal operations and limited plant optimization for one week.

SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)

The increase in the Year-to-Date (YTD) Sanitary Sewer Overflow (SSO) rate from 3.0 per 100 miles in May to 3.8 per 100 miles in August, compared to the benchmark of 2.0 per 100 miles, is primarily attributable to a concentration of significant overflow events reported during this period.

Between May and August, DOEE reported nine SSO locations, of which seven required bypass pumping operations to mitigate impacts and maintain service while repairs and corrective actions were implemented. The complexity and severity of these incidents contributed directly to the increase in the overall SSO rate. The need for bypass pumping at the majority of the reported locations indicates that many of the events involved substantial operational challenges requiring immediate response and extended remediation efforts.

As of August, all nine DOEE-reported SSO locations have been fully addressed and completed, including the seven locations that required bypass pumping. Corrective actions were implemented to restore normal operations and reduce the likelihood of recurrence.

While the YTD SSO rate remains above the established benchmark, the elevated rate reflects a temporary increase in reportable events during the May through August period rather than an ongoing unresolved condition. Completion of all remediation work and closure of the reported locations demonstrates the organization's commitment to addressing system vulnerabilities and improving overall system reliability.

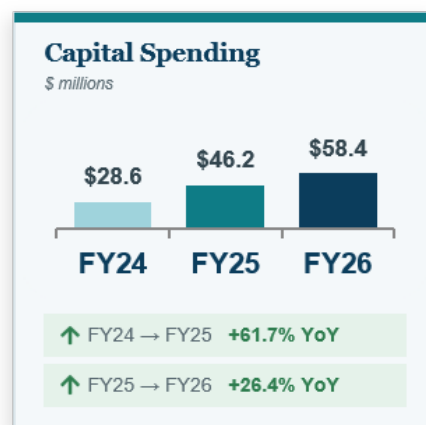
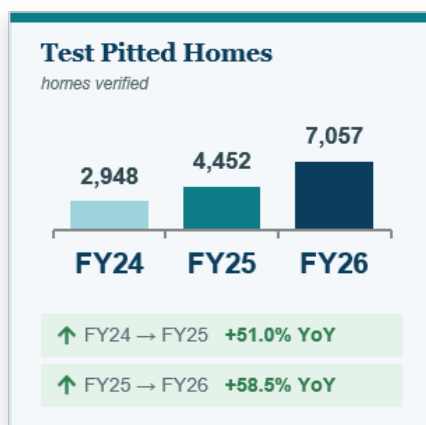
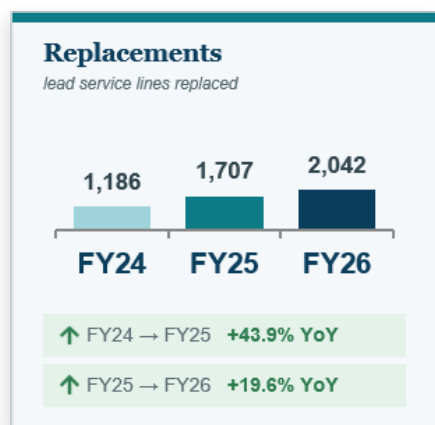


DC Water Capital Improvement Program

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

Lead Free DC

- LFDC completed 362 Lead Service Line Replacements, exceeding the goal of 322 LSLRs, and 8 Brass Service Line Replacements in August.
- In August, over 1,100 premises were test pitted to verify service line material, exceeding the goal of 937 premises with test pits.
- Year over Year Improvement: Replacements, test-pit verifications, and capital delivery are all growing year over year — with test pits accelerating fastest in FY26.
- More than 500 blocks currently in the by-block and small diameter programs are now 100% lead free.
- LFDC had an active August, participating in 13 stakeholder engagement events, including:
 - 10 Community Meetings/Events,
 - 2 CBO Engagement, and
 - 1 Presentation to ANC 3/4G SMD 02 Commissioner Sherman



LFDC's Year over Year Improvement (October–April season-to-date; YoY = change vs. the same period the prior fiscal year)

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. North Tunnel Boring Machine (TBM) Mary reached ring 154 and mined 254 feet in August.

Green Infrastructure (GI) Maintenance Contracts: GI facilities maintenance is ongoing.

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

Piney Branch Tunnel (RC-T): The Support of Excavation (SOE) consisting of secant piles around mining shaft continued all month.





DC Water Capital Improvement Program

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

DC Clean Rivers Projects – Current Status, continued

Potomac Interceptor (PI) Condition Assessment & Capital Planning: Condition assessment activities remain ongoing, including CCTV review, advanced inspection technologies, manhole inspections, 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 during August, including water quality monitoring, canal restoration planning, soil testing, and ongoing coordination with MDE, NPS, CLEAR, and other stakeholders. Permanent rehabilitation activities also continued to advance, including bypass pipe installation, completion of Early Work Package 2, advancement of the GMP design, and commencement of 72-inch slipline pipe deliveries.

PI - Other Emergency Rehabilitation Projects: Significant construction progress continued during August across the additional emergency rehabilitation projects. Coordination with contractors, regulatory agencies, property owners, and other

stakeholders remains ongoing to support safe and timely project delivery.

- MH410–411: Initial geopolymer rehabilitation is complete. Permanent repair activities advanced with excavation and development of push pits, installation of the dewatering system, and preparations for installation of the 51-inch HOBAS slipline pipe. Additional dewatering requirements have impacted the permanent repair schedule.
- MH82–83: Pipe rehabilitation is complete, the bypass system has been removed, and site restoration activities are ongoing.
- MH72–73.81: Bypass operations continued during August, geopolymer repairs were completed, and the Cured-in-Place Pipe (CIPP) liner was successfully installed on August 27. Manhole rehabilitation and site restoration activities are continuing.
- MH1.6–MH4252: Bypass system installation was substantially completed and placed into operation during August. Construction activities are now advancing toward geopolymer rehabilitation and preparation for the permanent sliplining work.



Updates on Consent Decree Projects

Potomac River Tunnel Contract B – Tunnel System Construction

TBM Mary gantry installation has been completed, and mining operations have resumed in the northbound direction. Surface conveyor installation at the North Shaft is in progress. Delivery of precast tunnel segments to West Potomac Park (WPP) is ongoing. Surface assembly activities for the South TBM Emily continue to advance.

- CSO-020: Brayman mobilized shaft drilling equipment for the vent riser (6 ft diameter) and drop pipe (11 ft diameter) and has been excavating and drilling the drop pipe all month.
- CSO-022: Excavation of the approach channel and diversion chamber is ongoing, and two levels of bracing have been installed. The base slab in the shaft was completed, and the first cast-in-place shaft liner lift was placed August 28.
- CSO-024: Drill Pac (the jet grout subcontractor) completed jet grouting on the north side of K Street, and at the end of the month had remobilized to the south side of K Street to begin jet grouting on that side.
- CSO-027: Secant pile support of excavation installation adjacent to the Whitehurst Freeway continued all month.
- CSO-028: Installation of near-surface structure secant piles continued throughout the month.
- CSO-029: Shaft excavation by drill and blast continued throughout August. The Contractor completed two blasts at the Georgetown University drop shaft. A large crane for the near surface structure has been mobilized.

Piney Branch Tunnel

- Secant pile installation for the support of excavation around the mining shaft continued throughout the month of August. Additional equipment (shotcrete batch plant, water treatment plant, large drill jumbo, etc.) has been delivered and the Construction Staging Area setup is complete.



dc People and Talent

People and Talent has developed cluster-specific scorecards 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

P&T - Talent Acquisition

On August 26, People & Talent participated in the DCHR-supported DC Is Hiring: Elevate Your Career Resume Raiser.

DC Water representatives met with District government employees to discuss career opportunities. Talent Acquisition team members Andre' Montgomery and Jenn Lam collected resumes and shared business cards, benefits information, and interview tips to support attendees' career development.

Although the event was limited to District government agencies and employees, DC Water made a strong and lasting impression.

Attendees showed strong interest in DC Water and its career opportunities. The event showcased the organization and reinforced its reputation as an employer of choice.



Learning & Development

People & Talent Leadership Journey

In August 2026, the People & Talent department launched the P&T Leadership Journey, a comprehensive development program for leaders ranging from managers to executive leadership. The initiative develops six core competencies: communication, emotional intelligence, responsiveness and accountability, professionalism, conflict resolution, and change management. Facilitated by the L&D team, it combines structured learning with monthly learning circles to encourage collaboration and continued leadership growth. The program concludes in February 2027.

Wellness

August programming emphasized self-care and well-being. Despite a lighter event schedule, employees continued to access wellness resources and educational opportunities, generating 31% overall engagement during the traditionally slower summer period. The featured Self-Care Day Workshop achieved 20% engagement, surpassing the 19% participation rate in 2025. The workshop encouraged employees to prioritize their physical, mental, and emotional health while reinforcing DC Water's commitment to a culture of well-being.

Looking ahead, September programming will continue to advance holistic wellness through initiatives focused on physical health, health education, and financial readiness. Planned offerings include fitness classes, an Ovarian Cancer Awareness Month educational session, and a Fidelity webinar on maximizing Social Security as part of a retirement strategy.



HR Metrics Dashboard

Reporting period: August 2026 | Data as of August 31, 2026 | Recruitment pipeline as of September 4, 2026

Executive Summary

August was a recovery month for workforce movement. After a difficult July, hiring outpaced separations, the recruitment pipeline moved further toward offer and onboarding, and safety and benefits indicators remained strong. The vacancy rate, however, remains the Authority's most persistent people risk and requires continued executive focus.

WHAT IS WORKING	WHERE WE NEED FOCUS
• Net growth returned. 14 hires against 9 separations (net +5), reversing July's net -8. • Pipeline is maturing. 57 positions are at interview stage or later; offers rose from 3 to 9. • Turnover is near benchmark. CY2025 turnover of 7.12% sits within 0.12 points of the AWWA 7.0% benchmark. • Safety cost control is strong. 92% of workers' comp claims are TAD eligible, 42 points above target.	• Vacancy rate is above target. 13.2% versus a 10% target, a gap of about 43 positions, unchanged in five months. • Operations concentration. 75 of 170 vacancies (44%) sit in Operations, the Authority's most service-critical division. • Unworked vacancies. 70 vacancies (41%) are not under active recruitment and need a fill, restructure, or reallocate decision. • Hiring volatility. Monthly hires ranged from 2 to 28, making net headcount gains difficult to sustain.

dc People and Talent

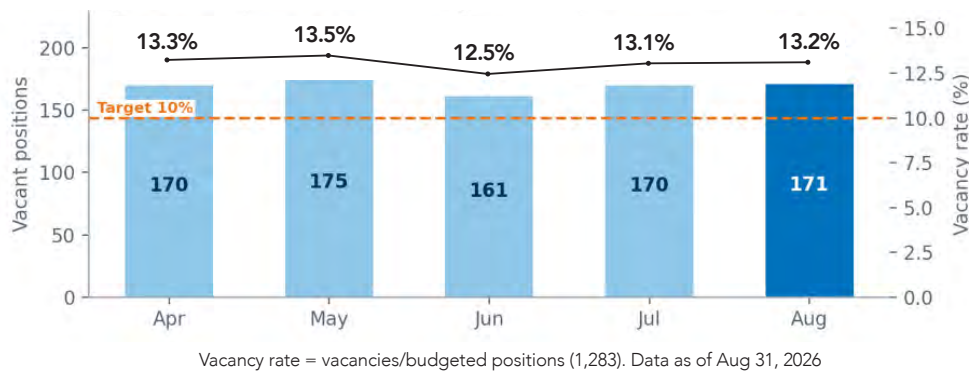
Executive Dashboard – August 2026

Vacancy Rate	Open Vacancies	Active FTEs	Hires	Separations	TAD Eligibility
13.2% Target 10% Needs attention	171 +1 vs. July	1,125 Budgeted 1,283	14 8 external, 6 internal	9 6 voluntary, 3 involuntary	92% Target 50%

Positions Under Recruitment	At Interview Stage or Later	457(b) Participants	Tuition Assistance Participants
102 Aug 31 101 as of Sept 4	57 As of Sept 4	917 81.5% of FTEs	20 4-month high

Vacancy and Recruitment

Vacancy rate has held at 12.5 to 13.5 for five months



Metric	Target	May 26	Jun 26	Jul 26	Aug 26
Vacancies	N/A	175	161	170	171
FTEs	N/A	1,121	1,131	1,127	1,125
Vacancy Rate	10%	13.5%	12.5%	13.1%	13.2%

Vacant positions: Empty job roles that exist within the organization. Each vacancy is reviewed to determine whether the position should be filled as is, restructured to meet evolving business needs, or whether the associated funding should be reallocated to another organizational priority.

Positions under active recruitment: Approved vacancies managed by Talent Acquisition that the organization is actively working to fill through job postings, candidate sourcing, screening, interviewing, selection, offers, pre-employment activities, and onboarding.

Takeaway: The vacancy rate has held between 12.5% and 13.5% for five consecutive months. Reaching the 10% target requires a net reduction of about 43 vacancies, which means hiring must consistently exceed separations, and positions not under recruitment must be resolved.

Vacant Positions by Division | As of September 11, 2026



Source : Sept 11, 2026 vacancy listing

DivisionSiure	Vacant	Not Under Recr.	Under Recr.	On Hold	Open & Sourcing	Interview	Selection	Offer	Onboarding
Operations	75	31	44	0	23	5	3	4	9
Engineering	28	10	18	0	9	3	2	2	2
Administration	25	13	12	0	2	6	4	0	0
Finance, Procurement & Compliance	23	8	15	1	4	3	1	4	2
Information Technology	9	6	3	0	1	1	0	0	1
People and Talent	6	0	6	0	2	0	3	1	0
Government & Legal Affairs	2	1	1	0	1	0	0	0	0
Independent Offices	1	1	0	0	0	0	0	0	0
Strategy & Performance	1	0	1	0	0	0	0	1	0
Total	170	70	100	1	42	18	13	12	14

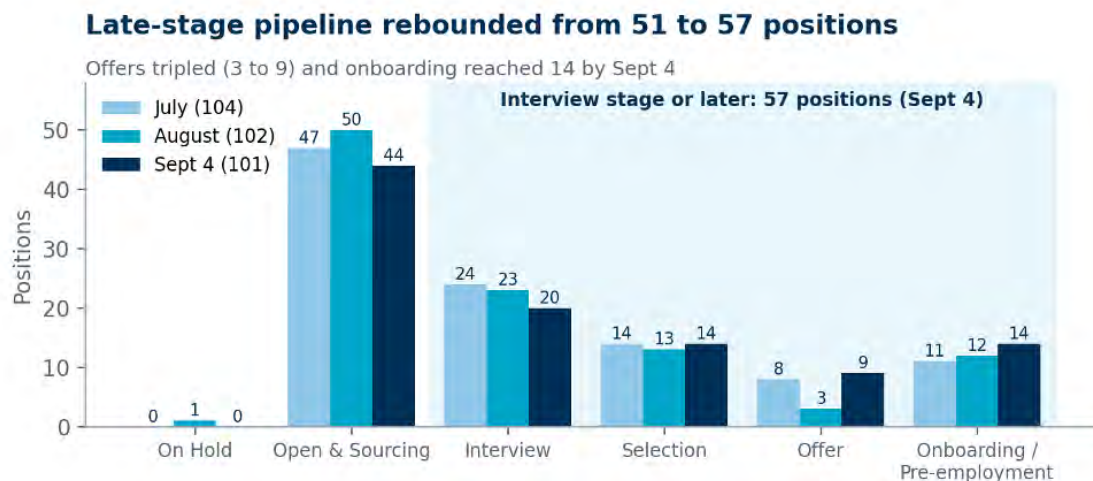
Source: Sept 11, 2026 vacancy listing, ranked by total vacant positions

Vacant Positions by Division, continued

Takeaway: Operations and Engineering together account for 103 vacancies (61%). Within Operations, 31 vacancies are not yet under recruitment; a position-by-position decision on these roles is the single largest lever for reducing the vacancy rate.

Vacancy Status Note	Definition and Contributing Factors
Not Under Recruitment	A vacant position is not currently being actively managed by Talent Acquisition through the hiring process. Positions may not be under recruitment for various reasons including, if recently vacated, pending PRF reclassification, temporarily filled by an acting employee, affected by a union dispute, or awaiting an updated job description from the business.

Recruitment Pipeline | July to September



Source: July, August, and September 4 recruitment reports. September stage movement will be available at month end.

Pipeline movement: Total active recruitment eased slightly from 104 in July to 101 by September 4, but the mix shifted toward later stages. Positions at interview or later rebounded from 51 at the end of August to 57, and offers tripled from 3 to 9, which should translate into higher September and October start dates.

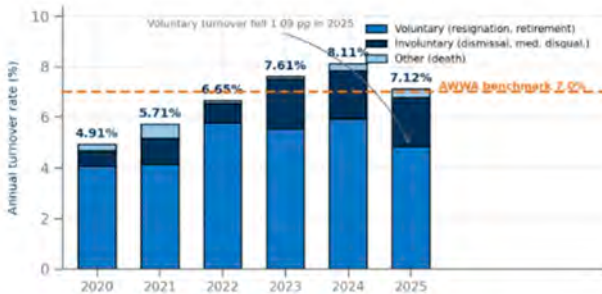
Pipeline Stage	Definition
On Hold	Activity is paused pending resolution of a business, budgetary, position-related, or organizational matter.
Open and Sourcing	Approved vacancies actively being posted, sourced, and screened for qualified candidates before the interview stage.
Interview Stage	Candidates are being interviewed by the hiring panel.
Selection Process	A preferred candidate is being identified, and references or approvals are underway.
Offer Stage	An offer has been extended and is pending acceptance.
Onboarding / Pre-employment	Offer accepted; background, medical, and onboarding steps are in progress.



People and Talent

Attrition and Net Movement

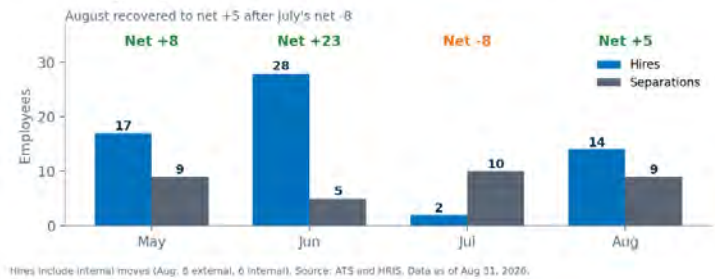
Total turnover reversed a four-year climb in 2025, dropping to 7.12% - essentially at the AWWA benchmark



Annual trend: CY2025 total turnover was 7.12%, reversing four consecutive years of increase and moving within 0.12 percentage points of the 7.0% AWWA benchmark. Voluntary turnover declined 1.09 percentage points from 2024, an encouraging signal for retention.

Takeaway: Retention is stabilizing; the constraint on headcount growth is hiring throughput, not attrition. on-by-position decision on these roles is the single largest lever for reducing the vacancy rate.

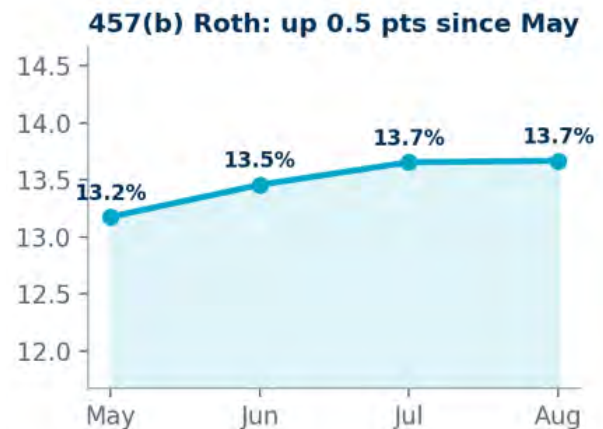
Hiring outpaced attrition in three or four months



Monthly movement: August produced 14 hires (8 external, 6 internal) against 9 separations (6 voluntary, 3 involuntary), a net gain of five. Across May to August, hires totaled 61 against 33 separations. July's two hire month remains the outlier and shows how quickly gains can reverse when hiring slows.

Benefits

457(b) Participants	FTEs	Percentage of Staff Participants
917 Aug 2026	1,125 Aug 2026	81.5% Aug 2026



Participation Rate = participants/FTEs for the month.

Benefits Note: DC Water is working toward 100% participation in its 457(b) plan, with a particular focus on Roth enrollment. Current 457(b) participation is 81.5%. While no comparable utility or water sector data could be identified, the Bureau of Labor Statistics reports that 81% of state and local government employees participate in any retirement plan. By comparison, DC Water's 457(b) participation alone exceeds that benchmark, and 100% of employees participate when the Authority's mandatory 401(a) plan is included.

Benefits

Retirement Plan	May 26	Jun 26	Jul 26	Aug 26
# of active employees	1,121	1,131	1,127	1,125
# of employees participating in a 457(b)	915	921	915	917
# of employees contributing enough to receive a full match	778	782	777	782
Total employer matching dollars provided	\$392,887	\$390,885	\$392,241	\$394,832

Learning and Development

Tuition Assistance Cost	Tuition Participants	Seeking Certification	External Training
\$28,840 Aug 2026	20 Up from 7 in July	4 Aug 2026	11 Aug 2026

Aug: participation at 4-month high (20)



Bars = tuition assistance spend; line = participants. Cost per participant = spend/participant.

Learning & Development Metric	Jun 26	Jul 26	Aug 26
Total cost of tuition assistance/reimbursement	\$38,840	\$13,365	\$28,840
Total # of employees participating in tuition assistance/reimbursement	8	7	20
Total # of employees seeking associate's degree	0	0	2
Total # of employees seeking a bachelor's degree	2	4	4
Total # of employees seeking a master's degree	4	3	2
Total # of employees seeking a doctorate degree	1	0	1
Total # of employees seeking a certification	5	0	4
Total # of employees participating in external training	14	0	11



People and Talent

Learning and Development, continued

Learning and Development Snapshot: Participation nearly tripled from July, reaching 20 employees, while cost per participant fell to \$1,442, the lowest of the period. Degree activity spans all levels, with two associate's, four bachelor's, two master's, and one doctorate pursuit. Certification and external training activity resumed after a pause in July. May to August tuition investment totaled \$104,624.55.

Workers' Compensation - Temporary Alternative Duty

Claims Eligible for TAD	Program Target	Above Target
92% Aug 2026	50%	+42 pp

Program significance: Temporary Alternative Duty eligibility remained at 92% in August, unchanged from July and 42 percentage points above the 50% target. A higher share of eligible claims supports reduced claim exposure, lower costs, and earlier return to work opportunities.



Source: Workers' compensation claims administration. Data as of Aug 31, 2026.

KPI Definition	Business Relevance
Percentage of workers' compensation claims eligible for placement into the TAD program	The more claims eligible for TAD, the lower the Authority's overall workers' compensation costs and claim exposure, leading to realized financial savings.

Priorities and Next Steps

Recommended People and Talent focus areas for the coming quarter:

Priority	Action	Measure of Success
Close the vacancy gap	Set a quarterly net hiring goal sized to the <u>43 position</u> gap and track it monthly against separations.	Vacancy rate trending toward 10%
Resolve unworked vacancies	Complete a fill, restructure, or reallocate decision on the 70 vacancies not under recruitment, starting with Operations (31).	Decision on 100% of the 70 positions
Convert the late-stage pipeline	Prioritize the 57 positions at interview or later to accelerate offers and start dates.	Higher monthly external hires
Stabilize hiring volume	Address the causes of <u>month to month</u> swings (requisition approvals, panel scheduling, pre-employment timing).	Fewer months below 10 hires
Sustain retention gains	Maintain voluntary turnover improvements through engagement and development programs.	CY2026 turnover at or below 7.0%

Data notes: Vacancy figures by division and pipeline stage reflect different extract dates (Aug 31, Sept 4, and Sept 11) and may vary slightly. Hires include internal moves; only external hires reduce the vacancy count.

Government Affairs Highlights

Legislative and Policy Engagement

August 24

Attended the LIHEAP State Plan Hearing, monitoring customer affordability and utility assistance policy developments with potential implications for District residents and utility customers.

August 6 & 27

Continued advocacy on "DC Water Billing and Disconnection Modernization Amendment Act of 2025" (B26-0443).

Collected input from Legal, Customer Care, Finance, and other internal teams to identify operational impacts, concerns, and policy considerations, while also conveying Committee Staff questions and feedback back to internal teams. Communicated concerns with the Committee Staff on Disconnection legislation and created an opportunity to discuss DC Water's proposed language. This two-way engagement helped align DC Water's internal perspectives with legislative discussions and informed the organization's strategy and response to B26-0443.

Federal and Congressional Affairs

August 1

Monitored issues and stakeholder activity associated with the RFK Public Hearing to assess potential impacts on DC Water interests and regional priorities.

August 5

Coordinated development of responses to Congressional Oversight Hearing Questions for the Record. Worked closely with executive leadership and Government Affairs consultants to support timely and comprehensive responses.

Infrastructure and Strategic Project Support

August 13 & 19

Provided Government Affairs support for the Fire Service Connection Assessment Project. Facilitated coordination among operational, legal, and executive stakeholders to address project implementation and policy matters.

August 25

Supported stakeholder outreach related to the Lincoln Park Water Main Project and Backwater Valve Rebate Program. Assisted in reviewing communications materials and engagement strategies.

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

	1st Quarter	2nd Quarter	3rd Quarter	FY 2026 YTD
Cases Managed	30	29	28	40
New Cases	3	3	7	3
Cases Closed	4	7	4	4
Amount Demanded of DC Water in Closed Cases	\$508,000	\$10,775,000	\$1,234,012	\$12,517,012
Amount Paid by DC Water in Closed Cases	\$43,000	\$100,500	\$1,000	\$144,500

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

Revenue Recovery Cases

Currently, DGLA is managing 233 open foreclosure cases and 49 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

*This data is current as of 7/31/26.

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 August 2026 related primarily to water/sewer operations, customer service records, and risk management records.

FOIA Data

Open Requests	171
Requests Opened this Month	21
Requests Closed this Month	7

Other Legal Matters

Type of Legal Matter	# Reviewed/Processed
Contracts	13
Agreements	4
Easements	2
Subpoenas	0

Internal Audit GM 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.

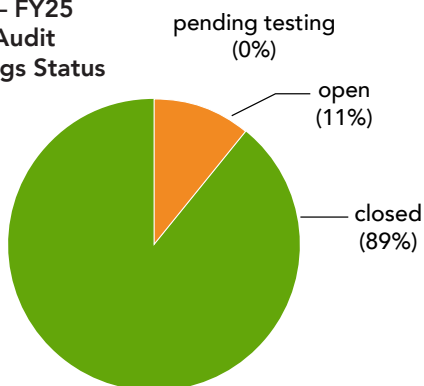
FY2026 Timeline

	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														Complete
Emergency Management Policy Gap Analysis														In Progress
Legal Operational Audit														In Progress
Recruitment, Performance Evaluation, Compensation Analysis & Training LMS Assessment														Complete
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														Moved FY2027
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
Third-Party Vendor Management Audit	11/6/2025	1
Strategic Plan Monitoring Audit	9/29/2025	3
Cloud Security Audit	6/18/2025	44
Customer Billing and Collections Audit	8/13/2025	0
 At least one original remediation target date has been extended		Total 55

FY23 – FY25 Prior Audit Findings Status



In total, 89% 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 89% 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.

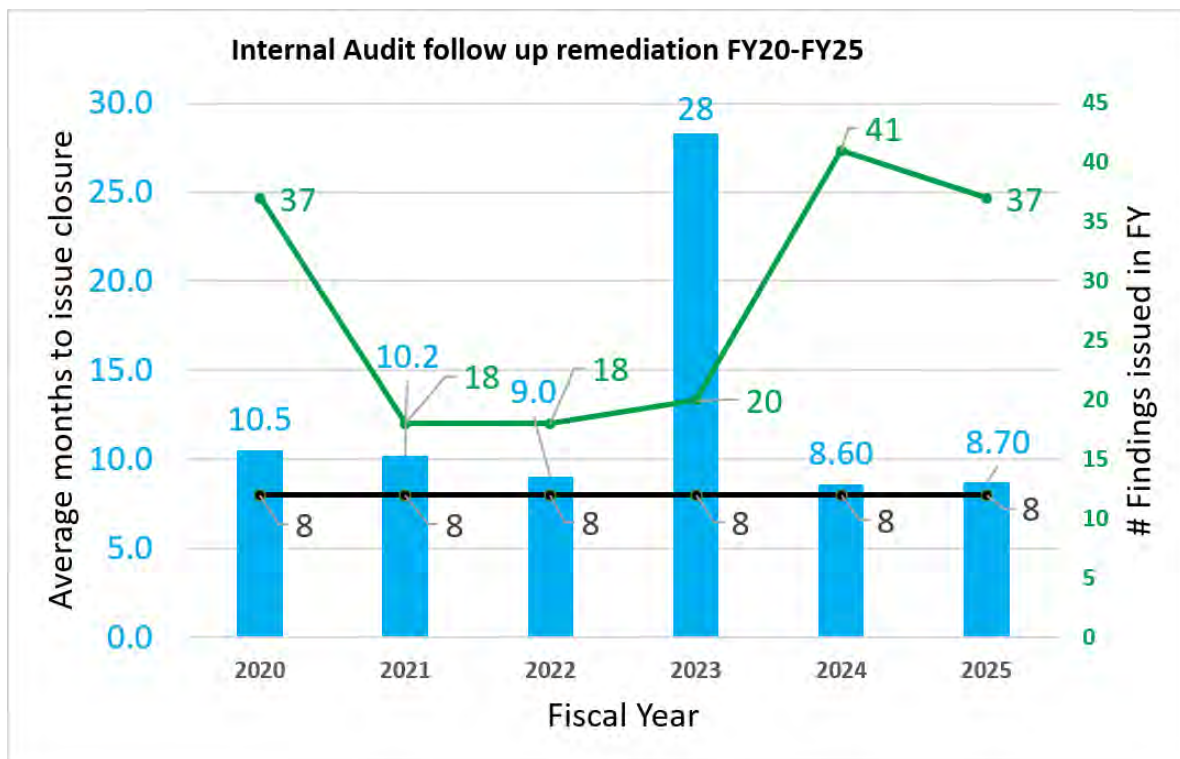
Open High Risk Prior Audit Findings*

*Note: The audit findings reported below represent open high-risk findings through the FY26 Audit Plan year and IT findings will be reported separately.

Audit #	Audit FY	Issue Date	Audit Report Title	High Risk Open Finding	Original Target Date	New Target Date	# of Extensions
1	2025	4/12/2025	Facilities Work Order Management Audit	Lack of Asset Retirement and Disposal SOPs	3/31/2026	9/30/2026	1

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 September 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: October 8, 2026

SUBJECT: Approval of Award and Authorization to Execute Phase One of Contract No. 250210, Main Sewage Pumping Station Rehabilitation (MSPSR) – Historic Rehabilitation, Structural Preservation Systems LLC

**#26-63
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors (“Board”) of the District of Columbia Water and Sewer Authority, (“DC Water”) at its meeting held on October 8, 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 phase one of Contract No. 250210, Structural Preservation Systems LLC.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute phase one of Contract No. 250210, Structural Preservation Systems LLC. This progressive design-build contract will rehabilitate DC Water’s historic Main Sewage Pumping Station while preserving its character, architectural features, and materials, addressing long-term infrastructure needs, and extending the facility’s service life. Phase One preconstruction services include planning; advancing the concept and design development; preparing construction drawings; validating costs and schedules; and completing related activities required to establish the basis for a subsequent Guaranteed Maximum Price. The total value of phase one contract is not-to-exceed \$4,476,209.33.

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

PROGRESSIVE DESIGN-BUILD CONTRACT:

MAIN SEWAGE PUMPING STATION REHABILITATION (MSPSR) – HISTORIC REHABILITATION (Joint Use)

Approval of award and authorization to execute Phase one of a Progressive Design-Build (PDB) contract not-to-exceed \$ 4,476,209.33

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Structural Preservation Systems LLC 10150 Old Columbia Road, Columbia, MD 21046	Sheladia Associates, Inc Rockville, MD DBE	15.31%
	Astute Engineering Vienna, VA DBE	3.71%
	Tracco, LLC Wake Forest, NC DBE	2.61%
	SZ PM Consultants Washington, DC DBE	0.46%

DBE Total Participation= 22.09%

DESCRIPTION AND PURPOSE

Phase One - Contract Value, Not-To-Exceed:	\$ 4,476,209.33
Phase One - Contract Time:	9 Months
Anticipated Contract Start Date:	11-06-2026
Anticipated Contract Completion Date:	08-06-2027
Other firms submitting proposals/qualification statements:	3
Eastern Contractors Corporation	
*The Whiting-Turner Contracting Company	
*WM Schlosser Co. Inc,	

*Asterisk indicates short-listed firms.

Purpose of the Contract:

The purpose of this Progressive Design Build (PDB) contract is to rehabilitate DC Water's historic Main Sewage Pumping Station, preserving its historic character, architectural features, and materials while addressing long-term infrastructure needs and extending the facility's service life. The Phase One – preconstruction services include: planning and advancing the concept design and design development as well as construction drawings, cost/schedule validation, and related activities needed to establish the basis for subsequent delivery of Guaranteed Maximum Price (GMP).

Phase One - Contract Scope:

- Provide PDB services for MSPSR, including design development, constructability review, cost estimating, scheduling, risk identification.
- Coordinate project requirements for the MSPSR modifications and historic restoration elements. This project includes extensive coordination with reviewing agencies such as State Historic Preservation Office, National Capital Planning Commission, and Commission of Fine Arts.
- Develop the basis for future Phase Two scope, pricing, schedule, and contract execution, subject to DC Water review and approval.

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PROCUREMENT INFORMATION			
Contract Type:	Progressive Design-Build (DB)	Award Based On:	Phase 1: Best Value Phase 2: Negotiated GMP
Commodity:	Design/Construction	Contract Number:	250210
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	Department:	Facilities Management
Service Area:	Main Sewage Pump Station	Department Head:	Brent Christ
Project:	SD		

ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	89.70%	\$ 4,015,159.77
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	10.30%	\$ 461,049.56
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$ 4,476,209.33

Signed by: Kirsten B. Williams, Esq. 9/9/2026
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 Kirsten B. Williams
 Chief Administrative Officer
 and Executive Vice President

Signed by: Lola Oyeyemi 9/10/2026
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 Lola Oyeyemi
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

Signed by: Korey Gray 9/9/2026
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 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer

Matthew T. Brown 9/11/2026
16112026
 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager

Presented and Adopted: October 8, 2026

SUBJECT: Approval of Award and Authorization to Execute Master Service Agreements with Two (2) Contractors, Contract No. 260080, Supervisory Control and Data Acquisition (SCADA) System Integrator Services Contract III: M.C. Dean, Inc and Optimum Controls Corp

**#26-64
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on October 8, 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 Master Service Agreements for two Contractors, Contract No. 260080, M.C. Dean, Inc and Optimum Controls Corp.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Master Service Agreements for two Contractors, Contract No. 260080: M.C. Dean, Inc and Optimum Controls Corp. This contract provides SCADA system integration services to upgrade, replace, and optimize existing water, stormwater, and sewer facilities, including pumping stations, tanks, reservoirs, dams, odor-control facilities, and metering sites to improve reliability. The total value is not-to-exceed \$8,000,000,00 over three-year contract term, plus two one-year option years. DC Water may approve and exercise the option years at its sole 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 CONTRACT - MASTER SERVICE AGREEMENT

**Supervisory Control and Data Acquisition
System Integrator Services Contract III
(Joint Use)**

Approval of award and authorization to execute a Master Service Agreement (MSA) with the two qualified contractors for Supervisory Control and Data Acquisition (SCADA) System Integrator (SI) Services III. The total authorized program value shall not exceed \$8,000,000 over a three (3) year contract term, plus two (2) one-year option years. Exercise of the option years will be approved at DC Water's sole discretion.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
M.C. DEAN, Inc 1765 Greensboro Station Place Tysons, VA 22102	CNJ Automation LLC Stephenson, VA DBE Sigma Associates, Inc. Detroit, MI DBE BvF Engineering Elkridge, MD DBE Tilt-Up Construction, Inc West River, MD WBE	DBE: 28.0% WBE: 4.0%
OPTIMUM CONTROLS CORP 1044 MacArthur Rd, Reading, PA 19605	Calmi Electrical Company Inc. Baltimore, MD DBE C.C. Johnson & Malhotra PC Baltimore, MD DBE Ideal Electrical Supply Corp Washington, DC WBE	DBE:28.0% WBE: 4.0%

DBE Total Participation= 28.0 % - WBE Total Participation = 4%

DESCRIPTION AND PURPOSE

Not-To-Exceed Program Value: \$8,000,000
 Contract Time: 1825 Days (3 Years, 2 Option Years)
 No. of Option Years in Contract: 2
 Anticipated Contract Start Date (NTP): November 02, 2026
 Anticipated Contract Completion Date: November 02, 2031
 Bid Opening Date: August 05, 2026
 Other Bids Received: 3
 Hampton Roads Automation
 Load & Company, Inc
 Mc Kim & Creed, Inc

Purpose of the Contract:

Provide SCADA system integrator services to implement necessary upgrades, replacements, and optimizations to increase reliability of the existing water, stormwater, and sewer facilities including pumping stations, tanks, reservoirs, dams, odor control facilities, metering sites, etc.

Contract Scope:

The SCADA SI shall provide comprehensive engineering, design, programming, fabrication, integration, and field services necessary to support the Owner's SCADA network across multiple facilities. Services shall include, but not be limited to, the following:

- Writes and updates control code, sequences, interlocks, and Piping & Instrumentation Diagram (P&ID) loops.
- Builds graphic screens, sets up alarm management, and standardizes database tags.

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- Maintains control narratives, network diagrams, and as-built drawings.
- Configures Ethernet/IP, Modbus, fiber optics, and managed switches.
- Applies user access controls, network segmentation, and patch management according to DC Water security requirements.
- Troubleshoots system diagnostics and provides unplanned support to address reliability.
- Selects, calibrates, and verifies field loops for sensors and devices to final commissioning.
- Runs Factory Acceptance Testing (FAT) and Site Acceptance Testing (SAT).
- Coordinates installation or new electric utility hookups and new SCADA connections.

Federal Grant Status:

This Construction Contract is eligible for Federal funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Master Services Agreement	Award Based On:	Best Value
Commodity:	Integrator Services	Contract Number:	260080
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	Department:	Wastewater Engineering
Service Area:	Sanitary, Storm, Water	Department Head:	Ryu Suzuki
Project:	SS, SW		

*ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$8,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$8,000,000.00

* Work under this contract will be assigned as needed under specific task orders. It is anticipated that Joint Use work may be assigned during the contract period. As tasks are developed for work associated with specific facilities and costs are developed, the individual users will be notified and billed according to agreed cost sharing.

Signed by: Moussa Wone 9/9/2026
 B41797CAE4RR407 / Date
 Moussa Wone
 Chief Engineer and Vice President

Signed by: Lola Oyeyemi 9/10/2026
 E25E37ED4822A5D / Date
 Lola Oyeyemi
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

Signed by: Korey Gray 9/9/2026
 409DAE0B31F042B / Date
 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer

Signed by: Matthew T. Brown 10/11/2026
 / Date
 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager

Presented and Adopted: October 8, 2026

SUBJECT: Approval of Award and Authorization to Execute Architectural and Engineering Services Contract No. DCFA #557-WSA, Water, Sewer, Storm Linear Infrastructure Condition Assessment Program, Arcadis District of Columbia, P.C.

**#26-65
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on October 8, 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 Architectural and Engineering Services Contract No. DCFA #557-WSA, Arcadis District of Columbia, P.C.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Architectural and Engineering Services Contract No. DCFA #557-WSA, Arcadis District of Columbia, P.C. This contract will use appropriate technology and expertise to inspect and assess the condition of water, sewer, and storm linear assets; analyze and document findings; provide actionable insights; and prioritize assets for repair, maintenance, or further investigation based on structural integrity, sustainability, and related conditions. The contract has a not-to-exceed value of \$50,000,000.00 and includes a three-year base term plus two optional one-year extensions. DC Water may approve and exercise the option years at its sole discretion.

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

ENGINEERING SERVICES:

**Water, Sewer, Storm Linear Infrastructure Condition Assessment Program
(WSSLI-CAP) Contract
(Joint Use)**

Approval of award and authorization to execute an architectural and engineering services contract not to exceed \$50,000,000. The contract will have an initial term of three (3) years, plus two (2) one-year option years. Exercise of the option years will be approved at DC Water's sole discretion.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:	PARTICIPATION:
Arcadis District of Columbia, P.C. 1901 L Street, NW, Suite 310 Washington, DC 20036	AB Construction, Inc Laurel, MD	DBE 3.0%
	AB Consultants, Inc. Lanham, MD	DBE 3.0%
	Wave Civil LLC Alexandria, VA	DBE 3.0%
	Arthur Engineering Services, LLC Laurel, MD	DBE 2.0%
	Reviera Entreprises, LLC Forestville, MD	DBE 2.0%
	EBA Engineering Inc. Laurel, MD	DBE 1.0%
	V & A Consulting Engineers Oakland, CA	WBE 4.0%
	TFE Resources LTD Owens Mills, MD	WBE 3.0%
	SZ PM Consultants, Inc. Washington, DC	WBE 1.0%

DBE Total Participation = 14.0% - WBE Total Participation = 8.0%

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed: \$50,000,000.00
 Contract Time: 1825 Days (3 Years, 2 Option Years)
 No. of Option Years in Contract: 2
 Anticipated Contract Start Date: 10-12-2026
 Anticipated Contract Completion Date: 09-30-2031
 Other firms submitting proposals/qualification statements: 1

TYLin

Purpose of the Contract:

For Water, Sewer and Storm linear assets, use appropriate technology and expertise to conduct inspections and condition assessments, provide data analysis, documentation, furnish actionable insights, and a prioritized list of assets for repair, maintenance, or further investigations based on structural integrity, sustainability, and other ancillary conditions and assessments.

Contract Scope:

Plan and perform inspection and assessment of water, sewer, and storm linear infrastructure, including:

- Project management and oversight, including planning, coordination, scheduling, reporting, issue resolution and safety assurance.

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- Obtain and manage required permits, notifications, and approvals.
- Assess condition of water transmission and distribution systems.
- Assess condition of sanitary, combined, and storm collection systems, including pipes, manholes, structures, gravity mains, and pressurized mains.
- Evaluate and analyze defect and inspection data using industry standards and guided DC Water best practices
- Prioritize maintenance, repair, rehabilitation, or replacement based on structural, safety, environmental, and other relevant criteria and highlight conditions requiring immediate action.
- Prepare draft and final condition assessment reports for each project or asset group as requested by DC Water and Conduct workshops to review findings and lessons learned.

PROCUREMENT INFORMATION			
Contract Type:	Cost-Plus Fixed Fee	Award Based On:	Best Value
Commodity:	Professional Services	Contract Number:	DCFA #557-WSA
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	Department:	Shared Services and Asset Management
Service Area:	Water, Sewer and Storm	Department Head:	Paul Guttridge
Project:	RR, XS, QZ, WQ, FT		

*ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	\$50,000,000.00
Federal Funds	0.00%	\$
Washington Suburban Sanitary Commission	0.00%	\$
Fairfax County	0.00%	\$
Loudoun County & Potomac Interceptor	0.00%	\$
Total Estimated Dollar Amount	100.00%	\$50,000,000.00

*Under the terms of the IMA, the capital costs associated with each joint facility are to be split among the users in proportion to the peak flow each user is allocated. It is not possible, currently, to allocate costs by individual facility. As projects are developed under individual Task Orders for work associated with specific facilities and costs are developed, the individual users will be notified and billed accordingly.

Signed by: Moussa Wone 9/9/2026
 Date
 Moussa Wone
 Chief Engineer
 and Vice President Engineering

Signed by: Lola Oyeyemi 9/10/2026
 Date
 Lola Oyeyemi
 Chief Financial Officer and EVP
 Finance, Procurement and Compliance

Signed by: Korey Gray 9/10/2026
 Date
 Korey R. Gray
 Vice President of Compliance
 and Chief Procurement Officer

Signed by: Matthew T. Brown 10/11/2026
 Date
 Matthew T. Brown
 Interim Chief Executive Officer
 and General Manager

Presented and Adopted: October 8, 2026

SUBJECT: Approval and Authorization to Fund Rolling Owner Controlled Insurance Program (ROCIP) VII, Insurance Premiums, Contract No. 10632, Alliant Insurance Services, Inc.

**#26-66
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on October 8, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve and authorize funding for Rolling Owner Controlled Insurance Program (ROCIP) VII, Contract No. 10632, Alliant Insurance Services, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to execute funding for Rolling Owner Controlled Insurance Program (ROCIP) VII, Contract No. 10632, Alliant Insurance Services, Inc. This action will fund six years of ROCIP VII insurance premiums for contractors working on DC Water capital projects. Coverage will be secured through commercial insurance brokers contracted on DC Water's behalf or directly from insurers. The base-period premium is not-to-exceed \$22,225,000.00 and covers November 1, 2026, through November 30, 2032.

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 AWARD CONTRACT**

**ROLLING OWNER CONTROLLED INSURANCE PROGRAM
(ROCIP) VII
INSURANCE PREMIUMS**

(Joint-use Indirect cost)

Approval and authorization to fund ROCIP VII insurance premiums through DC Water's broker insurer with a total amount not to exceed \$22,225,000.00.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Alliant Insurance Services, Inc 1800 Von Karman Ave, 10 th Floor Irvine CA 92612	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Premium Value: \$22,225,000.00
Base Period Premium Dates: 11-01-2026 – 11-30-2032

Purpose of the Contract:

The purpose of this action is to fund six years of insurance premiums under ROCIP 7 for construction contractors on DC Water's capital projects.

Contract Scope:

The contract scope secures insurance coverage through contracted commercial insurance brokers working on DC Water's behalf or direct writing insurers. The coverages include:

- **Workers' Compensation, General Liability, and Excess Liability:** Covers contractor employees' work-related injuries or illnesses, third-party bodily injury and property damage claims, and losses that exceed the limits of the underlying liability policies.
- **Builder's Risk Coverage:** Covers physical loss or damage to the construction project, materials, equipment, and supplies during construction, including specified risks such as fire, theft, vandalism, and certain weather events.
- **Contractor's Pollution Liability:** Covers pollution-related bodily injury, property damage, cleanup costs, and legal expenses arising from project-site work, transportation, or disposal activities.

Supplier Selection:

DC Water assigns insurance markets to brokers based on each broker's stated preferences and the qualifications and market information submitted during the broker RFP process. This approach helps DC Water obtain competitive premium rates and appropriate coverage. Each broker is responsible for marketing the assigned insurance programs and obtaining proposals from qualified insurance carriers. When practical, DC Water also considers proposals from direct-writing insurers. After reviewing the available proposals, DC Water awards each coverage placement to the supplier offering the best overall value, based on factors such as pricing, coverage terms, and responsiveness to DC Water's requirements.

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PROCUREMENT INFORMATION

Contract Type:	Fixed Unit Price	Award Based On:	Best Value
Commodity:	Insurance Services	Contract Number:	10632
Contractor Market:			

BUDGET INFORMATION

Funding:	Capital	Department:	Finance
Service Area:	DC Water Wide	Department Head:	Henok Getahun

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	85.99%	\$19,111,277.50
Washington Suburban Sanitary Commission	7.55%	\$1,677,987.50
Fairfax County	2.32%	\$515,620.00
Loudoun Water	1.30%	\$288,925.00
Potomac Interceptor	2.84%	\$631,190.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$22,225,000.00

Signed by:



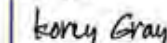
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Henok Getahun

Date

Controller

Signed by:



9/16/2026

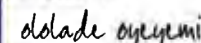
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Korey Gray

Date

VP Compliance and Chief Procurement Officer

Signed by:



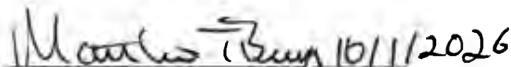
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Lola Oyeyemi

Date

CFO & EVP, Finance, Procurement and Compliance

 10/11/2026

Matthew T. Brown

Date

Interim General Manager

Presented and Adopted: October 8, 2026

SUBJECT: Approval and Authorization to Execute the Award of Contract No. 10652, Independent Risk Management Consulting Services, Artex Risk Solutions, Inc.

**#26-67
RESOLUTION
OF THE
BOARD OF DIRECTORS
OF THE
D.C. WATER AND SEWER AUTHORITY**

The Board of Directors ("Board") of the District of Columbia Water and Sewer Authority, ("DC Water") at its meeting held on October 8, 2026, upon consideration of a joint-use matter, decided by a vote of ____ () in favor and ____ () opposed to approve and authorize the award of Contract No. 10652, Artex Risk Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to execute the award of Contract No. 10652, Artex Risk Solutions, Inc. The firm will provide independent risk management consulting services, including coverage assessments, ROCIP project management, claims and risk analyses, policy reviews, and guidance on insurance planning for active and future capital projects, including improvements to the Blue Plains Advanced Wastewater Treatment Plant and related infrastructure.

The contract has a not-to-exceed value of \$1,410,670.00 and includes a two-year base term and three option years.

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 AWARD

INDEPENDENT RISK MANAGEMENT CONSULTING SERVICES

(Joint Use Indirect)

Approval of **award** and authorization to execute Independent Risk Management Consulting Services, in an amount not to exceed **\$1,410,670.00**.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: Artex Risk Solution, Inc. 39728 Treasury Center, Chicago, IL. 60694-9700	SUBS (CARRIERS): N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Years Value:	\$534,490.00
Base Years Date:	11-01-2026 – 10-31-2028
Total Number of Option Years:	3
Option Years Value:	\$876,180.00
Option Years Date:	11-01-2028 – 10-31-2031
Total Number of Proposals:	2
Price Proposal Range:	\$1,410,670.00 - \$3,729,889.56

Purpose of the Contract:

DC Water's Office of the Chief Financial Officer (CFO) requires a qualified firm to provide independent risk management consulting services. Key responsibilities include coverage assessments, Rolling Owner-Controlled Insurance Program (ROCIP) project management, claims/risk analyses, insurance policy reviews, and risk management consultation. Over the lifetime of the contract, this agreement will support risk management for active construction projects and establish the insurance frameworks for forecasted capital improvements slated to begin over the next two to ten years. This proactive planning encompasses the multiyear renovation, reconstruction, and expansion of the Blue Plains Advanced Wastewater Treatment Plant and related facilities. DC Water's capital program consists of multiphase initiatives involving updates, renovations, new construction, and active city infrastructure repairs and replacements

Contract Scope:

The awardee will provide complete independent risk management consulting services supporting the DC Water Risk Management Department. Services include, but are not limited to:

- **Insurance Program Consulting:** comprehensive exposure analysis.
- **Construction Risk Management:** contractual insurance review.
- **ROCIP Advisory:** complete management support.
- **Program Audits:** regular insurance program certifications.
- **Vendor Oversight:** market monitoring and evaluation.
- **Claims Review:** detailed risk analysis.
- **Stakeholder Coordination:** insurance procurement support.

Supplier Selection:

The request for proposal (RFP), DCW-SOL-26-10581,2, was issued to a competitive open market on May 21, 2026, and closed on June 22, 2026. Two suppliers responded to the RFP: Protecdiv and Artex Risk Solutions, Inc. The final selection criteria evaluated both technical qualifications and pricing.

Approximately three weeks after bid submission, DC Water learned that Protecdiv was experiencing financial

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hardship, which necessitated the withdrawal of their proposal. Consequently, Artex Risk Solutions, Inc. was determined to be the only remaining reasonable and responsive bidder. Prior to the withdrawal, bids had already been scored, with Artex Risk Solutions achieving the highest overall technical and financial score. They were identified as providing the most comprehensive knowledge, experience, and background to support risk exposures for DC Water's complex insurance programs.

PROCUREMENT INFORMATION

Contract Type:	Goods and Services	Award Based On:	Highest Rating
Commodity:	Insurance Services	Contract Number:	10652
Contractor Market:	Open Market		

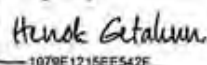
BUDGET INFORMATION

Funding:	Operating	Department:	Finance
Project Area:	DC Water Wide	Department Head:	Henok Getahun

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	65.63%	\$925,822.72
Washington Suburban Sanitary Commission	25.02%	\$352,949.63
Fairfax County	5.98%	\$84,358.07
Loudoun Water	2.95%	\$41,614.77
Other (PI)	0.42%	\$5,924.81
Total Estimated Dollar Amount	100%	\$1,410,670.00

Signed by:



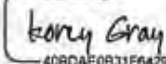
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9/14/2026

Henok Getahun
Controller

Date

Signed by:



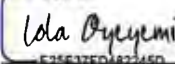
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9/15/2026

Korey R. Gray
VP Compliance and Chief Procurement Officer

Date

Signed by:

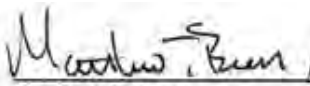


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9/15/2026

Lola Oyeyemi
CFO & EVP of Finance, Procurement &
Compliance

Date



Matthew T. Brown

Interim General Manager

10/11/2026

Date

Presented and Adopted: October 8, 2026

SUBJECT: Approval to Publish the Second Notice of Proposed Rulemaking to Establish the House By House Lead Pipe Replacement Assistance Program

**#26-68
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 October 8, 2026 upon consideration of a non-joint use matter decided by a vote of ____ () in favor and ____ () opposed, to take the following action with respect to approval to publish the Second Notice of Proposed Rulemaking to Establish the House By House Lead Pipe Replacement Assistance 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. Subsequently, the Council enacted the “District of Columbia Water and Sewer Authority Omnibus Amendment Act of 2020” effective January 13, 2021, which amended the Lead Replacement Act including clarifying the definition of lead water service line to include brass and galvanized water service lines; 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) Block by Block; and

WHEREAS, the District's initial funding for LPRAP averaged \$2 Million per fiscal year from FY 2020 - FY 2024, but for Fy 2025 and FY 2026, the District reduced the amount of its funding for the LPRAP program to \$478,659 and \$356,591.53, respectfully, which was depleted within approximately 3 months of those fiscal year. Fortunately, since September 2023, Environmental Protection Agency (EPA) has authorized DC Water to use federal grant funds to supplement the District's funding to cover the cost of lead pipe replacements on private property to maintain the LPRAP program; 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 and galvanized requiring replacement (GRR) service lines under their control by December 31, 2037; and

WHEREAS, on April 15, 2026, the Environmental Quality and Operations Committee met to consider the proposal to promulgate regulations to establish House By House Lead Pipe Replacement Assistance Program (HBH LPRAP), which would mirror the District LPRAP program, but when District's funds are depleted the assistance would be continued and administered under DC Water HBH LPRAP, which would streamline the administration of the program and provide funding assistance to maintain continuity of the private lead replacement work to meet the EPA's 2037 deadline; and

WHEREAS, the General Manager estimates 500-800 replacements per year at cost of \$1.2 Million to \$2 Million that is within the approved capital budget; and

WHEREAS, the General Manager recommended and requested the Environmental Quality and Operations Committee to recommend Board approval to publish the Notice of Proposed Rulemaking to receive public comments on the proposed HBH LPRAP; and

WHEREAS, on April 15, 2026, the Environmental Quality and Operations Committee recommended the Board approve the publication of the Notice of Proposed Rulemaking to receive public comments to establish HBH LPRAP; 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 HBH LPRAP; and

WHEREAS, on May 22, 2026, the General Manager published in the *District of Columbia Register* (DCR) for public comment the Notice of Proposed Rulemaking to establish HBH LPRAP at 73 DCR 007923; 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 HBH LPRAP 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 HBH LPRAP; 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 approve the publication of the Notice of Final Rulemaking as proposed by the General Manager; and

WHEREAS, subsequent to the Environmental Quality and Operations Committee meeting, the General Manager determined additional revisions were needed to the rules for the HBH LPRAP; and

WHEREAS, on September 17, 2026, the Environmental Quality and Operations Committee met to consider additional amendments to the proposed regulations to establish the HBH LPRAP; and

WHEREAS, the General Manager discussed the need for publishing a second proposed rulemaking to propose additional amendments to align HBH LPRAP project costs requirements in 21 DCMR § 4204.2 with the District’s LPRAP project costs requirements in 20 DCMR § 3803.5 and to amend the definition of “Partial Lead Water Service Line” to address the public comments received for the NOPR as provided in Attachment A; and

WHEREAS, on September 17, 2026, the Environmental Quality and Operations Committee recommended the Board approve the publication of the Second Notice of Proposed Rulemaking to receive public comments on the amended rules for the HBH LPRAP.

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board (District members) hereby approve the publication of the Second Notice of Proposed Rulemaking to receive public comments to amended House By House Lead Pipe Replacement Assistance Program.
2. The Board directs the General Manager to publish the Second Notice of Proposed Rulemaking as provided in Attachment A to receive public comments 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 – Second Notice of Proposed Rulemaking to Establish DC Water House by House Lead Pipe Replacement Assistance Program

Title 21 DCMR, WATER AND SANITATION, is amended by adding a new Chapter 42, DC WATER HOUSE BY HOUSE LEAD PIPE REPLACEMENT ASSISTANCE PROGRAM, is added to read as follows:

CHAPTER 42 DC WATER HOUSE BY HOUSE LEAD PIPE REPLACEMENT ASSISTANCE PROGRAM

4200 DC WATER HOUSE BY HOUSE LEAD PIPE REPLACEMENT ASSISTANCE PROGRAM

4201 APPLICATION PROCESS

4202 ELIGIBILITY

4203 LEAD PIPE REPLACEMENT

4204 BENEFITS

4205 DENIAL OR REVOCATION OF BENEFITS

4206 ADMINISTRATIVE APPEALS

4299 DEFINITIONS

4200 DC WATER HOUSE BY HOUSE LEAD PIPE REPLACEMENT ASSISTANCE PROGRAM

4200.1 DC Water adopts these regulations to establish and implement the requirements for the DC Water House by House (HBH) Lead Pipe Replacement Assistance Program (LPRAP) for eligible property owners to receive assistance to replace the eligible portion of the lead water service line.

4200.2 As defined in section 4299, the “eligible portion of the lead service line” is the portion of the lead water service line located on private property and/or any portion of the lead water service line remaining on public property after a partial lead water service line replacement.

4201 APPLICATION PROCESS

4201.1 To allow DC Water to determine the eligibility of an applicant to receive HBH LPRAP assistance, the District property owner or their authorized representative shall complete and submit to DC Water a HBH Lead Water Service Line Replacement Application (HBH LSLR Application).

- (a) For a property owned by one person, that property owner or their authorized representative to act on behalf of the property owner must complete and submit an 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 owners 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 HBH LPRAP assistance must mark “HBH LPRAP” on the HBH LSLR application and submit the completed application 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

4201.2 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 a property owner designating the authorized representative to act on their behalf of the property owner(s); or
- (b) Other documentation that affirms that the authorized representative is authorized to act on their behalf of the property owner(s).

4201.3 After submitting the HBH LSLR Application, the applicant shall notify DC Water of any change in ownership of the property before the work begins.

4202 ELIGIBILITY

4202.1 To be eligible for a HBH LPRAP 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 has an eligible portion of the lead water service line.

4202.2 DC Water shall determine whether the property has an eligible portion of the lead water service line if the portion of the water service line on private property and/or the portion in public space remaining after a partial lead water service line replacement is confirmed to be a lead water service line.

4202.3 The material of the water service line on private property or remaining in public space after a partial lead water service line replacement 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://dcwater.com/leadmap/>) designates the water service line material as "verified lead" on private property and/or the portion in public space remaining after a partial lead service line replacement;
- (b) Information provided by the residential property owner or authorized representative confirms the water service line material located on private property and/or the portion in public space remaining after a partial lead water service line replacement is a lead water service line; or
- (c) Information from the property owner's contractors completed test pit that confirms the water service line material located on private property and/or the portion in public space remaining after a partial lead water service line replacement is a lead water service line.

4202.4 Each 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.

4202.5 DC Water may obtain the information used in determining eligibility from any relevant sources.

4202.6 DC Water shall 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) An applicant's refusal to permit DC Water to inspect their property, including the location inside where the pipe enters the structures;
- (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.

4202.7 DC Water shall notify the applicant of the eligibility and benefit determination, which shall expire within ninety (90) days or at the end of the fiscal year, whichever occurs first.

4202.8 If the lead pipe replacement is not completed within ninety (90) days from the date of approval or before the end of the fiscal year in which the application was approved, whichever occurs first, DC Water may require the applicant to reapply for HBH LPRAP assistance.

4203 LEAD PIPE REPLACEMENT

4203.1 An applicant approved for HBH LPRAP assistance shall complete the following actions to receive benefits:

- (a) Contract with a DC Water HBH LPRAP approved contractor;
- (b) Sign and date the estimate of the project costs, and the HBH LPRAP approved contractor shall submit the estimate along with all required documentation for the replacement of the eligible portion of the lead service line to DC Water for approval.
- (c) If the project cost estimate exceeds the reasonable caps in section 4204.2, DC Water may:
 - 1. Approve the estimate that exceeds the reasonable caps;
 - 2. Require the applicant to sign a statement acknowledging that costs that exceed the reasonable caps will not be covered by DC Water under HBH LPRAP Assistance Program and will be the sole responsibility of the property owner(s); or
 - 3. Require the applicant to submit an additional estimate for further consideration.
- (d) Upon DC Water's approval of the estimate, obtain the District Department of Buildings required permits.
- (e) Prior to initiating any field work, the applicant's HBH LPRAP approved contractor shall:

1. Notify DC Water at least one (1) day prior to initiating an emergency repair/replacement work.
 2. Notify DC Water at least five (5) business days prior to initiating any field work for non-emergency replacement work.
- (f) Notify DC Water of any change in ownership of the property before the work begins.
- (g) Conduct a test pit or approved alternative test method and inspect the point of entry to confirm the water service line material;
1. If the test pit or alternative method and point of entry inspection confirms the water service line material is not a lead water service line; STOP all service line replacement work and submit the report results (tap card), signed by the HBH LPRAP approved contractor, to DC Water within thirty (30) days.
 2. If the test pit or alternative method and point of entry inspection confirms the eligible portion of the water service line material is a lead water service line, complete the replacement of the lead water service line, keep the excavation open, notify DC Water to inspect the site and submit report (tap card), signed by the HBH LPRAP approved contractor, to DC Water within thirty (30) days of the replacement; and
- (h) Within thirty (30) days of completing the test pit in (g)(1) or lead water service line replacement in (g)(2), submit the HBH LPRAP approved contractor's invoice for 1) the test pit costs or 2) the lead water service line replacement costs and any additional information required by DC Water.

4204 BENEFITS

- 4204.1 HBH LPRAP assistance is a one-time benefit per eligible District property, subject to the availability of funds:
- (a) DC Water shall pay 100% of the actual replacement costs to the DC Water HBH LPRAP approved contractor, which are subject to the reasonable caps provided in section 4204.2;
 - (b) The HBH LPRAP assistance shall be provided to the HBH LPRAP approved contractor only after:
 1. The eligible applicant's HBH LPRAP approved contractor completes a test pit or approved alternative testing method and point

of entry inspection and confirms the water service line is not lead and submits an invoice and any required documentation to DC Water within thirty (30) calendar days of completing the work; or

2. The eligible applicant's HBH LPRAP approved contractor completes the test pit or approved alternative testing method and point of entry inspection and confirms the water service line is a lead water service line and the HBH LPRAP approved contractor:
 - (A) Completes the replacement of the eligible portion of the lead water service line and keeps the excavation open, pending DC Water's inspection;
 - (B) Notifies DC Water as soon as practicable of completion of the work to conduct the inspection;
 - (C) DC Water inspects the work; and
 - (D) The contractor submits an invoice and any required documents to DC Water within thirty (30) calendar days of completing the work.

4204.2 The project costs shall be in accordance with the project costs provided in 20 DCMR § 3803.5. following:

- ~~(a) The reasonable caps on replacement costs by type of work shall be equal to:~~
 - ~~1. Three thousand six hundred dollars (\$3,600) for mobilization and demobilization work for a test pit or alternative testing method where the water service line is not a lead water service line;~~
 - ~~2. Six thousand two hundred dollars (\$6,200) for mobilization, demobilization, identifying location of curb stop, test pit, excavation, backfill, restoration, penetration, and replacement of lead water service line where the length of the lead portion is eleven (11) linear feet or less;~~
 - ~~3. Three thousand seven hundred dollars (\$3,700) for mobilization, demobilization, identifying location of curb stop, test pit, excavation, backfill, restoration, penetration, and replacement of lead water service line where the length of the lead portion is more than eleven (11) linear feet and, as applicable:~~
 - ~~(A) Two hundred forty five dollars (\$245) per foot of one inch (1") pipe to be replaced;~~
 - ~~(B) Two hundred ninety five dollars (\$295) per foot of one and one quarters inch (1.25") pipe to be replaced;~~

- ~~(C) Three hundred seventy dollars (\$370) per foot of one and one half inch (1.5") pipe to be replaced;~~
- ~~(D) Four hundred fifty dollars (\$450) per foot of one and three quarters inch (1.75") pipe to be replaced;~~
- ~~(E) Five hundred fifteen dollars (\$515) per foot of two inch (2") pipe to be replaced; and~~
- ~~4. Six hundred dollars (\$600) for installation of the curb stop and curb stop box where the curb stop cannot be located or a new curb stop is otherwise deemed necessary.~~
- ~~(b) Additional costs for permits, inspectors, restoration, and industry adjustments, including changes in material costs and labor costs will be considered on a case-by-case basis upon submission of documentation. Approval of additional costs above the reasonable caps are subject to available funding.~~
- ~~(c) Each year, as of the first business day in December, the reasonable caps in this section shall automatically increase by the percentage, if any, by which the Washington, D.C. All Items Consumer Price Index for all Urban Consumers in the Washington Arlington Alexandria, DC VA MD WV Core-Based Statistical Area (or such successor area that includes Washington, DC) ("the Urban Consumer Price Index") for October of the calendar year exceeds the Urban Consumer Price Index for October of the previous year. Each such inflation adjustment shall be posted to the DC Water's website.~~

4204.3 If DC Water determines that remaining available funds may be insufficient to provide HBH LPRAP assistance 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.

4205 DENIAL OR REVOCATION OF BENEFITS

4205.1 If an applicant is determined ineligible for HBH Lead Pipe Replacement Assistance Program, DC Water will provide to the applicant notice of ineligibility or revocation, 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 § 4206.

4205.2 If DC Water determines that a prior eligibility decision for HBH Lead Pipe Replacement Assistance Program 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.

4205.3 The applicant shall not have a right to appeal a reduction, suspension, or revocation of the benefit based on a lack of available funding.

4206 ADMINISTRATIVE APPEALS

4206.1 With respect to a matter governed by §§ 4201 to 4205 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.

4206.2 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.

4206.3 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.

4299 DEFINITIONS

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

Eligible portion of the lead service line – the portion of the lead water service line located on private property and/or any portion of the lead water service line remaining on public property after a partial lead water service line replacement.

House by House (“HBH) Lead Pipe Replacement Assistance Program – The DC Water House by House Assistance Program that provides eligible properties with assistance for the replacement of the eligible portion of the lead water service line.

Lead water service line – for purposes of this chapter, 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 – For purposes of this chapter, the lead water service line that remains after a partial replacement where the lead water service line in public space is replaced with a nonlead water service line from the watermain to the property line and the portion of the water service line in private property is a lead water service line.~~The lead water service line that remains after the replacement of a portion or all of the lead water service line in public space with a nonlead water service line from the watermain to the property line.~~

Replacement Costs – exploratory, construction, and restoration costs incurred under the HBH Assistance Program.

All persons desiring to comment on this Second Notice of Proposed Rulemaking should submit comments in writing not later than [DATE]. Comments should be submitted to Debra Mathis, Acting Secretary to the Board, District of Columbia Water and Sewer Authority, 1385 Canal Street, S.E., Washington, D.C. 20003 or by email to Board.Secretary@dcwater.com. Copies of the Notice of Proposed Rulemaking may be obtained from DC Water at the same address or by contacting Ms. Mathis at (202) 787-2331.

Rulemaking Schedule:

September 17, 2026	EQ&Ops Recommends Board Approval of Second NOPR
October 8, 2026	Board Approves Second NOPR
October 23, 2026 -	Publish Second NOPR
Oct. 23-Nov. 23, 2026	Public Comment Period
December 17, 2026	EQ&Ops Recommends Board Approval of NOFR
January 7, 2027	Board Approves NOFR
January 22, 2027	Publish NOFR
February 1, 2027	Go Live

Presented and Adopted: October 8, 2026

SUBJECT: Approval to Publish the Notice of Proposed Rulemaking to Amend CRIAC Billing and Bill Dispute Regulations

**#26-69
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 October 8, 2026 upon consideration of a non-joint use matter decided by a vote of ____ () in favor and ____ () opposed, to take the following action with respect to approval to publish the Notice of Proposed Rulemaking to amend CRIAC billing and bill dispute regulations.

WHEREAS, On March 25, 2009, the Council of the District of Columbia enacted "Water and Sewer Authority Equitable Ratemaking Amendment Act of 2008," effective March 25, 2009, to amend D.C. Code § 34-2107(a)(1) authorizing DC Water to bill customers sanitary sewer service charges based on "A billing methodology which takes into account both the water consumption of, and water service to, a property and the amount of impervious surface on a property that either prevents or retards the entry of water into the ground as occurring under natural conditions, or that causes water to run off the surface in greater quantities or at an increased rate of flow, relative to the flow present under natural conditions;" and

WHEREAS, on September 2, 2010, the Board through Resolution #10-87, adopted final rules to implement a six Tier Residential Rate Structure for billing CRIAC to residential customers, published in the *D.C. Register* on September 17, 2010 at 57 DCR 8419; and

WHEREAS, On September 18, 2025, the District of Columbia Court of Appeals (DCCA) issued its judgement in the case, Capitol Park IV Condominium Association, Inc v. DC Water, invalidating the use of metering as a factor for billing CRIAC to residential customers differently from multi-family customers and holding that the use of metering as one of several factors in the classification of a property for CRIAC billing regulations "seems arbitrary and capricious" and remanded the case to the District of Columbia Superior Court for further proceedings; and

WHEREAS, On July 8, 2026, District of Columbia Superior Court (DCSC) issued an order directing DC Water within 90 days (extended to 111 days) to publish for public comment in the *D.C. Register* proposed revised regulations for billing CRIAC "that is responsive to the issues in this case;" and

WHEREAS, On September 22, 2026, the D.C. Retail Water and Sewer Rates Committee met to consider proposed amendments to the CRIAC billing and bill dispute rules in 21 DCMR Chapter 4 and 41 to comply with the DCCA and DCSC orders; and

WHEREAS, the General Manager and Raftelis discussed the proposed rules as presented in Attachment A and the technical analysis to: 1) support the continued use of the Tier Residential Rate Structure with revisions to the square foot limit for Tier 6 capped at 20,000 square feet; 2) add Tier 7 for residential properties with more than 20,000 square feet to be billed CRIAC based on the total amount of impervious area; 3) support billing residential customers with up to 3 dwelling units based on the revised seven Tier Residential Rate Structure; 4) establish new CRIAC classifications based on a property's characteristics that does not include metering as a factor in billing CRIAC: CRIAC Residential, CRIAC Multi-Family, CRIAC Non-residential, and Impervious Only; 5) define terms used in CRIAC billing rules; and 6) amend the CRIAC bill dispute rule procedures to apply to all customers and permit use of date stamped photo of the property to support a CRIAC bill adjustment; and

WHEREAS, on September 22, 2026, after considering the proposed amendments and the technical support and the General Manager's recommendation, the DC Retail Water and Sewer Rates Committee recommend the Board approve the publication of the proposed amendments to the CRIAC billing and bill dispute rules in 21 DCMR Chapter 4 and 41 and presented in Attachment A; and

NOW THEREFORE BE IT RESOLVED THAT:

1. The Board hereby approves the publication of the Notice of Proposed Rulemaking to receive public comments on the CRIAC billing and bill dispute rules as presented in Attachment A.
2. The General Manager is authorized to take all steps necessary in his judgment and as otherwise required to publish the Notice of Proposed Rulemaking to receive public comments on the amendments and to publish a Notice of Public Hearing to receive testimony at public hearing in accordance with D.C. Official Code § 34-2202.16(b), 21 DCMR Chapter 40, and the District of Columbia's Administrative Procedures Act.
3. This resolution shall be effective immediately.

Acting Secretary to the Board of Directors

Attachment A

Chapter 4, Subsection 402.7 and 402.8 are amended to read as follows:

- 402.7 Property owners or their agents may seek an impervious surface area charge adjustment under Subsection 402.1 if the owner or agent can establish that the impervious service area used in the computation of the charge is incorrect or if the ownership information is incorrect.
- 402.8 Property owners or their agents shall submit: 1) date stamped photo of the property, 2) a site survey, prepared by a registered professional land surveyor, showing impervious surfaces on the site, and 3) other information that may be requested by DC Water.

Chapter 41, Subsections 4101.5 and .6, 4104 and 4199 are amended to read as follows:

- 4101.5 All CRIAC residential customers, as defined in 21 DCMR 4104.2, shall be assessed a CRIAC based on the following Seven-Tier Residential Rate Structure for the CRIAC:

Tier	Size of Impervious Area (Square Feet)	Equivalent Residential Unit (ERU)
Tier 1	100 – 600	0.6
Tier 2	700 – 2000	1.0
Tier 3	2,100 – 3,000	2.4
Tier 4	3,100 – 7,000	3.8
Tier 5	7,100 – 11,000	8.6
Tier 6	11,100 – 20,000	13.5
Tier 7	More than 20,000	See 4101.5(a)

- (a) For Tier 7, the number of ERU(s) shall be based upon the total amount of impervious surface area on each lot. The total amount of impervious surface shall be truncated down to the nearest lower one-hundred (100) square feet and converted into ERU(s). Example: 2,670 square feet truncated to 2,600 square feet = 2.6 ERUs.

- 4101.6 All CRIAC non-residential and CRIAC multi-family customers, as defined in 4104.2, shall be assessed ERU(s) based upon the total amount of impervious surface area on each lot. This total amount of impervious surface shall be truncated down to the nearest one-hundred (100) square feet and converted into ERU(s). Example: 2,670 square feet truncated to 2,600 square feet = 2.6 ERUs.

Section 4104 is amended to add Subsection 4104.2 to read as follows:

- 4104.2 The CRIAC customer classifications for impervious area charges shall consist of a CRIAC residential class, CRIAC multi-family class, and a CRIAC non-residential class:

- (a) CRIAC Residential – a customer whose property is a single-family dwelling unit used for domestic purposes or an apartment building, condominium, or cooperative housing association with less than four (4) dwelling units. Excluding a property operated as a nursing home, dormitory or transient housing business, including, but not limited to a bed and breakfast, hotel, motel, inn, boarding house or rooming house.
- (b) CRIAC Multi-Family – a customer whose property is an apartment building, condominium, or cooperative housing association with four (4) or more dwelling units used for domestic purposes. Excluding a property operated as a nursing home, dormitory or transient housing business, including, but not limited to a bed and breakfast, hotel, motel, inn, boarding house or rooming house.
- (c) CRIAC Non-residential – a customer whose property is not within either the CRIAC residential class, CRIAC multi-family class or Impervious Only class including customers whose property is comprised of one or more units that is not used for domestic purposes.
- (d) Impervious Only – a customer whose property does not currently have metered water/sewer service (for example, parking lots).

Section 4199 is amended to add the following terms to read as follows:

4199 Definitions:

Apartment building – a property with one or more units used for domestic purposes that is rented or leased to one or more individuals or entities.

Condominium – a real property entity formed under D.C. Code §§ 42-1901.01, et seq. or D.C. Code §§ 42-2001, et seq.

Cooperative housing association – a real property entity formed under D.C. Code §§ 29-901, et seq.

Impervious Surface – surface that either prevents or retards the entry of water into the ground as occurring under natural conditions, or that causes water to run off the surface in greater quantities or at an increased rate of flow, relative to the flow present under natural conditions.

Single-family dwelling – a single dwelling unit used for domestic purposes consisting of only one dwelling unit that is not part of a condominium, cooperative housing or apartment building.

Surface - For the purposes of this chapter, the term “surface” shall include rooftops, footprints of patios, driveways, private streets, other paved areas, athletic courts and swimming pools, and any path or walkway that is covered by impervious material.