District of Columbia Water and Sewer Authority

Board of Directors

335th Meeting of the Board of Directors

Thursday, November 5, 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 Minutes: October 8, 2026 Board of Directors Meeting; and October 26, 2026 and October 27, 2026 Special Board of Directors Meetings

IV. Chairperson's Overview

V. Committee Reports

1. Governance Committee **(Howard Gibbs)**
2. Environmental Quality & Operations Committee; and the Special Meeting of the Environmental Quality & Operations Committee **(Christopher Herrington)**
3. DC Retail Water and Sewer Rates Committee **(Rachna Bhatt)**
4. Finance and Budget Committee **(Anthony Giancola)**
5. Audit and Risk Committee **(Samuel Moki)**

VI. CEO and General Manager's Report (Matthew T. Brown)

VII. Consent Items (Joint Use)

1. Approval of Award and Authorization to Execute Contract No. 260070, Public Space Restoration Contract, Capitol Paving of DC, Inc. – **Resolution No. 26-71** (Recommended by the Environmental Quality and Operations Committee 10-15-26)

VIII. Consent Items (Non-Joint Use)

1. Approval of Award and Authorization to Execute Contract No. 260090, Anacostia Field Operations Building Envelope Restoration and Basic Mechanical, Electrical and Plumbing Upgrades, ATMOS Solutions Inc. – **Resolution No. 26-72** (Recommended by the Environmental Quality and Operations Committee 10-15-26)

IX. Executive Session* ..... Unique Morris-Hughes

- To obtain legal advice and preserve attorney-client privilege 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 | Virtual (via Microsoft Teams)

- November 12th @ 9:30 am Human Resources and Labor Relations Committee
- November 12th @ 1:00 pm Special Meeting of the Audit and Risk Committee
- November 19th @ 9:30 am Environmental Quality and Operations Committee

Next Board of Directors' Meeting | In-person only
Thursday, December 3, 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.

334TH BOARD OF DIRECTORS MEETING
MINUTES OF THE MEETING
OCTOBER 8, 2026
(Via Microsoft Teams)

DIRECTORS PRESENT

District of Columbia Members

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

Prince George's County Members

1. Kevin Stephen
2. Samuel Moki

Montgomery County Members

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

Fairfax County Members

1. Sarah Motsch, Alternate

DC WATER STAFF

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

The 334th 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 9:44 a.m. The meeting was held via Microsoft Teams and streamed live at dcwater.com. Acting Board Secretary Debra Mathis called the roll, and a quorum was established.

I. APPROVAL OF THE MINUTES

Dr. Morris-Hughes asked for a motion to approve the minutes of the Board of Directors meeting on September 3, 2026.

Upon a motion made, the Board of Directors approved the minutes of the Board of Directors meeting on September 3, 2026, as presented.

II. CHAIRPERSON'S OVERVIEW

Chair Morris-Hughes highlighted DC Water's participation on September 25, 2026, in a panel discussion with regional leaders on affordability, resilience, infrastructure investment, and asset management. The conversation emphasized balancing customer affordability with financial sustainability.

Chair Morris-Hughes also recognized Team Blue members who presented at the Water Environment Federation Technical Exhibition and Conference (WEFTEC) and congratulated Team Blue Wave on its first-place finish in the Operations Challenge.

The opening of the DC Infrastructure Academy's new training facility was noted as an important step in developing a skilled workforce to support future operations, capital investments, and lead-free outreach.

Chair Morris-Hughes thanked DC Water Board members and staff for participating in and coordinating the 2026 Power and Water Utilities Enterprise Risk Management Roundtable.

III. COMMITTEE REPORTS

Meeting of the Human Resources and Labor Relations Committee with Union Presidents Reported by Jed Ross

The Human Resources and Labor Relations Committee met on September 16, 2026.

The committee reviewed several labor concerns, including the alignment of DC Water's retirement plan service withdrawal age with the IRS threshold of 59.5 years. Union leaders also reiterated their request to participate in Retirement Committee discussions.

The unions raised concerns about responses to bargaining requests involving motor vehicle record reviews and vehicle scanning technology. Management reviewed its timeline for responding to these requests. The committee emphasized that management should respond to all bargaining requests. Union leadership was asked to provide a chronology of requests, with the submission dates and management responses.

Union leaders expressed concerns about the advertisement or filling of engineering positions as non-union program manager positions. Management said it acted on these concerns once it knew about them and committed to keeping union leadership and the committee informed.

The People and Talent report covered recruitment, leadership development, talent acquisition, benefits, and employee wellness.

DC Water participated in the DC District hiring and career event to strengthen outreach and reinforce the Authority's position as an employer of choice. While no direct hires were made at the event, several qualified candidates remain engaged and are being considered for open positions. The talent acquisition team also planned to recruit at WEFTEC.

The committee noted the successful recruitment of Lola Oyeyemi as permanent Chief Financial Officer and EVP for Finance, Procurement, and Compliance.

Employee participation in wellness programming remains strong, with engagement in screening day and self-care day exceeding prior year levels.

In response to a question from Chair Morris-Hughes, Committee Chair Jed Ross noted that the issues raised regarding vehicle scanning technology related to employee privacy.

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

The Environmental Quality and Operations Committee met on September 17, 2026.

Nicholas Passarelli, Vice President, Wastewater Treatment Operations, reported that Blue Plains met all NPDES permit requirements for August 2026. In August, Blue Plains recorded 4.27 inches of rainfall. The Anacostia River tunnel system captured 101.3 million gallons, with no overflows. Onsite power generation supplied approximately 20 percent of the plant's average energy needs for the month. The combined heat and power facility averaged 4.7 megawatts, and the solar system contributed approximately 0.75 megawatts.

Blue Plains produced 12,163 tons of biosolids in August, of which 1,595 tons were sold through Blue Drop's Bloom Program and 10,568 wet tons were handled through land application contracts.

Matthew Brown, Interim CEO and General Manager, then provided an update on the Potomac Interceptor (PI). Environmental rehabilitation remains focused on restoring the C&O Canal, addressing elevated E. coli levels, and coordinating approvals with the Maryland Department of the Environment and National Park Service. Dr. Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers Project, reported completion of the full PI condition assessment. He noted that groundwater conditions delayed the Muddy Ranch project and outlined next steps to advance permanent rehabilitation of the canal.

Dr. Wone also presented the Path to the Future update on DC Water's Capital Improvement Program (CIP), including four CIP scenarios. Mr. Brown noted that the scenarios may be combined and evaluated for infrastructure risk, affordability, rate impacts, contractor capacity, resiliency, sustainability, and long-term operating costs.

Paul Guttridge, Director of Shared Services and Asset Management, outlined potential investments in water, sewer, stormwater infrastructure, the PI, water supply resiliency, Blue Plains, and the Washington Aqueduct.

Ryu Suzuki, Director of Wastewater Engineering, noted that the proposed Blue Plains expansion could accommodate additional jurisdictional flow. Capacity modeling is underway.

William Elledge, Director, Capital Water and Lead-Free DC, presented proposed amendments to keep the House-by-House Lead Pipe Replacement Assistance Program aligned with the District's program and requested recommendation of a second notice of proposed rulemaking. The amendment would reference District program project costs and revise the definition of a partial lead service line. The committee recommended the second notice of proposed rulemaking to the Board for approval.

Chris Collier, Vice-President, Director of Water and Sewer Operations, outlined the Automated Metering Infrastructure (AMI) performance assessment and optimization program and its contribution to DC Water's broader non-revenue water strategy. Approximately 18,000 customer meters or endpoints need investigation and remediation, with failures continuing to exceed typical industry levels. DC Water has issued an RFP for third-party support and is improving installation, quality assurance, testing, systems integration, and customer-access processes. Premature battery failures remain the

primary concern. Technology and manufacturer selection is expected in February or March 2027.

The committee also reviewed and recommended three joint-use items to the Board.

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

The Retail Water and Sewer Rates Committee met on September 22, 2026.

Syed Khalil, Vice President of Rates and Revenue, presented the report for the period ending August 31, 2026, providing an overview of cash receipts, delinquencies, and permit refunds.

August delinquencies decreased by approximately $10.25 million and six accounts from the prior month, driven mainly by reductions in commercial and multi-family delinquencies. Permit refunds issued during the month totaled approximately 193,000 for 21 accounts.

Ms. Oyeyemi noted that DC Water continues to monitor market conditions and potential impacts on chemical energy and fuel costs, which are expected to impact future budgets.

Mr. Khalil reviewed proposed amendments to the Clean Rivers Impervious Area Charge (CRIAC) regulations to comply with recent court rulings.

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. She noted that properties with one to three dwelling units have similar impervious area characteristics, while properties with four or more dwelling units exhibit greater variation.

Management proposed defining residential customers as properties with one to three dwelling units and multi-family customers as properties with four or more dwelling units. The proposal would revise Residential Tier 6 to cover properties with 11,100 to 20,000 square feet of impervious area while maintaining the current 13.5 ERUs and create a new Tier 7 for properties exceeding 20,000 square feet that would be billed based on actual impervious area. Approximately 10 residential properties are expected to be affected. Additional proposed amendments would establish CRIAC customer classifications, clarify ERU calculations, update definitions, and expand dispute procedures.

The committee reviewed and recommended one action item to the Board.

Meeting of the Finance and Budget Committee
Reported by Anthony Giancola

The Finance and Budget Committee met on September 24, 2026.

Ms. Oyeyemi presented the August 2026 Financial Report and noted that DC Water remains on track to close fiscal 2026 within the revised budget. Operating revenues totaled $961.8 million or 95.4 percent of the budget, operating expenses totaled $667.4 million or 79.6 percent of the budget, and capital disbursements totaled $688.6 million or 88.6 percent of the budget. Despite ongoing cost pressures related to water purchases, chemicals, supplies, electricity, and fuel, DC Water remains positioned to finish the fiscal year within budget.

The committee discussed the increasing water purchases from the Washington Aqueduct without a corresponding increase in billed water consumption. Mr. Brown explained that management continues to focus on non-revenue water.

Kirsten Williams, Chief Administrative Officer, provided an update on DC Water's fleet modernization initiatives, including the evaluation of electric-vehicle deployment, charging infrastructure, facility readiness, and operational requirements.

Paul Guttridge, Director of Shared Services and Asset Management, presented the third quarter CIP update. Year-to-date capital spending reached approximately $689 million and is projected to finish $14 million above year-end baseline projections. Major work continues on Blue Plains upgrades, floodwall resiliency, and key sewer infrastructure projects. Critical valve replacement, water main renewals, and sewer rehabilitation programs remain on track; in some cases, they are ahead of schedule.

Robert Donati, Acting Risk Manager, presented an overview of the proposed ROCIP 7 insurance program covering $1.2 billion in planned construction activities over six years. Program enhancements include insurance premiums based on construction value rather than payroll, expanded master builders risk coverage, and greater flexibility for project enrollment and completion timelines.

Management requested binding insurance coverage totaling no more than 22.23 million through November 2032.

The committee recommended two action items to the Board.

IV. CEO AND GENERAL MANAGER'S REPORT

Interim Chief Executive Officer and General Manager Matthew Brown opened with an update on four high-priority PI repairs near Dulles Airport. Two repairs have been completed, while work continues at Pennyfield Lock and the District line. Groundwater conditions have delayed slip lining at Pennyfield Lock, but the remaining work continues. Community outreach with those impacted by the repairs provided an opportunity to address concerns and hear feedback.

On September 19, 2026, a celebration was held for tunnel-boring machine Emily, providing customers with an opportunity to see the infrastructure that serves them. Emily will excavate just over three miles. The Potomac River Tunnel is expected to reduce sewer overflows by 93 percent, representing a major investment in environmental protection and the long-term reliability of the regional wastewater system.

On September 18, 2026, Mr. Brown joined regional utility and regulatory leaders in a discussion with the Council of Governments on issues affecting the Chesapeake Bay watershed. His comments focused on the twin challenges of providing reliable service every day and preparing for the future. He emphasized that DC Water must maintain reliable daily service while preparing for aging infrastructure, climate pressures, and workforce shortages.

To guide this work, he identified seven organizational priorities: asset management, water resilience, performance management, fleet and facilities reliability, workforce investment, external engagement, and cyber resilience.

Mr. Brown highlighted the upcoming employee celebration on October 14, 2026, as an opportunity to recognize staff contributions.

Mr. Brown concluded by commending Team Blue Wave for its strong results at the Chesapeake Water Environment Association's (CWEA) Tri-Con, and for demonstrating the value of training, teamwork, and a sustained commitment to excellence.

Mr. Giancola expressed appreciation for the new People and Talent report. He noted that operations has the highest vacancy rate, averaging 13% against a 10% goal. He asked that the 2027 budget be revised to assume eight vacancies, noting that the 5% assumption may not be realistic. He also asked that the high-priority audit item for facilities work order management be given a new deadline. He suggested adding medium-priority audit items to the report, as few high-priority items remain.

V. CONSENT ITEMS FOR APPROVAL (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 Ill: 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)

Upon a motion made, the Board of Directors voted to approve Joint-Use Resolutions Nos. 26-63 through 26-67 as presented.

VI. CONSENT ITEMS FOR APPROVAL (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)

Upon a motion made, the Board of Directors voted to approve Non-Joint-Use Resolutions Nos. 26-68 through 26-69 as presented.

VII. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 10:31 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 11:38 a.m. and hearing no further business, the meeting adjourned at 11:39 a.m.

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Debra L. Mathis
Acting Secretary to the Board of Directors

SPECIAL MEETING OF THE BOARD OF DIRECTORS
MINUTES OF THE MEETING
OCTOBER 26, 2026, 8:00 AM
(Via Microsoft Teams)

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. Richard Jackson, Principal
6. Jed Ross, Principal
7. Alexander McPhail, Alternate
8. Jimmy Ortiz, Alternate
9. Robert Hawkins, Alternate

Prince George's County Members

1. Kevin Stephen, Principal
2. Samuel Moki, Principal
3. Derrick Coley, Alternate

Montgomery County Members

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

Fairfax County Members

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

DC WATER STAFF

1. Ernest Tuckett, Chief Legal Officer & EVP
2. Debra Mathis, Acting Secretary to the Board

The Special Meeting of the Board of Directors was called to order by Chair Dr. Unique Morris-Hughes at 8:11 a.m. The meeting was held via Microsoft Teams. Acting Board Secretary Debra Mathis called the roll, and a quorum was established.

I. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 8:14 a.m. to discuss a personnel matter under D.C. Official Code § 2-575(b)(10).

II. ADJOURN

The Board reconvened in open session and hearing no further business, the meeting adjourned at 8:30 p.m.

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Debra L. Mathis
Acting Secretary to the Board of Directors

SPECIAL MEETING OF THE BOARD OF DIRECTORS
MINUTES OF THE MEETING
OCTOBER 27, 2026, 9:00 AM
(Via Microsoft Teams)

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. Richard Jackson, Principal
6. Jed Ross, Principal
7. Alexander McPhail, Alternate
8. Jimmy Ortiz, Alternate
9. Robert Hawkins, Alternate

Prince George's County Members

1. Kevin Stephen, Principal
2. Samuel Moki, Principal
3. Derrick Coley, Alternate

Montgomery County Members

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

Fairfax County Members

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

DC WATER STAFF

1. Ernest Tuckett, Chief Legal Officer & EVP
2. Debra Mathis, Acting Secretary to the Board

The Special Meeting of the Board of Directors was called to order by Chair Dr. Unique Morris-Hughes at 9:08 a.m. The meeting was held via Microsoft Teams. Acting Board Secretary Debra Mathis called the roll, and a quorum was established.

I. EXECUTIVE SESSION

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

II. ADJOURN

The Board reconvened in open session and hearing no further business, the meeting adjourned at 1:00 p.m.

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Debra L. Mathis
Acting Secretary to the Board of Directors

GOVERNANCE COMMITTEE
MINUTES OF THE MEETING

October 14, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Howard Gibbs, Chair, Principal, District of Columbia
2. Richard Jackson, Vice-Chair, Principal, District of Columbia
3. Unique Morris-Hughes, Principal, District of Columbia
4. Anthony Giancola, Principal, District of Columbia
5. Rachna Bhatt, Principal, District of Columbia
6. John Markovs, Principal, Montgomery County
7. Samuel Moki, Principal, Prince George's County
8. Jimmy Ortiz, Alternate, District of Columbia

DC WATER STAFF

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

The Governance Committee meeting was called to order by Howard Gibbs, Chairperson, at 9:34 AM. The meeting was held via Microsoft Teams. Interim Board Secretary Debra Mathis called the roll.

I. FY 2026 DC WATER WORKS UPDATE

Korey Gray, Vice President Compliance and Chief Procurement Officer, and Sharon Talley, Manager DC Water Works, presented the annual report for the DC Water Works Program..

The DC Water Works program launched in 2016 to help local residents secure jobs on DC Water's construction and service projects. It aims to ensure 75 percent of new contract jobs go to local residents and offers job referral services and community outreach. Program contractors must first contact DC Water for referrals when filling new positions.

If DC Water cannot provide candidates within three days, contractors may use their own recruiting sources but must still meet the 75 percent new-hire goal.

DC Water Works has also expanded to include a skills training program to prepare local residents for opportunities, and it actively engages the community and strategic partners to identify needs and ensure skills training meets them.

In response to Committee member Rachna Bhatt, Mr. Gray confirmed that Water Works is modeled on the DC Department of Employment Services (DOES) First Source employment program. He explained that project solicitations and contracts specify penalties for non-compliance. The applicable Compliance Officer monitors adherence, and when a contractor is found to not be acting in good faith, the Contract Compliance team reviews the case and determines appropriate penalties, which may include withholding payments or stopping work.

Wrap-around support for participants is delivered through partnership with the DOES and other strategic partners and includes case management, counseling for individuals and families, mentoring, childcare support, transportation support, and education and special services. This support reflects DC Water's wholesale investment in the community to ensure employee success.

In the fiscal year, the program placed 122 individuals. Of these, 85.2 percent are residents of the Authority's user jurisdiction, exceeding the 75 percent goal. Of these local hires, 25.4 percent are DC residents. The 14.8 percent from outside the user jurisdiction are predominantly from Maryland. A total of 33 hiring contractors participated in the program. New hires are expected to increase this year as some large projects are initiated. DC Water Works will update projections accordingly.

Mr. Gray noted that Interim General Manager and COO & EVP Matthew Brown had suggested raising the local hire goal. This change is under consideration.

Committee member Rachna Bhatt asked about efforts to track whether local hires continue to be employed by contractors. Mr. Gray noted that the program requires monitoring new hires' employment status for three years, and in practice, it monitors employment indefinitely. Approximately 95 percent of placed workers from 2016 to the present remain employed, though not necessarily with the same contractor. Mr. Gray confirmed that the reported new-hires total isolates true new employment opportunities to fill an employment gap, while returning workers and transfers are not considered new hires and counted separately.

The program's 23 strategic partners include Project Empowerment (DOES), the Idea Public Charter School, and new partner The 13th Man Leadership Academy.

Skills Training Programs

Mr. Gray reviewed the skills programs offered through DC Water Works.

The DC Water Apprenticeship Program was initiated in 2018 to establish a direct employment pathway into DC Water. The program is registered with both the DC Apprenticeship Council and the Department of Labor and meets all necessary requirements, including 144 hours per year of classroom instruction and 2,000 hours of paid on-the-job learning annually. The program did not start a new cohort in 2026, but two prior cohorts remain in the program. Of the 11 graduates to date, all have transitioned to permanent full-time roles with DC Water, exceeding the 90 percent placement goal.

The DC Water High School Engagement and Workforce Development Program is in its second year. The ongoing pilot program aligns school curricula with DC Water career pathways and provides outreach, internships, job preparation, and career placement. Participation increased from two students in the first year to five, with employment anticipated for all current participants. Because DC Water has few entry-level positions for high school graduates, participants typically enter through apprenticeships or are connected with contractors through DC Water Works. There is no technical limit on the number of participants and the program can be expanded as opportunities arise. Currently, there are five participants, of which two are pre-apprentices at DC Water.

The Lead-Free DC Activators Program is offered in partnership with the DOES to train and prepare local residents to be ambassadors for the Lead-Free DC initiative. The initiative began in 2023 and combines classroom instruction with on-the-job learning for district residents over a one-year period. After graduation, activators transition to working with Lead Free DC contractors as field ambassadors to encourage sign-ups to the Lead Free DC program. A cohort is run each year. The program goals are 75 percent graduation and 80 percent graduate employment. The current rate for both is approximately 100 percent. The third cohort began in February, 2026, with 12 enrollees of which 8 remain active.

In 2026, DC Water partnered with The 13th Man Leadership Academy, a nine-month program that develops young men’s personal, professional, and leadership skills. Each participant receives a corporate summer internship that bridges professional preparation with hands-on infrastructure careers and supports regional workforce development. Two participants were hosted in 2026, and both are working in the Sewer Services Department.

In response to a question from Mr. Giancola, Mr. Gray confirmed that The 13th Man only provides opportunities to young men. He will follow up on whether there is a comparable program for women.

The DC Pathways to Public Service Program is a 12-month public service apprenticeship initiative designed to connect recent college graduates with career opportunities,

professional mentorship, and direct hiring pathways across District government agencies. This year, a participant was transitioned into a permanent, full-time role as a DC Water contract compliance specialist.

The DOES College Fellowship Program is a six-month paid initiative that places recent graduates in public- or private-sector roles with mentorship, leadership training, certifications, and other supports. Fellows typically work 25 to 30 hours per week at $25 per hour. DC Water is hosting its first fellow in the Finance Department in 2026.

Activities and Recognition

Mr. Gray reviewed Water Works-related activities and recognition for its programs.

From March to September 2026, DC Water participated in seven (7) job fairs, career expos, workforce development events, and apprenticeship initiatives.

DC Water hosted the DOES Youth Apprenticeship Program graduation and was recognized as an outstanding partner by the DC Infrastructure Academy and The 13th Man Leadership Academy.

DC Water apprentice Dominique Collins delivered a national keynote address at the AWWA ACE26 Water Professionals International Pinning Ceremony.

DC Water shared expertise at Environmental Protection Agency (EPA) events on overcoming barriers to workforce recruitment and retention.

Upcoming Water Works Initiatives

Planned 2027 initiatives will expand training at the DC Infrastructure Academy, align skills programs with major capital projects, strengthen regional recruitment and contractor accountability, create more local apprenticeships, and add digital and smart-infrastructure training to prepare residents for utility careers.

II. GOVERNMENT AFFAIRS UPDATE

Barbara Mitchell provided an update on recent legislative and oversight activities impacting the Authority.

District Engagement

District engagement efforts continued to focus on the public inconvenience fee (PIF) and stormwater fees, which took effect on October 1, 2026. DC Water's advocacy was successful in retaining the 60-day grace period for the PIF and a 2030 sunset date for increased rates applicable to DC Water.

The Public Inconvenience Fee Sunset Amendment Act would make the 2030 sunset permanent and separately itemize the fee on customer bills. It is not expected to advance this council period, giving DC Water more time to advocate for removing the fee altogether.

The Strengthening Air Pollution Permitting Amendment Act is also not expected to advance, and DC Water has been advised that any reintroduced version would include an exemption for the Authority.

DC Water remains engaged with the Office of Human Rights Rulemaking Authority Amendment Act, asking for practical implementation, reasonable penalties, due process protections, and safeguards against private or unreasonably litigious claims.

The Tax Sale Equity Amendment Act of 2026 is not expected to materially affect DC Water's lien collection process, although purchases may take longer to take effect, so Government Affairs continues to monitor it.

The Automatic Enrollment for Utility Affordability Programs Act of 2025 passed its first reading and could increase participation in assistance programs such as CAP. DC Water continues to coordinate with the Department of Energy & Environment and other partners on implementation.

Regional Engagement

Hamza Masud, Program Manager, Government and Legal Affairs, provided the regional update.

DC Water has begun outreach with neighboring jurisdictions to strengthen working relationships, understand local priorities, and identify shared advocacy opportunities related to fees, permitting, and infrastructure funding. DC Water held discussions with Loudoun County and Loudoun Water, Montgomery County, and the Prince George's County executive's office.

County staff have been invited to tour the Blue Plains Advanced Wastewater Treatment Plant and discuss priorities, particularly as some administrations approach leadership transitions. DC Water is exploring joint federal advocacy and community development grant opportunities and plans to invite the Metropolitan Washington Council of Governments and EMA to tour the facility.

Mr. Giancola noted upcoming changes in Montgomery County leadership. Ms. Mitchell confirmed that the tour is scheduled for after the election. Government Affairs is monitoring these leadership changes.

Federal Engagement

Ms. Mitchell provided an update on federal engagement.

DC Water has completed its formal response to the House Energy and Commerce Committee's Potomac Interceptor inquiry and is continuing to monitor informal correspondence.

Regarding WRDA 2026, a bipartisan federal infrastructure package advancing water supply resilience, House and Senate water legislation and appropriations proposals include provisions affecting regional water supply planning. DC Water continues working with federal and regional partners to advance its infrastructure and funding priorities. A planned briefing with the Army Corps and congressional offices on differences between the House and Senate bill language was cancelled and is being rescheduled.

The Senate Environment and Public Works Committee advanced its version of the legislation, including approximately $3.5 billion in reauthorized funding over four years and $3.4 million in House earmark funding.

DC Water is evaluating the potential effects of the September 16 executive order directing the EPA to assess local stormwater fees and explore ways to encourage their repeal, including implications for utilities in the Chesapeake Bay watershed.

In response to Mr. Giancola, Ms. Mitchell discussed the executive order and whether it could affect DC Water's authority to impose its fee.

DC Water plans to consult EPA Region 3 on the intended implementation before deciding whether advocacy, formal comments, or legal action is warranted.

DC Water's charge has previously been treated as a fee rather than a tax, and all revenue from the impervious area charge supports a court-mandated project, establishing a clear connection between the funds collected and their use.

Mr. Gibbs noted a court decision clarifying that DC Water's stormwater charge is a fee, not a tax.

Any significant concern or proposed response will be brought back to the Board for direction.

III. EXECUTIVE SESSION

The Committee moved into executive session at 10:25 a.m.

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

IV. ADJOURN

The Board reconvened in open session at 10:45 a.m. and hearing no further business, the meeting adjourned at 10:45 p.m.

Follow-Up Actions:

1. Mr. Gray will provide an update on whether there is an organization similar to The 13th Man to provide similar opportunities to women.

MINUTES OF THE MEETING
ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
October 15, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

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

DC WATER STAFF PRESENT

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

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.

II. September 2026 Blue Plains Wastewater Treatment Plant Performance

Nicholas Passarelli, Vice President, Wastewater Operations, reported that Blue Plains remained in full compliance with all permit requirements during September 2026.

Average flow for the month was 278 million gallons per day (MGD), with a peak flow of 380 MGD recorded on September 23. The tunnel system captured approximately 152 million gallons during rainfall events, with approximately 5 million gallons of overflow occurring amid 4.26 inches of monthly precipitation. Onsite combined heat and power generation and solar resources supplied approximately 21% of the facility's total electrical demand, contributing to approximately $2.7 million in purchased-power savings through the third quarter of FY 2026. Blue Drop also sold approximately 3,500 tons of Bloom biosolids in September and more than 57,000 tons during the fiscal year. The committee received the report without further discussion.

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 bypass installation, investigation, and flow restoration activities have been completed, with ongoing work focused primarily on environmental rehabilitation and permanent pipe rehabilitation. The ongoing work is anticipated to be completed by approximately February 2027. He noted that the latest E. coli testing results in the material stockpile area have returned to normal levels following previous elevated readings. Restoration of the clay liner for the C&O Canal is expected to begin shortly, with clay materials delivered to the site and work to be performed in accordance with National Park Service standards. Canal and lock restoration activities, along with additional topsoil placement and grading, are scheduled for the fall. Mr. Brown also reported that Potomac River water quality monitoring has been completed, with results indicating good water quality conditions.

Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers, provided an update on the Potomac Interceptor condition assessment and rehabilitation projects. Dr. Wone reported that the preliminary review of condition assessment data for the entire Potomac Interceptor has been completed, and the findings are being used to develop projects to be included in the Capital Improvement Program (CIP). He noted that emergency rehabilitation projects at Dulles Airport and Broad Run have been completed, with restoration and project closeout activities remaining.

Dr. Wone reported continued progress on the remaining emergency and high-priority rehabilitation projects, including completion of bypass manifold and related installations and delivery of Hobas pipe materials for permanent repairs to project sites for Rock Run. At Muddy Branch, additional grouting activities are underway to address higher-than-anticipated groundwater inflows. He also noted that preliminary work at the DC–Maryland border project has been completed, with sliplining activities pending delivery of Hobas pipe, expected to begin in early November. Dr. Wone further reported that project cost estimates are being reconciled against actual invoices, with updated cost projections and

estimated 2027 financial contributions shared with the Intermunicipal Agreement (IMA) partners.

Dr. Wone concluded that next steps include advancing C&O Canal clay liner restoration, completing groundwater mitigation and permanent rehabilitation activities, proceeding with sliplining upon pipe delivery, and closing out completed projects. He added that DC Water will continue developing the CIP based on the Potomac Interceptor condition assessment, with completion anticipated in 2026.

IV. Path to Future: CIP Scenarios Impacts

Matthew Brown, Interim General Manager, introduced the proposed Capital Improvement Program (CIP) investment scenarios, emphasizing the need to balance infrastructure renewal, risk reduction, customer affordability, and implementation capacity. He noted that the four scenarios could be refined or combined, with a recommended CIP to be presented to the Board in January 2027.

Staff presented four investment scenarios:

Scenario	Estimated 10-Year Cost
Scenario A – Current Refined Approved CIP	$9.7 Billion
Scenario B – Current Refined Approved CIP + Emergency & High Priority Projects	$10.7 Billion
Scenario C – Current Refined Approved CIP + Emergency & High Priority Projects & 10 Year Needs	$12.7 Billion
Scenario D – Comprehensive Asset Renewal & System Resilience	$15.6 Billion

Committee Member Alexander McPhail asked whether additional Potomac Interceptor (PI) rehabilitation costs and trunk main investments were included in the scenarios. Mr. Brown explained that immediate PI emergency and high-priority projects were accounted for, while longer-term rehabilitation costs would require further coordination with IMA jurisdictional partners and are anticipated to be better understood in the next 10 months. Dr. Wone confirmed that investments across all pipe sizes were included in the scenarios.

Moussa Wone, Chief Engineer and Vice President, Engineering and Clean Rivers, presented four CIP scenarios (Scenarios A-D) ranging from approximately $9.7 billion to $15.6 billion over ten years. He explained that approximately $700 million in previously

approved PI funding had been accelerated into the first five years. Paul Guttridge, Director, Shared Services and Asset Management, discussed further details related to the four CIP funding scenarios and outlined the corresponding investments in Blue Plains, water and sewer infrastructure, resiliency, and asset renewal, noting that higher investment generally reduced infrastructure risk.

Committee Chair Sarah Motsch requested clarification on risk reductions across investment categories. Dr. McPhail added that an example of this is the possibility reducing lengths of small-diameter pipe replacements, included in Scenarios A and B. Mr. Guttridge clarified he would attempt to do this during the presentation, and if staff can get a sense of preferred scenarios by the Committee, the presentation could be further refined to go into further detail of specific risks addressing each category.

Committee Member Samuel Moki asked which scenario staff recommended. Mr. Brown explained that the final recommendation would balance infrastructure needs, affordability, and operational risks and would be presented in January. Committee Member Amy Stevens questioned whether staffing, contractor availability, and equipment capacity could support Scenario D. Mr. Brown acknowledged that Scenario D represents an unconstrained scenario, and would present significant challenges for implementation if this scenario could be funded and selected as the preferred alternative.

Lola Oyeyemi, Chief Financial Officer and Executive Vice President, presented the financial aspects and provided a summary of the impacts to rate payers and wholesale customers for the four funding scenarios. She explained that the customer impact analysis covers the CIP investments, operating budget pressures for chemicals and energy costs based on current market conditions and Washington Aqueduct's near-term needs for their operating budget and capital program.

The wholesale contribution grows from $2.1 billion under Scenario A to $3.3 billion under Scenario D. This includes the acceleration of the PI from 10 years to 5 years and additional investments in Blue Plains. She noted that additional borrowing could range from $4.1 million under Scenario A to approximately $7.2 billion under Scenario D, with projected monthly residential bill growth ranging from 5.8 percent under Scenario A to 9.3 percent under Scenario D. Ms. Oyeyemi further described the projected average monthly bill increases for residential customers under each scenario.

Committee Member Howard Gibbs asked whether the estimates represented the entire CIP and whether PI rehabilitation was driving residential rate increases. Ms. Oyeyemi clarified that the projections covered the entire CIP and that residential increases were primarily attributable to water, sewer, Blue Plains, and Washington Aqueduct investments rather than PI rehabilitation.

Chair Motsch asked whether all anticipated PI costs were included and whether borrowing projections accounted for bond ratings. Ms. Oyeyemi clarified that costs included in the

funding scenarios are for the acceleration work to address existing projects for the PI in the CIP over 5 years instead of the currently approved period of 10 years. Additional PI rehabilitation costs are currently being developed and remain outside the scenarios presented. The financial projections assumed DC Water would maintain its strong bond ratings.

Committee Member Alexander McPhail suggested exploring a longer investment timeframe to smooth residential rate increases to approximately 6–7 percent annually and commended the presentation.

Dr. Wone concluded that Committee feedback would inform development of the recommended FY 2027–2036 CIP during November and December, with Board review and approval anticipated between January and March 2027.

V. Transmission Main Program

William Elledge, Director, Capital Water and Lead-Free DC, presented an update on DC Water's main transmission management strategy, emphasizing the elevated risks associated with failures of large-diameter pipelines. He explained that transmission mains, defined as pipes 16 inches or larger, account for approximately 225 miles of DC Water's 1,300-mile water distribution system. Failures can result in widespread service disruptions, flooding, economic impacts, and public safety concerns.

Mr. Elledge outlined DC Water's risk-based asset management approach, which prioritizes condition assessments, repairs, rehabilitation, and replacement based on the likelihood and consequence of failure. He reported that approximately 17.9 miles of transmission mains have documented defects, with 15.3 miles associated with four projects currently in planning, design, or procurement. Approximately 23 miles have been assessed over the past two fiscal years, with future assessments targeting the remaining 184 miles while considering both infrastructure risk and inspection accessibility.

Mr. Elledge reported approximately $247.7 million in active procurement efforts across four priority projects: the M Street Corridor, Multiple Transmission Mains and Critical Valves, Soldiers' Home Reservoir, and the 66-inch main on 8th Street. He highlighted documented leaks, previous repairs, and significant pipe deterioration as factors driving these investments. He noted that project implementation could require reallocating funding from other planned work, including small-diameter water main replacements.

Mr. Elledge discussed scheduling and implementation challenges, including restrictions on simultaneous shutdowns within pressure zones, permitting requirements, valve testing, and extended lead times for specialized equipment. He stated that next steps include advancing priority rehabilitation and replacement projects, expanding condition

assessments, and strengthening coordination between Water Operations and Engineering to reduce infrastructure risks.

Dr. McPhail commended the presentation and expressed appreciation for the comprehensive overview of transmission main risks and planned improvements. No additional questions were raised by the Committee.

VI. Action Items

Joint Use Contract No. 260070 - Public Space Restoration Contract – Capitol Paving of DC, Inc.

Chris Collier, Vice President, Water and Sewer Operations explained that the contract supports about 1,700 restoration task orders annually, with an initial three-year term of about $48.3 million and two optional one-year extensions. Capital Paving was the lowest-priced technically acceptable of two bidders.

Dr. McPhail asked why only two firms had submitted bids.

Kevin Bellamy, Director of Capital Procurement, explained that competition has been limited over the past three contract terms despite significant outreach, because the bidders have established local resources. Dr. McPhail requested a two-page briefing addressing:

- Past participation trends
- Factors contributing to limited competition
- Proposed steps to broaden the bidder pool

Committee Member Gibbs noted that the selected Contractor could have a significant impact on public inconvenience fees (PIFs) charged to DC Water by the District Department of Transportation (DDOT) for temporary occupancy of public space. Mr. Gibbs enquired whether the contract includes incentives or penalties to move contractors along faster when delays result in fees. Mr. Brown responded that the PIF period was recently extended from 30 to 60 days, that longer delays typically occur with Lead Free DC work, and that staff will consider whether this can be incorporated into the contract.

Mr. Gibbs asked why the work was not split among multiple contractors. Mr. Brown, Mr. Collier, and Korey Gray, Director of Compliance and Business Development, explained that a single prime was selected because of the volume of work and the coordination burden of managing multiple contractors. These restoration projects typically have tight timelines and staff agreed that it would be more efficient for DC Water to work with a single contractor. Dr. McPhail asked whether Construction Management at Risk (CMAR) delivery would meet the objectives. Mr. Bellamy explained that this Indefinite Delivery

Indefinite Quantity (IDIQ) contract is for short-order tasks, whereas CMAR is a collaborative delivery method for individual projects. Dr. Wone asked whether a pre-selected pool of contractors had been considered, and Mr. Bellamy and Mr. Collier responded that the coordination concerns would also apply.

Non-Joint Use Contract No. 260090 - Anacostia Field Operations Building Restoration Envelope Restoration & Basic Mechanical, Electrical & Pumping Upgrades – ATMOS Solutions, Inc.

Brent Christ, Director, Facilities Management, explained that one bid was received, below the designer's estimate, on a design-bid-build project with design and permits in hand. The work restores the building envelope and basic Mechanical, Electrical and Plumbing (MEP) systems of the old Anacostia Pump Station, which the State Historic Preservation Office has an interest in preserving. Mr. Gibbs asked why $3.6 million would be spent on a building that will not be used. Mr. Brown responded that DC Water owns the facility and has an obligation to keep it from deteriorating, and Mr. Gibbs suggested finding a future use for the interior of the building for it to be of use to DC Water.

The committee agreed to recommend that the full Board approve 1 Joint use and 1 Non-Joint use fact sheet.

VII. Adjournment

There being no further business before the committee, Vice Chair Sarah Motsch adjourned the meeting at **10:58 a.m.**

Follow-Up and Action Items

Action Item	Responsible Party
Develop recommended FY 2027-2036 CIP for January Board review.	Matthew T. Brown, Moussa Wone, Lola Oyeyemi
Evaluate rate-smoothing alternatives and affordability impacts.	Lola Oyeyemi, Matthew T. Brown
Prepare two-page briefing on limited vendor competition for restoration contracts.	Kevin Bellamy

Action Item	Responsible Party
Evaluate restoration contract provisions to reduce Public Inconvenience Fee exposure.	Matthew T. Brown, Chris Collier

MINUTES OF THE MEETING
SPECIAL MEETING OF THE ENVIRONMENTAL QUALITY AND OPERATIONS COMMITTEE
October 23, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Christopher Herrington, Chair, Principal, Fairfax County
2. Sarah Motsch, Vice Chair, Alternate, Fairfax County
3. Howard Gibbs, Principal, District of Columbia
4. Richard Jackson, Principal, District of Columbia
5. Dr. Alexander McPhail, Alternate, District of Columbia
6. Amy Stevens, Alternate, Montgomery County

OTHER BOARD MEMBERS PRESENT

1. Jed Ross, Principal District of Columbia
2. Dr. Jimmy Ortiz, Alternate, District of Columbia
3. Jennifer Macedonia, Principal, Montgomery County

DC WATER STAFF PRESENT

1. Matthew Brown, Interim CEO and General Manager
2. Lola Oyeyemi, Interim Chief Financial Officer
3. Dr. Moussa Wone, Vice President, Clean Rivers Project, Clean Rivers
4. Debra Mathis, Interim Secretary to the Board

I. CALL TO ORDER

The Special Meeting of the Environmental Quality and Operations Committee meeting was called to order by Vice Chair Sarah Motsch, at 12:01 p.m. The meeting was held via Microsoft Teams, and Debra Mathis, Interim Secretary to the Board, called the roll for attendance

II. EXECUTIVE SESSION

After a motion and majority vote, the Board moved into executive session at 12:03 p.m.

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

III. ADJOURN

The Committee reconvened in open session and hearing no further business, the meeting adjourned at 1:21 p.m.

MINUTES OF THE MEETING
RETAIL WATER AND SEWER RATES COMMITTEE
OCTOBER 20, 2026
(VIA MICROSOFT TEAMS)

COMMITTEE MEMBERS PRESENT

1. Rachna Bhatt, Principal, Chairperson
2. Howard Gibbs, Principal, Vice Chairperson
3. Richard Jackson, Principal
4. Dr. Jimmy Ortiz, Alternate
5. Jed Ross, Principal, District of Columbia

DC WATER STAFF

1. Matthew Brown, Interim General Manager
2. Lola Oyeyemi, Chief Financial Officer & EVP
3. Ernest Tuckett, Chief Legal Officer & EVP
4. Kirsten Williams, Chief Administrative Officer & EVP
5. Syed Khalil, Vice President of Rates and Revenue
6. Dr. Moussa Wone, Chief Engineer and VP of Engineering and Clean Rivers
7. Paul Guttridge, Director of Shared Services and Asset Management
8. Debra Mathis, Acting Board Secretary

The DC Retail Water and Sewer Rates Committee meeting was called to order by Chairperson Rachna Bhatt at 10:01 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 revenue results for FY 2026, which ended September 30, 2026. Cash receipts totaled $1,035.7 million, or 102.7 percent of the $1,008.2 million revised budget, a favorable variance of $27.5 million. He noted that the Federal Government made its fourth-quarter payment in July and Wholesale customers made theirs in August.

Residential, Commercial, and Multi-Family receipts totaled $608.9 million, or 104.5

percent of the revised budget, due to higher CRIAC receipts and slightly higher summer consumption. September receipts were $13.1 million above the revised monthly budget of $48.6 million, driven in part by collections from CXS, Georgetown University, and Howard University. District Government receipts totaled $28.6 million, or 104.7 percent of the revised budget, with September receipts $0.9 million above the revised monthly budget of $2.3 million.

Other Revenue totaled $68.0 million, or 100.0 percent of the revised budget. Miscellaneous Revenue, Washington Aqueduct Backwash, interest earnings, developer fees, and IMA indirect-cost reimbursements were above budget, offset by a $3.7 million shortfall in System Availability Fee receipts.

DC Housing Authority receipts totaled $13.5 million, or 88.8 percent of the revised budget. The shortfall reflected lower consumption, the reclassification of 65 properties to the Residential category, and higher-than-normal vacancies associated with ongoing renovations.

Wholesale receipts totaled $123.0 million, or 99.0 percent of the revised budget, approximately $1.2 million below budget due primarily to lower Potomac Interceptor flows and the delayed $0.62 million Town of Vienna payment. The payment was received on October 1, 2026, and will be reflected in the October report.

In response to a question from Chairperson Bhatt, Lola Oyeyemi, Chief Financial Officer and EVP, clarified that a payment received after fiscal year-end is recorded as a cash receipt in FY 2027 but, if attributable to the prior fiscal year, is recognized as FY 2026 revenue for financial-statement purposes.

Mr. Khalil reported that the balance of retail accounts receivable more than 90 days past due decreased by $1.1 million during September to $31.6 million, while the number of delinquent accounts decreased by 144 to 12,308. Multi-Family and Commercial delinquencies each decreased by approximately $0.53 million, and Residential delinquencies decreased by approximately forty-one thousand dollars. The improvement reflected the resumption of disconnection activities and enhanced customer collection efforts.

Mr. Khalil also reported that developer-deposit refunds issued during September totaled approximately $495,000 across 24 accounts, compared with approximately $193,000 across 21 accounts in the prior month.

Ms. Oyeyemi summarized the FY 2026 close. Revenues were generally consistent with projections, and operating expenses were closely aligned with forecasts. The increased energy and chemical cost pressures were offset by savings from debt service and personnel service categories of the budget. Capital spending finished at approximately 0.5 percent above budget. She confirmed that the Board-approved actions for transfers to the Rate Stabilization Fund and other uses of the projected cash surplus had been completed and reflected in the financial report. Team would continue with the year-end

closing and financial audit activities for FY 2026 and the new budget-planning cycle.

II. PATH TO THE FUTURE: CIP SCENARIO IMPACTS

Matthew Brown, Interim General Manager, explained that DC Water is required to submit a proposed budget to the Board in January 2027. These discussions are intended to give the Committee an early understanding of the condition of DC Water's infrastructure and the investments that may be required. Based particularly on the condition of larger assets, including water transmission mains and large sewers, he anticipated that the proposed budget would likely include new or additional investment, either through an increase in the capital budget or trade-offs elsewhere in the capital program.

Mr. Brown stated that management was working with Engineering and Finance to develop the CIP and strengthen asset management by improving asset-condition information and coordination between Operations and Engineering. Investments would be prioritized to reduce the risk and consequences of asset failure. He noted that DC Water has approximately 225 miles of transmission mains, some of which require additional work, and that he had requested acceleration of certain work on M Street. He clarified that management was not seeking Committee recommendation at this stage but welcomed questions and requests for additional information. The General Manager's proposed budget will be presented in January 2027, followed by approximately two months of additional Committee review before the Board's consideration and approval of the CIP. management's recommendation would balance customer affordability with the investments necessary to maintain the system.

Chairperson Bhatt emphasized that management's recommendation should balance infrastructure reliability, stakeholder interests, and customer affordability while maintaining DC Water's strong reputation for reliable service.

Dr. Moussa Wone, Chief Engineer and Vice President of Engineering and Clean Rivers, provided an overview of the four scenarios which ranged from approximately $9.7 billion to $15.6 billion. He explained that the scenarios progressively added emergency and high-priority projects, identified 10-year needs, and broader asset-renewal and system-resilience investments. He clarified that the scenarios include existing approved Potomac Interceptor (PI) investments mainly for the acceleration of approximately $700 million from 10 years to five years. It is important to note that the scenarios exclude the additional Potomac Interceptor CIP being developed from the condition assessment of the entire 54-mile PI and related engineering analysis. That additional scope, schedule, and funding approach are still being developed for review with the IMA partners and will be incorporated in the future.

Dr. Wone explained that increased investment generally reduces residual infrastructure risk. The intersection of the cost and risk curves represented a conceptual "sweet spot" between risk and affordability. He explained that this would require further qualitative and quantitative analysis for consideration as the future CIP budget is developed. The scenarios covered DC Water's principal infrastructure investment areas, including water,

sewer and stormwater assets; treatment facilities and pump stations; facilities, equipment, and technology; Washington Aqueduct needs; and infrastructure repair and replacement. Mandated programs—including Clean Rivers, Lead Free DC, and DC Water's MS4 obligations—remained funded across all scenarios.

Mr. Paul Guttridge, Director of Shared Services and Asset Management, reviewed the cost estimates, customer impact, and risk implications for each of the four scenarios. At Chairperson Bhatt's request, Mr. Guttridge used the appendix to explain how the scenarios should be compared. Using Sewer and Stormwater rehabilitation as an example, he noted that Scenario B provided 39 miles of rehabilitation, Scenario C provided 46 miles and introduced stormwater rehabilitation, and Scenario D added another 28 miles. By contrast, regulatory programs such as Clean Rivers and Lead-Free DC were fully funded under Scenario A and remained unchanged across the scenarios.

Scenario A is the Current Refined Approved CIP with estimated cost of $9.69 billion over a ten-year period. This scenario accelerates approximately $700 million of already-approved PI investment from 10 years to five years, with the accelerated PI costs borne by Wholesale customers. Significant renewal, reliability, resilience, and modernization needs remain unfunded, increasing exposure to unplanned work, service impacts, cost escalation, and future reprioritization.

Scenario B is the Approved Refined CIP plus Emergency and High-Priority Needs, totaling $10.68 billion. This scenario addresses identified emergency and high-priority needs, reducing the most immediate risks, while leaving other renewal and longer-term needs deferred.

Scenario C is the Approved Refined CIP plus Emergency, High-Priority, and 10-Year Needs, totaling $12.75 billion. This scenario provides broader risk reduction, with spending peaking at approximately $1.62 billion in FY 2028 and averaging approximately $1.27 billion annually. It would increase both retail rates and wholesale contributions, while some longer-term renewal, redundancy, modernization, and emerging needs would remain.

Scenario D is the Comprehensive Asset Renewal and System Resilience estimated at $15.63 billion. This scenario provides the broadest reduction in infrastructure risk and the greatest support for proactive asset renewal and resilience but also produces the largest impact on ratepayers and IMA partners. Mr. Guttridge emphasized that even this scenario would not eliminate all risk because unforeseen conditions or external requirements could arise.

Mr. Guttridge emphasized that the risk outlooks were preliminary and had not yet been supported by a complete qualitative and quantitative risk analysis. The scenarios were intended to help the Board compare investment, affordability, customer impacts, and residual risk, and not to present a final recommendation.

Next, Ms. Lola Oyeyemi, Chief Financial Officer and Executive Vice President,

summarized the financial plan assumptions which include new debt issuance, debt service costs, wholesale contribution, retail rate, and residential bill impacts associated with each scenario. She explained that the financial plan also incorporated approximately $18 million in additional operating costs impacting energy and chemicals and approximately $123 million of near-term Washington Aqueduct infrastructure needs. DC Water is responsible for approximately 75 percent of the Washington Aqueduct's costs, which is borne entirely by District ratepayers. Other regional mega-projects and other initiatives by the Washington Aqueduct are excluded from the CIP scenarios. Ms. Oyeyemi also explained that the approved financial plan assumed a 90 percent spending factor for the CIP based on historical execution, while four scenarios assumed full funding of the CIP.

Ms. Oyeyemi explained that increased capital investments would require additional borrowing and retail rate increases will be needed to support the debt service costs. DC Water has approximately $4.1 billion in outstanding debt. Projected new borrowing over the 10-year period ranged from approximately $3.3 billion under the approved financial plan to $7.2 billion under Scenario D. Projected FY 2035 debt service cost ranged from approximately $474.5 million to $691.0 million. The 10-year wholesale capital contributions ranged from approximately $2.1 billion to $3.3 billion.

In response to Chairperson Bhatt, Ms. Oyeyemi reported that the various financial plan scenarios maintained all financial metrics including management's target of limiting debt service to no more than 33 percent of revenue. She explained that the target might need to be revisited as capital spending increased. Management would also consider the timing of the CIP and debt issuance, days cash on hand, and other bond-indentured coverage requirements.

The Board-approved two-year retail rate increases for FY 2027 and FY 2028 were maintained under all the scenarios. The average monthly bill for the residential customer was projected at approximately $156 in FY 2027 and $164 in FY 2028, representing increases of 5.9 percent and 5.3 percent, respectively. The projected 10-year average annual growth rate in the monthly residential customer bill ranged from 5.3 percent under the approved financial plan to 9.3 percent under Scenario D. The average residential customer monthly bill under the approved plan ranged from approximately $147 in FY 2026 to $232 in FY 2035. The estimated monthly bill of $156 in FY 2027 will increase across the various scenarios and by FY 2036, the bill will be $259 under Scenario A, $273 under Scenario B, $306 under Scenario C, and $358 under Scenario D. The corresponding average annual dollar increases in the monthly bill ranged from approximately $9.40 under the approved plan to $21.08 under Scenario D.

Next, Ms. Oyeyemi reviewed the projected combined residential household monthly bill increases under the scenarios in comparison with the Board-approved rates. She explained that the bill increases from FY 2029 are higher because of additional operating budget cost pressures, fully funding the CIP, and the Washington Aqueduct investments. Management would evaluate opportunities to smoothen the projected bill increases while considering their effect on household customers.

Ms. Oyeyemi stated that fixed fees would remain unchanged and that the principal increases are mainly the volumetric water and sewer rates to support the additional capital investments. DC Water's Board-approved residential customer bill of $156 in FY 2027 is above the national average of approximately $97 for large national and regional utilities. This is in part because of DC Water's mandated Clean Rivers and Lead-Free DC programs and because some utilities subsidize water and sewer services with tax revenue. The monthly bill for Customer Assistance Program participants remained lower. She cautioned that the comparison reflected the approved plan and excluded the additional CIP investments under consideration.

Mr. Gibbs expressed concern about the projected increases and, referencing DC Water's prior use of a 100-year bond, asked whether longer-term financing could spread infrastructure costs across current and future customers. Ms. Oyeyemi stated that management would explore alternative financing mechanisms, the scenarios currently aligned rate increases with the timing of expenditures.

In response to Chairperson Bhatt's inquiry, Ms. Oyeyemi confirmed that the Environmental Quality and Operations Committee had not indicated a preferred scenario. Management's goal is to identify the appropriate "sweet spot" among investment, infrastructure risk, and customer affordability, in addition to smoothening the rate increases over the ten-year window.

Chairperson Bhatt emphasized that the additional Potomac Interceptor CIP under development was not included in the scenarios and would create further affordability and funding considerations for DC Water and its IMA partners.

Ms. Oyeyemi concluded that additional investment was needed to maintain reliable service, protect public health, and address infrastructure needs while balancing risk and affordability. Board's feedback would be incorporated in the General Manager's budget proposal and financial plan that will be delivered for Board's consideration in January.

Mr. Brown stated that the January proposal would almost certainly combine elements of the four scenarios rather than adopt one unchanged. Management would consider alternatives to the assumed 30-year debt structure, ways to smooth borrowing and capital-spending peaks, and identify risk-based trade-offs among investments. For example, advancing higher-consequence transmission-main work could temporarily require reducing small-diameter water-main work. Decisions would balance failure risk, affordability, and DC Water's long-term interests.

In response to Mr. Gibbs, Dr. Wone explained that emergency and high-priority projects were shown separately to distinguish the scenarios, not to suggest that emergencies would be deferred. The Operations team leverage the IR&R contracts to address and stabilize emergencies, after which Engineering develops longer-term, high-priority solutions. He noted that the seven identified PI projects were completed or ongoing emergency projects or planned high-priority projects and emphasized the need for

contingency capacity for future emergencies.

III. DC RETAIL WATER AND SEWER RATES COMMITTEE WORKPLAN

Ms. Oyeyemi reported that the FY 2026 workplan was complete except for the CRIAC regulatory amendments, which were carried forward into the FY 2027 workplan. Completed activities included the rate-making process and cost-of-service studies. The FY 2027 rates and fees took effect on October 2, 2026, and the System Availability Fee took effect on October 1, 2026.

The FY 2027 workplan included the Fire Protection Service Fee for FY 2028 through FY 2030, with presentation to the Committee anticipated in February 2027; continued CRIAC amendments, including a public hearing scheduled for January 13, 2027; and the 2027 cost-of-service study for water, sewer, and CRIAC. Chairperson Bhatt requested no additional workplan items and stated that the Committee looked forward to the January CIP update.

IV. AGENDA FOR NOVEMBER 24, 2026, COMMITTEE MEETING

The agenda will include monthly updates, the Committee Workplan, the agenda for the December 22, 2026, Committee meeting, and other business.

V. ADJOURNMENT

The meeting adjourned at 11:01 a.m.

Follow-Up Actions

1. Provide the projected debt service as a percentage of revenue and compliance with other required financial metrics.

MINUTES OF THE MEETING
FINANCE AND BUDGET COMMITTEE
October 22, 2026
(Via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

1. Anthony Giancola, Principal, Chair, District of Columbia
2. Alexander McPhail, Alternate, Vice Chair, District of Columbia
3. Richard Jackson, Principal, District of Columbia
4. Amy Stevens, Alternate, Montgomery County

DC WATER STAFF

1. Matthew T. 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. Moussa Wone, Chief Engineer & Vice President, Engineering & Clean Rivers
6. Paul Guttridge, Director, Shared Services and Asset Management
7. Nija Ali, Director, Fleet Management
8. Debra L. Mathis, Interim Secretary to the Board

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

I. MONTHLY REPORT TO THE FINANCE AND BUDGET COMMITTEE

Lola Oyeyemi, Chief Financial Officer and EVP, presented the September 2026 Financial Report, highlighting that DC Water closed the fiscal year in a strong financial position with operating revenues exceeding budget at approximately $1,035.7 million or 2.7 percent above the revised budget. Preliminary operating expenditure totaled $819.9 million, representing 97.8 percent of the revised budget, while capital disbursements reached $780.8 million or 100.5 percent, slightly exceeding the revised budget. Ms. Oyeyemi

indicated that all required financial metrics were met and that the year-end financial statement audit process was underway with completion anticipated in December.

Operating revenue receipts totaled approximately $1,035.7 million or 102.7 percent of budget. Ms. Oyeyemi explained that favorable operating revenue performance was primarily attributable to higher Residential/Commercial/Multi-Family customer consumption and CRIAC receipts during the summer months, and the Federal and District Government categories as these customers made all quarterly payments within the year. The DC Housing Authority receipts were below budget due to lower consumption, the reclassification of approximately 65 properties to residential accounts, and higher vacancy rates for several properties due to ongoing renovations in the District. Wholesale receipts were approximately 99.0 percent of budget due to lower flows for the small Potomac Interceptor (PI) users, and the timing of the receipt from the last quarter payment from the Town of Vienna which was received in October and will be reflected in next month's report.

Total operating expenditures for the year was $819.9 million or 97.8 percent of the budget. The underspending in personnel services was mainly due to higher than anticipated vacancies, offset by higher overtime costs associated with emergency repair work and other critical work completed during the winter period. The higher spending on water purchases, chemicals, electricity, automotive fuel, supplies, freight, and transportation was mainly due to the volatile market conditions. These cost pressures were offset by underspending in contractual services and from debt service costs due to refinancing activities and lower interest rates achieved earlier in the year.

Ms. Oyeyemi reported that the Capital Disbursements for the year totaled $780.8 million, or 100.5 percent of the revised budget, with the Capital Projects category ending at $717.6 million, almost a third higher compared to last year. Higher spending was attributable to the ongoing progress on the DC Clean Rivers project, Lead-Free DC, replacements of critical valves and emergency work that continues for the Potomac Interceptor. Matthew T. Brown, Interim General Manager, thanked staff across Finance, Engineering, and Operations for their collaborative efforts in achieving the revised FY 2026 capital spending targets, noting that meeting the goal required significant coordination across the organization. Mr. Brown further emphasized that DC Water operates under a cost-of-service model and does not generate profits for shareholder. Accordingly, any financial performance exceeding budget expectations is reinvested into the Authority’s capital program or used to reduce future borrowing requirements. Mr. Brown noted that this distinction was recently discussed with the Stakeholder Alliance and underscored its importance in helping customers understand how strong financial

performance benefits ratepayers through continued infrastructure investment and future capital investments.

The total cash balance at the end of the year was $521.6 million, including the Rate Stabilization Fund (RSF) balance of $51.7 million, which includes Board-approved actions to increase Days of Cash, and transfers to RSF to lower the rate increases for FY 2027 and FY 2028. The total operating interest income for the year was $13.7 million, compared to the annual budget of $13.0 million.

Delinquent accounts totaled $31.6 million for 12,308 accounts at year-end, reflecting the resumption of service disconnections and enhanced collection efforts by the Customer Care team.

II. FLEET MODERNIZATION UPDATE

Nija Ali, Director of Fleet Management, provided an update on the Fleet Modernization Program and highlighted significant accomplishments achieved during FY 2026. She reported that the backlog of accident investigations had been reduced from 275 cases to only five cases. Through vehicle disposition and auction activities, DC Water generated approximately $583,000 in revenue, while citation reconciliation efforts were significantly improved through the implementation of new accountability processes and dashboards.

Ms. Ali reported that DC Water's fleet currently consists of approximately 620 vehicles and equipment units. The average fleet age has been reduced to approximately five years, a notable achievement compared with four years earlier when more than half the fleet exceeded ten years of age. Fleet utilization studies have supported inventory right-sizing efforts, resulting in a 7 percent reduction in fleet inventory while maintaining operational readiness. Ms. Ali also addressed implementation of the District’s Clean Energy mandates and the transition to zero-emission vehicles. She outlined milestones requiring significant portions of the light-duty fleet to become zero-emission by 2045. Efforts are underway to assess electrical infrastructure needs at DC Water facilities and prepare acquisition strategies that will support future fleet electrification beginning in FY 2028. Chair Giancola commended the Fleet team's performance and noted that DC Water's average fleet age compared favorably with many federal fleets. He inquired about proceeds from auctioned vehicles and whether the Board had previously toured the Fleet facility. Following discussion, Chair Giancola and Vice Chair Alexander McPhail expressed interest in scheduling a future tour of the Fleet Maintenance facility for board members following the calendar year.

III. PATH TO THE FUTURE: CIP SCENARIO IMPACTS

Dr. Moussa Wone, Chief Engineer & Vice President, Engineering & Clean Rivers, and Paul Guttridge, Director of Shared Services and Asset Management, presented an overview of future Capital Improvement Program (CIP) investment needs, infrastructure risks, and the affordability implications associated with varying levels of capital investment. Management noted that recent failures involving the Potomac Interceptor highlighted the challenges associated with maintaining aging infrastructure and reinforced the need to proactively invest in critical assets before they reach failure.

Staff presented four CIP investment scenarios designed to illustrate the tradeoffs between infrastructure risk reduction, system resiliency, affordability, and long-term financial sustainability. This includes Scenario A: Refined Approved CIP - $9.7 billion; Scenario B: Approved CIP plus Emergency and High-Priority Projects - $10.7 billion; Scenario C: Approved CIP plus Emergency, High-Priority & 10-Year Needs - $12.7 billion; and Scenario D: Comprehensive Asset Renewal & System Resilience - $15.6 billion.

Management explained that the scenarios were developed using a risk-based asset management framework and incorporated investment needs across regulatory compliance programs, sewer and stormwater infrastructure, water transmission and distribution systems, treatment facilities, pump stations, Washington Aqueduct obligations, and systemwide repair and replacement initiatives. Staff emphasized that none of the scenarios include future long-term rehabilitation costs associated with the Potomac Interceptor, as those requirements remain under evaluation and will be addressed through a separate planning process. The analysis demonstrated that higher levels of capital investment would significantly reduce infrastructure risk and improve system reliability and resiliency but would also increase borrowing requirements and customer rate impacts. Chair Giancola requested clarification regarding the timeline for integrating Potomac Interceptor rehabilitation initiatives into the broader Capital Improvement Program. Mr. Brown explained that discussions with Board members and Intermunicipal Agreement (IMA) partners are currently underway and that the larger Potomac Interceptor program will likely be incorporated into the following year's CIP planning cycle because consent decree discussions and capital planning schedules are operating on separate timelines.

Ms. Oyeyemi reviewed the financial consequences associated with each CIP scenario. She explained that the financial plan scenarios include the 100 percent funding for increased CIP investments, operating budget pressures based on current market conditions and the supplemental budget request of $123 million from the Washington Aqueduct. The additional debt needed to advance the capital program will require

additional rate increases for DC ratepayers and additional contributions from wholesale customers. Additional borrowing requirements would range from approximately $3.3 billion under the current plan to approximately $7.2 billion under the most aggressive investment scenario. The debt service costs will increase over time from $475 million in FY 2027 under the approved plan to $691 million by FY 2035 under Scenario D. These costs are borne by the ratepayers. Wholesale Customer contributions would also increase over the planning horizon. This includes the accelerated work for the PI from 10 years to 5 years and investments at Blue Plains.

The committee discussed the impact on residential customer bills. The average monthly residential bill increases would grow from approximately 5.8 percent under Scenario A to roughly 9.3 percent under Scenario D. The average monthly residential bill increases incrementally from current projections of approximately $9 per month to more than $21 per month above current projections under the highest investment scenario. All four scenarios show the board-approved two-year rate proposals with monthly bill of $156 per month in FY2027 and $164 in FY2028. Starting in FY 2029 through FY 2031, the bill increases at a higher rate because of higher operating cost pressures and full funding of the capital program and the Aqueduct. The bill increases in the latter part of the ten-year window appear smaller because the starting monthly bill is already higher. Ms. Oyeyemi explained that management will consider smoothening the rate increases to account for timing of capital spending and debt issuance, while also ensuring all financial metrics required by bond indenture and board policies are met.

During Committee discussion, Mr. Brown emphasized the importance of balancing affordability, capital infrastructure needs, and operational efficiency. He noted that DC Water's current debt service ratio of approximately 33 percent has provided financial flexibility and is lower than many peer utilities. While reducing debt service remains a long-term goal, he acknowledged that future infrastructure needs may require consideration of a modest increase in the debt service target. Mr. Giancola added that the 33 percent debt service level is a financial goal rather than a formal Board policy limit and encouraged continued discussions regarding an optimal debt service target that supports both infrastructure investment and strong bond ratings.

Dr. McPhail expressed support for the scenario-planning framework and commended staff for presenting the financial impacts and tradeoffs in a clear and understandable manner. He requested that staff evaluate an additional planning scenario assuming a consistent 7 percent bill increase throughout the planning period to determine the level of CIP investment that could be supported under a more stable rate path. Ms. Oyeyemi

indicated that management would incorporate the Committee's feedback into the CEO's budget proposal that will be delivered to the Board in January.

IV. FY 2027 COMMITTEE WORKPLAN

Ms. Oyeyemi presented the proposed FY 2027 Work Plan and highlighted organizational accomplishments achieved during FY 2026. She noted that DC Water reduced the approved residential rate increase from 7.5 percent to 5.9 percent, lowered customer delinquencies, achieved a 97 percent on-time vendor payment rate, maintained strong financial metrics, generated approximately $55 million in refinancing savings, and retained its high bond ratings. DC Water also received its 29th consecutive Clean Audit Opinion, 26th Distinguished Budget Presentation Award, and 3rd consecutive Government Finance Officers Association (GFOA) Triple Crown Award, earning national financial reporting recognition.

Upcoming work for the Finance Committee includes regular financial reporting, budget and rate development activities, debt financing plans, monitoring of customer delinquencies, updates on CIP funding requirements, and periodic review of financial metrics and reserves. The FY 2028 budget will be delivered to the Board in January 2027, followed by a 60-day review process and adoption by the full Board in the second quarter. There is a potential bond issuance for the refunding of approximately $150 million of Series 2017 callable bonds and new money of $450 million in Spring 2027. She highlighted the financial metrics in the monthly reports and asked the Committee for feedback on the workplan.

V. AGENDA FOR NOVEMBER 2026 COMMITTEE MEETING

Ms. Oyeyemi confirmed that the November meeting agenda will include the October financial report, the Capital Improvement Program Quarterly update, and an update on Rolling Owner Controlled Insurance Program VII (ROCIP).

VI. ADJOURNMENT

The meeting was adjourned at 10:35 a.m.

FOLLOW-UP ITEMS:

1. Schedule a Board tour of the Fleet Maintenance Facility for current and newly appointed Board members during the upcoming calendar year. **(Mr. Giancola & Dr. McPhail)**

MINUTES OF THE MEETING
AUDIT AND RISK COMMITTEE
OCTOBER 22, 2026
(via Microsoft Teams)

COMMITTEE MEMBERS PRESENT

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

DC WATER STAFF

1. Matthew Brown, Interim CEO/General Manager
2. Wayne Griffith, COS and EVP Strategy & Performance
3. Ernest Tucket III, Chief Legal Officer & EVP
4. Lola Oyeyemi, Chief Financial Officer & EVP
5. Kirsten Williams, Chief Administration Officer & EVP
6. Debra Mathis, Acting Secretary to the Board
7. Chris Collier, Vice-President of Water Operations
8. Francis Cooper, Director of the EPMO

INTERNAL AUDIT STAFF

1. Yani Diaz, Director, DC Water Engagement, Cherry Bekaert
2. James Eldridge, Senior Manager, Risk Advisory, Cherry Bekaert
3. Emily Abrell, Senior Associate, Risk Advisory, Cherry Bekaert
4. Marshal Pennock, Senior Associate, Risk Advisory, Cherry Bekaert

Samuel Moki, Chair, called the meeting to order at 11:00 a.m. The meeting was conducted via MS Teams. Acting Secretary to the Board Debra Mathis called the roll.

I. ENTERPRISE RISK MANAGEMENT (ERM) BRIEFING

Francis Cooper, Director of the Enterprise Program Management Office (EPMO), presented the report.

The final draft of the FY 2026 ERM annual report is complete and undergoing a final review. Mr. Cooper estimated that the report would be completed by the end of the 2026 calendar year. He provided an overview of the report's contents.

Mr. Cooper reviewed DC Water's ERM training strategy. ERM 101 is required for all non-union employees. Management has approved making ERM 201 and 202 mandatory for employees in Grade 17 and higher, with rollout planned for FY 2027.

Mr. Cooper provided an update on the risk registry. Where risk domains have been assigned to individual departments, 15 out of 24 (63%) of departmental meetings have been completed. In turn, 73 out of 106 (69%) of risks have been addressed. Mr. Cooper clarified that this means addressed internally (i.e., documentation is complete in Origami and the risks are being tracked). 40 out of 106 (38%) of Risk Treatment Plans (RTPs) have been created by individual departments. The goal is to complete and obtain executive leadership approval for all RTPs for FY 2027.

Mr. Cooper reviewed completion of the MERA and Enterprise Risk Assessment (ERA) survey, noting that 95% of employees in Grade 17 and higher and 100% of executive leadership had completed the survey; 26% of Board members had completed it. Board members have until November 3, 2026, to complete the survey.

Mr. Cooper noted that the Board ERA survey slows down the release of both the internal audit plan and the updated risk register for FY 2027. Wayne Griffith, COS and EVP Strategy and Performance, highlighted plans to finalize the internal audit plan with the Audit and Risk Committee in a special meeting before the next quarterly meeting.

Mr. Griffith commended Committee Members Christopher Herrington and Jed Ross for their contributions to the ERM utility roundtable.

II. NON-REVENUE WATER (NRW) UPDATE

Chris Collier, Vice-President of Water Operations, provided an update on the NRW Loss Reduction Program. He welcomed feedback on the level of detail in his report, which had been reduced since the previous meeting.

Mr. Collier reported that the transition of Water Program Management from the current engineering consultants, Water Smart Alliance (WSA), to HDR Engineering, was going well, with completion targeted for the end of October, 2026. The immediate priorities are ensuring continuity and monitoring existing projects.

Mr. Collier reviewed the American Water Works Association (AWWA) M36 audit data for

the April, 2025 to March, 2026 period. NRW increased from 27% in 2024 to 30% in 2025 and 31.53% in mid-2026. The cost of NRW increased from approximately $35.5 million in 2024 to approximately $43 million in 2025 and approximately $44.9 million mid-2026. Unit total losses increased from 198 g/c/d in 2024 to 221 g/c/d in 2025 and to 237 g/c/d mid-2026; unit real losses increased from 175 g/c/d in 2024 to 195 g/c/d in 2025 and 210 g/c/d mid-2026. The data validity score was consistent at 54 in 2025 and mid-2026, placing it under Tier 3.

In response to Committee questions, Mr. Collier clarified that the AWWA Water Balance diagram is a standard diagram and that the size of each box does not represent relative consumption. He clarified that the cost of NRW water has increased significantly since 2024, despite more modest changes in water supplied and billed metered volumes, due to increases in aqueduct water fees.

Mr. Herrington asked whether the increase in real losses were due to improved measurement accuracy or a physical cause. Mr. Collier responded that, because the data validity score remains at 54 and the system is older, it is still difficult to distinguish apparent losses from real losses. Determining apparent versus real losses is a new effort being undertaken through the standardized AWWA M36 audit approach. Increased mitigation of real losses will occur in FY 2027. Mr. Herrington asked whether apparent losses were due to meter failures. Mr. Collier responded that apparent losses can also occur during data handling.

Mr. Collier reported that some straight connections in the system are unmetered. When they are found during the audit, a meter can be installed, and DC Water must determine whether it can back-bill for the water consumed. Chair Moki asked whether this was a new or longstanding issue. Mr. Collier explained that the straight connections had been discovered while comparing system layouts on paper with actual layouts, particularly when addressing Advanced Metering Infrastructure (AMI) issues. Matthew Brown, Interim CEO and General Manager, added that the process had been adjusted so developers could no longer tap a line without a meter in place.

Mr. Collier clarified that the cities DC Water is benchmarking against are of a similar size and also use the standardized AWWA M36 audit process; most northeastern cities do not use a standardized process. Regarding the use of Atlanta's consultants, Mr. Collier clarified that a member of one of DC Water's main subconsultants, Blue Cypress, had previously worked for the City of Atlanta.

Mr. Collier list the top five actions to improve data confidence and potential bringing the data validity score to 72, which falls within Tier 4:

- Verifying Washington Aqueduct meter accuracy through annual flow testing;
- Coordinating meter verification with Arlington and Fairfax, supported by annual flow-accuracy testing;
- Updating billed unmetered consumption estimates quarterly;
- Developing proactive small-meter testing and a testing schedule for all large meters;

and
- Analyzing customer accounts to quantify billing data errors, instead of relying on the default estimate.

Committee Member Anthony Giancola inquired about the issues with the meters purchased, as discussed at a previous meeting. Mr. Collier clarified that the main concern is the meter transmission units (MTUs), rather than the meters themselves. MTUs send data to the billing team. When an MTU fails, the meter must be read physically, which can be difficult because some meters are hard to access.

Most MTU manufacturer warranties provide full replacement for the first 10 years and prorated coverage from years 11 through 20. DC Water began pursuing warranty claims only within the past six months. DC Water is exploring MTU replacement because the units are failing at a higher rate than the industry standard.

DC Water is also considering a switch from mechanical meters to ultrasonic meters, which can provide alerts about leaks and pressure problems. Meter life depends on water quality and may be extended by replacing based on testing of small and large meters rather than meter age alone. Mr. Giancola proposed pursuing legal action against the previous meter supplier.

III. INTERNAL AUDIT UPDATE

The following four individuals introduced themselves as new members of the Cherry Bekaert team:
- Yani Diaz, Director, DC Water Engagement
- James Eldridge, Senior Manager, Risk Advisory
- Emily Abrell, Senior Associate, Risk Advisory
- Marshal Pennock, Senior Associate, Risk Advisory

A. FY 2026 INTERNAL AUDIT PLAN STATUS UPDATE

Yani Diaz of Cherry Bekaert reviewed the approved internal audit plan for 2026. Completion is anticipated by November 15, 2026.

Engagements currently in progress include:
- The Emergency Management Policy Gap Analysis;
- The Physical Security – Blue Plains Audit, for which the site visit was recently completed;
- The FY 2027 Risk Assessment, for which completed Board surveys remain outstanding; and
- The Procurement, Contracting, and Contract Compliance Audit.

The Legal Operations Audit was completed after the presentation graphic was finalized. Ms. Diaz proposed holding a meeting during the week of October 26, 2026, to review the FY 2027 Risk Assessment results.

B. STATUS UPDATE ON PRIOR AUDIT FINDINGS

Ms. Diaz provided the quarterly update on previously open audit findings.

During the reporting period, 29 prior audit findings were closed: seven high-risk, eight moderate-risk, and 14 low-risk.

There are currently 50 open findings, including eight high-risk findings across two audits. One high-risk finding is from the FY 2025 Work Order Management – Facilities Audit; its target date has been extended twice.

In total, 93 prior audit findings from FY 2023 through FY 2026 have been closed.

The average time to complete audit findings was 6.7 months in FY 2025, the first year the eight-month goal was met. The average completion time has improved annually since FY 2020 except in FY 2023, due to findings requiring multi-year remediation (e.g., Hydrant Flow Testing Six-Year Requirement in FY 2028).

Mr. Herrington proposed that the Board discuss the potential exclusion of FY 2023. Mr. Giancola proposed discussing delays related to union and legal review with the new Chief Legal Officer.

C. HOTLINE UPDATE

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

To date, 28 complaints have been received in 2026. Action was taken in 11 cases. Three cases remain open, with closure anticipated by November 15, 2026, pending receipt of outstanding information. Additional details will be discussed during the executive session.

In FY 2025, there were 19 cases, and action was taken in eight. No cases from FY 2025 remain open.

IV. EXECUTIVE SESSION

Upon a motion by Christopher Herrington and majority vote, the Board moved into an executive session at 11:59 a.m. to discuss investigative reports concerning alleged misconduct or violations of law or regulations under D.C. Official Code §2-575(b)(14).

V. ADJOURNMENT

The Committee reconvened in open session at 12:35 p.m. and, hearing no further business, the meeting closed at 12:35 p.m.

Follow-Up Actions:

1. Mr. Cooper will provide Mr. Herrington with the list of Board members to whom an email reminder will be sent to complete the survey.

CEO's Report

NOVEMBER
2026





ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

CEO's Report

NOVEMBER 2026

Inside

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35 Internal Audit



ACCOUNTABILITY TRUST TEAMWORK CUSTOMER FOCUS SAFETY WELL-BEING

Highlights

Chair Morris-Hughes, and members of the Board, it is my pleasure to present you with the CEO's Monthly Report for November 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; Information Technology; and People and Talent, as well as the monthly update from Internal Audit.

Sustainable

DC Infrastructure Academy Opens New Workforce Training Facility

Last month, Mayor Bowser joined District leaders and workforce development partners to celebrate the opening of the new DC Infrastructure Academy training facility at the historic Spingarn High School campus.

Chair **Unique Morris-Hughes** spoke and **Kirsten B. Williams** (EVP and Chief Administrative Officer) and **Korey Gray** (Chief Procurement Officer) attended on behalf of DC Water, which partners with the Academy to support workforce development and infrastructure career pathways for District residents.

The new facility will support workforce development programs aligned with DC Water's hiring and operational needs, including Lead Free DC outreach and workforce initiatives. As the Authority continues to invest in critical infrastructure and long-term workforce planning, partnerships like the DC Infrastructure Academy help develop the skilled workforce needed to support future operations and capital investments.

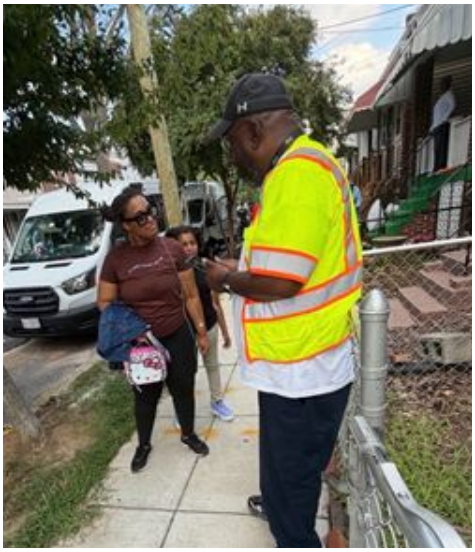


Courtesy of The Washington Informer

dc Highlights

Equitable

DC Water Conducts Targeted Outreach Following Ridge Place Sewer Backup



In early October, DC Water staff conducted targeted outreach to residents affected by the August 27 sewer backup on Ridge Place SE. Our investigation revealed that DC Water was not at fault as debris that had collected in the sewer was not a defect, failure, or known maintenance issue with the sewer. Nevertheless, DC Water assisted the impacted residents with cleaning services.

Representatives from Community Affairs and Risk Management met directly with impacted residents ahead of the issuance of claim determination letters, providing an opportunity to engage with customers, answer questions, and discuss the Authority's response. The outreach reflects DC Water's continued commitment to customer engagement and transparency following operational incidents that affect the communities we serve.

Resilient

DC Water Hosts 2026 Power & Utilities ERM Roundtable

In early October, DC Water served as the host for the 2026 Power & Water Utilities ERM Roundtable. This annual event brings together Enterprise Risk Management (ERM) leaders from about 30 utilities across the country, including other regional water utilities: American Water, Loudoun Water, and WSSC Water.

DC Water remains the leader in ERM for municipal water utilities because of the longevity and formality of our ERM program and, importantly, our leadership and governance engagement. Board members **Jed Ross** and **Christopher Herrington** participated in a well-received panel discussion highlighting the Board's role in enterprise risk oversight. The event provided an opportunity to showcase and share DC Water's approach to many facets of ERM, including connections with communications, strategy, financing, and information technology.

Healthy, Safe and Well



Expanded Testing Confirms Potomac River's Recovery Following Interceptor Crisis

On October 7, DC Water announced results from expanded water quality testing that further confirmed the Potomac River has returned to normal conditions following January's Potomac Interceptor collapse. After more than six months of daily E. coli monitoring, DC Water conducted additional testing in August to assess oxygen levels, nutrients, and metals at six locations upstream and downstream of the overflow. Results were within the river's normal range, with no current evidence of lasting environmental harm. The findings reinforce earlier testing that supported lifting health advisories and provide additional reassurance to the public regarding the river's recovery.

Highlights

Reliable

Team Blue Wave Earns First-Place Finish at WEFTEC Operations Challenge

DC Water's Team Blue Wave earned first place in the Collections Challenge at the Water Environment Federation Technical Exhibition and Conference (WEFTEC), one of the water sector's premier industry events.

The Operations Challenge highlights the technical expertise, teamwork, and problem-solving skills required to operate and maintain critical wastewater infrastructure. This achievement reflects the professionalism and operational excellence of DC Water's frontline workforce.









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	Jun 26	Jul 26	Aug 26	Sept 26
Operating Cash Balance (Millions $)	$341.6	$375.5	$369.3	$360.9	$356.6
Delinquent Account Receivables (%) †	3.30%	3.89%	3.95%	3.90%	3.74%
On-time Vendor Payments (%)	97%	97%	97%	97%	97%
Investment Earnings Data (Millions $)	$13.0	$10.5	$11.6	$12.7	$13.7
Core Investment Yield Data (%) - Merrill Lynch 1-3 Year Treasury Index *		4.2%	4.3%	4.3%	4.8%
Core Investment Yield Data (%) - Actual Monthly Yield ††	3.82%	4.1%	4.1%	4.1%	4.2%
Short Term Investment Yield Data (%)- Merrill Lynch 3-Month Treasury Index *		3.7%	3.8%	3.8%	4.1%
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**	356***	341***	355***	329***

Notes

* Represents annual Treasury Index targets developed and provided by the Authority's investment advisor.
** 287 days of cash is based on the Board approved resolution #26–45 for annual days of operating reserves excluding the Rate Stabilization Fund.
***329 days of cash is made up of 42 days in the Rate Stabilization Fund and 287 days in the operating cash balance.

Metrics Explanation

† Delinquent account receivables as a percentage of 12-month rolling average retail revenue.
†† Actual yield remained slightly below benchmark as Treasury yields rose during September due to inflation concerns, higher energy prices, and market expectations for interest rates. Portfolio liquidity requirements and investment structure contributed to the variance. Performance is expected to improve.

Finance, Procurement, and Compliance

Finance Highlights

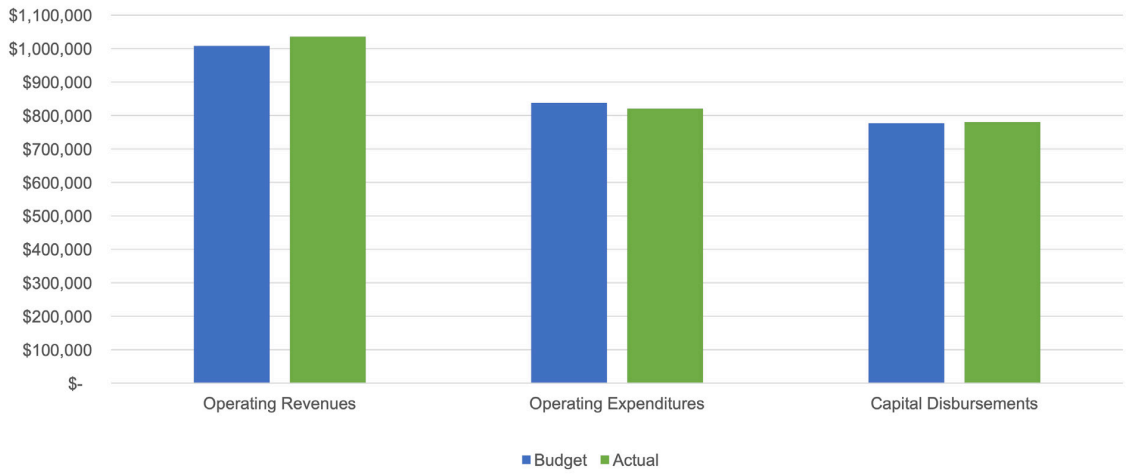
FY 2026 Financial Performance

The information presented here are preliminary estimates that could change based on year-end financial transactions and the annual financial statement audit. The FY 2026 year-end closeout activities, including preparation for the financial statements audit in accordance with United States Generally Accepted Principles, are currently underway and expected to be completed in late December 2026.

DC Water ended FY 2026 favorably with actual revenues above budget, capital disbursements slightly above budget and estimated operating expenditures below budget. Total operating revenues were $1,035.7 million, or 102.7 percent of the revised budget. Receipts from the Residential, Commercial, and Multi-Family categories totaled $608.9 million or 104.5 percent of the revised budget. The September 2026 receipts were $10.8 million higher than budgeted, primarily due to higher collections. DC Housing Authority revenue was $13.5 million, below the revised budget, primarily due to lower-than-anticipated consumption in addition to transition of 65 properties to the residential category and higher than normal vacancy due to ongoing renovations.

Total operating expenditures were $819.9 million or 97.8 percent, and capital disbursements were $780.8 million or 100.5 percent of the respective budgets. Although there was significant cost pressures related to water purchases, chemicals, supplies, electricity, and fuel due to volatile market conditions, DC Water was able to finish the year within budget. These pressures are expected to continue into FY 2027. The higher spending for capital projects was mainly for the DC Clean Rivers and Lead Free DC programs which are progressing as planned.

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



GFOA Triple Crown Award

DC Water received the Government Finance Officers Association (GFOA) Triple Crown Award for the second consecutive year. This prestigious recognition is awarded to governments that have earned all three of GFOA's highest honors for financial management and transparency:

- Certificate of Achievement for Excellence in Financial Reporting (28 consecutive years)
- Popular Annual Financial Reporting (PAFR) Award (3 consecutive years)
- Distinguished Budget Presentation Award (26 consecutive years)

The Triple Crown Award underscores DC Water's continued leadership in public-sector financial management as well as our sustained commitment to excellence in reporting, transparency, and stakeholder communication.

Finance, Procurement, and Compliance

Procurement and Compliance

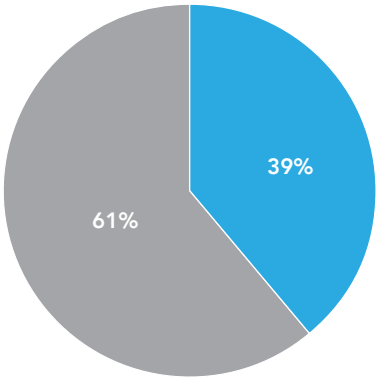
In September, ten different procurement actions were approved by the Board. The value of the eligible procurement actions for this period totaled $442.48 million. Of this total, the planned certified firm participation is $173.45 million (in prime and subcontracting opportunities). As a result, DC Water exceeded its 36% (combined) utilization goal, in September.

- All procurement actions approved by the Board in September have been executed as of this report.

Certified Firm Participation September 2026 Awards

Certified Firm Participation: **$173.45M**

Non Certified Firm Participation: **$269.02M**



Program Highlights

Certified Business Utilization

- **Certified Firm Utilization:** Thirty-two certified firms are participating in DC Water contracts approved by the Board in September.

- **Certified Primes:** Four certified firms won awards as prime contractors during this reporting period.

Process Improvement

- **Requisition Efficiency:** DC Water successfully met its efficiency goal by converting 99.2% of September requisitions into purchase orders within 24 hours, surpassing the department's standard target of 90%.

- **Material Availability:** DC Water maintained emergency work orders awaiting material at 2.79% for FY26, staying well below the department's maximum threshold goal of 5.00%. DC Water achieved best performance in this metric since tracking began in FY15 and outperforming the previous record of 3.08% set in FY21 to ensure rapid response capabilities.

Purchase Order & Procurement Volume

- Purchase Order Processing (GS): DC Water placed 423 purchase orders in September, securing 718 total items purchased during the month.

- Coordinated with Finance and various departments to successfully close out FY26, and ensure a smooth transition to FY27 beginning October 1, 2026.

- Cost Reductions & Avoidance: MM achieved $248,485 in cost reductions and avoidances in September, bringing the total FY26 financial savings to $1,104,622.

Outreach and Engagement

- DC Water delivered brief remarks at the Greater Washington Hispanic Chamber of Commerce (GWHCC) Savor the Night Networking Celebration on September 14, highlighting the utility's continued support of certified firms and its ongoing commitment to fostering local, diverse business growth.

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

Finance, Procurement, and Compliance

Upcoming Business Opportunities:

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

Goods and Services

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
IT - Managed DBA Services - New RFP	One contract to replace Vigilant Technologies	Request for Proposal	Master Service Agreement	3-year Base + Option years	TBD	TBD	October, 2026
Industrial Cleaning and Sanitation Services	Recurring industrial cleaning and sanitation for wastewater treatment facility	Request for Proposal	Master Service Agreement	3-year Base + Option years	$1-$5M	DBE/ WBE	October, 2026
Emergency Alerting System	Emergency Alerting Systems for DC Water employees and residents. Outage and Incident Reporting Platform	Request For Proposal	Master Service Agreement	5 years	< $1M	LSBE	October, 2026
Maintenance of under & above ground WiFi systems and DAS system for underground communication	This is a maintenance contract to support the communication systems	Request For Quote	Master Service Agreement	3 years	<$1M	TBD	November, 2026
Inspection of Cranes and Hoists	Inspection of Cranes and Hoists	Request For Quote	Master Service Agreement	3-year Base + Option years	< $1M	LSBE	November, 2026
Maintenance and Repair of Cranes and Hoists	Maintenance and Repair of Cranes and Hoists	Request For Quote	Master Service Agreement	3-year Base + Option years	< $1M	LSBE	November, 2026
Tank Reservoir Cleaning Services	Tank Reservoir Cleaning Services	Request For Quote	Master Service Agreement	3 years	$1-$5M	DBE/ WBE	November, 2026

Finance, Procurement, and Compliance

Goods and Services

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
IT Application Development Services - New RFP to be issued	Multiple awards of MSAs for Task Order based development services	Request For Proposal	Master Service Agreement	3-year Base + Option years	$1-$5M	DBE/ WBE	November, 2026
IT Professional Services - New RFP to be issued	Multiple awards of MSAs for Task Order based IT Support Services	Request For Proposal	Master Service Agreement	3-year Base + Option years	$1-$5M	DBE/ WBE	November, 2026
Scaffolding Rental, erection and Dismantling	Scaffolding Rental, erection and Dismantling	Request For Quote	Master Service Agreement	3 years	< $1M	LBE	December, 2026
Hauling and Disposal of Excavation Spoils/Debris & Catch Basin Debris	Hauling and Disposal of Excavation Spoils/Debris & Catch Basin Debris	Request For Quote	Master Service Agreement	3 years	$1-$5M	DBE/ WBE	December, 2026
Employee Medical Insurance	Medical Insurance	Request For Quote	Master Service Agreement	2 years 3 option	>$1M	N/A	January, 2027
Employee Dental Insurance	Dental Insurance	Request For Proposal	Master Service Agreement	2 years 3 option	<$1M	N/A	January, 2027
Employee Vision Insurance	Vision Insurance	Request For Proposal	Master Service Agreement	2 years 3 option	<$1M	N/A	January, 2027
Uniforms	Uniform Services	Request For Proposal	Master Service Agreement	2 years 3 option	>$1M	N/A	January, 2027
Electronic Security Systems	Electronic Security Systems	Request For Proposal	Master Service Agreement	3-year Base + Option years	$1-$5M	DBE/ WBE	January, 2027
Fire Protection Systems	Fire Protection Systems	Request for Proposal	Master Service Agreement	3-year Base + Option years	$1-$5M	DBE/ WBE	January, 2027

Finance, Procurement, and Compliance

Goods and Services

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
Fleet Vehicle Procurement for 2026 vehicles	Fleet vehicle purchases for 2026 to support DC Water departments with new or replacement vehicles	Request for Proposal	Master Service Agreement	1 year	$1-$5M	DBE/ WBE	January, 2027
Fleet Vehicle Procurement for 2026 vehicles	Fleet vehicle purchases for 2026 to support DC Water departments with new or replacement vehicles	Request For Quote	Master Service Agreement	1 year	$1-$5M	DBE/ WBE	January, 2027
Polymer (centrifuge)	At the pre-dewatering process, the centrifuge polymer helps remove water from the biosolids before digestion	Request For Quote	Master Service Agreement	1Base 2 option	>$1M	N/A	February, 2027
Polymer (Belt press)	Belt press polymers remove water from the biosolids on the belt filter presses located in the Final Dewatering Facility at Blue Plains	Request For Quote	Master Service Agreement	1Base 2 option	>$1M	N/A	February, 2027
Polymer (primary)	Remove solid particles	Request For Quote	Master Service Agreement	1Base 2 option	>$1M	N/A	February, 2027
Polymer (secondary)	Remove unsuspended solids with help from ferric chloride	Request For Quote	Master Service Agreement	1Base 2 option	>$1M	N/A	February, 2027
Polymer (Emulsion)	Back up for centrifuge and belt process	Request For Quote	Master Service Agreement	1Base 2 option	<$1M	N/A	February, 2027

Finance, Procurement, and Compliance

Capital Procurement

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
M Street Corridor Transmission Mains Replacement and Rehabilitation	DC Water seeks proposals from qualified firms to provide the design and construction of the M Street Corridor Transmission Mains Replacement and Rehab project. This project includes CFRP lining, replacement, leak repairs, and valve replacement along the transmission mains (Large Diameter Water Mains). The project also includes small diameter water main replacement on the same stretch of M street Corridor.	RFQ/RFP	Progressive Design-Build (PDB)	3 years	$120M - $130M	DBE/ WBE	Oct-26
LFDC Voluntary Full Replacement Contract 2	This Task Order will support the LFDC Capital Improvement Project and Emergency Repair Replacement (CIPERR) program for both the private and public side work	Competitive Task Order	Construction MSA for Qualified Contractors	3 years	$8M - $10M	DBE/ WBE	Oct-26
230030.17 Lead Service Line Replacement Contract: Construction Package 24	This Task Order will support the LFDC Capital Improvement Project and Emergency Repair Replacement (CIPERR) program for both the private and public side work	Competitive Task Order	Construction MSA for Qualified Contractors	3 years	$35M - $40M	DBE/ WBE	Nov-26

Finance, Procurement, and Compliance

Capital Procurement

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
Pipe Condition Assessment Support Contract	Pipe Condition Assessment Support Contract	Multi-Step IFB	Construction	3 years / 1 + 1 options	TBD	DBE/ WBE	Nov-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 Task Order Competitive Task Order	CMAR Construction MSA for Qualified Contractors	~3 years	TBD	DBE/ WBE	Nov-26
Traffic Control Plans (TCP's) for the Lead Programs – Lead Pipe Replacement Assistance Program & Voluntary Program	DC Water is seeking a qualified firm to produce Traffic Control Plans (TCP's), Site Plans, and Statement of Works for the DC Water Lead Programs - Lead Pipe Replacement Assistance Program (LPRAP) & Voluntary Full Replacement Program (VFRP).	IFB	Professional Services	3 years	TBD	DBE/ WBE	Nov-26
Small Diameter Water Main (SDWM) Replacement - 19B	~ 4.44 miles of small diameter water mains twelve inches in diameter and smaller and associated valves and appurtenances.	Competitive Task Order	Construction MSA for Qualified Contractors	~ 2 years	$16M - $19M	DBE/ WBE	Dec-26

Finance, Procurement, and Compliance

Capital Procurement

Project Title	Description	Solicitation Type	Contract Type	Contract Term	Est. Contract / Program Value	Inclusion Program	Planned Solicitation Month and Year
Water Interconnections and Booster Pump Station Upgrades	This contract scope will include upgrades to existing WSSC Interconnections Improvements - Phase I, Fourth High Reno WSSC Interconnection, WSSC Interconnections Improvements - Phase II, & Fourth High Reno Standby Booster Pumping Station.	RFQ/RFP	Construction Manager at Risk (CMAR)	5 years	$22M - $26M	DBE/ WBE	Dec-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	3 years	$35M - $40M	DBE/ WBE	Jan-27
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	3 years / 1 + 1 options	$30M - $35M	DBE/ WBE	Jan-27
Small Diameter Water Main (SDWM) Replacement - 19D	Small diameter water mains twelve inches in diameter and smaller and associated valves and appurtenances.	Competitive Task Order	Construction MSA for Qualified Contractors	~ 2 years	$16M - $19M	DBE/ WBE	Feb-27

In September, DC Water contractors filled 10 new positions, with 9 positions (90%) filled by local residents.

For FY 2026 through September, a total of 122 new hires were recorded. Of these, 104 hires (85%) were from within the local service jurisdiction, exceeding the 75% local hiring goal by 10 percentage points.

This table summarizes FY 2026 hiring activity by location:

Location	# of New Hires
District of Columbia	31
Prince George's County	55
Montgomery County	6
Fairfax County	10
Loudoun County	2
Outside the User Jurisdiction	18

Total Number of New Hires: 122

- Total Number of New Hires Within the User Jurisdiction (Local Hires): 94
- Local Hires Achieved: 85% (75% Goal)

This strong performance demonstrates DC Water's continued commitment to supporting local workforce development.

In September 2026, DC Water advanced its local talent pipeline through two initiatives:

- Summer Youth Retention Success: Participants retained from the 2026 Mayor Marion S. Barry Summer Youth Employment Program (MBSYEP) have successfully completed the DC Water Works Workforce Engagement Program. These individuals are eligible to return in Spring 2027, supporting ongoing workforce development through professional skill-building and career pathway exploration.

- Pathway to Public Service Success: Through its partnership with the Department of Employment Services (DOES) Pathway to Public Service Program, DC Water successfully hired its participant as a Contract Compliance Specialist (full-time employee) in September. This transition directly strengthens DC Water's workforce pipeline and reinforces its commitment to developing local talent.

Administration

Fleet, Facilities, Safety, Security and Emergency Management

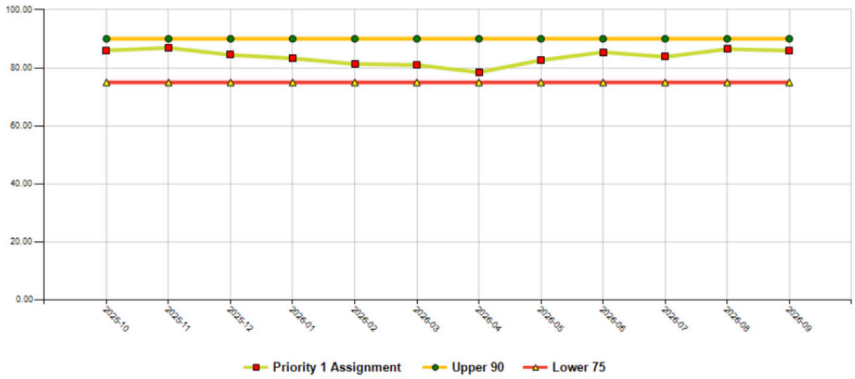
Administration Metrics

Metric	Target	Jul 26	Aug 26	Sept 26
FACILITIES: Preventive Maintenance Completion Rate	90%	98%	93%	95%
FACILITIES: Service Request Completion Rate	90%	94%	91%	94%
FLEET: Technician Resource Allocation	50-90%	55%	50%	51%
FLEET: Priority One Vehicles In-Service	90%	84%	86%	86%
FLEET: Technician Productivity	81%	78%	81%	83%
SAFETY: Contractor/ROCIP Lost Time Incident (LTI) (FY)	< 1.0	0.1	0.1	0.1
SAFETY: Contractor/ROCIP Recordable Incident Rate (RIR) (FY)	< 2.4	0.8	0.7	0.4
SAFETY: DC Water Employee Lost Time Incident (LTI) (FY)	< 1.1	0.77	0.79	0.81
SAFETY: DC Water Employee Recordable Incident Rate (RIR) (FY)	< 2.5	1.55	1.59	1.54
SECURITY: Percent of security investigations completed within 21 days	95%	100%	100%	100%
SECURITY: Security Camera operational uptime	90%	97%	97%	97%
SECURITY: Smart card readers operational uptime	90%	97%	97%	97%

Fleet Board Metrics - September 2026

Priority One vehicles are defined as units used for emergencies, mission-critical assignments, and for the continuity of departmental operations. These assets are the primary focus of technicians, repair and maintenance resources, and take precedence over vehicles with less operational impact. They 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.

Metric 1: Priority One (P1) Unit Availability measures the percentage of units available to meet the organization's operational mission. The target for this metric is 90%. In September, 86% of P1 vehicles were available for operation. The expectation is that technicians will continue to spend at least 50% of their hours focused on serving P1 vehicles.



Fleet Board Metrics - September 2026, continued

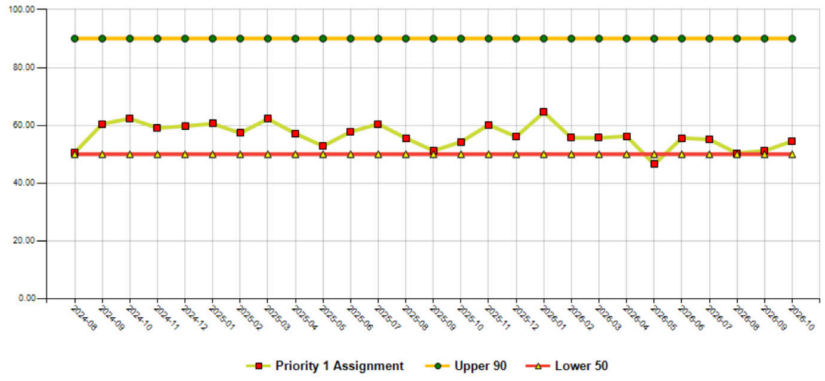
P1 Vehicle Availability: 86% against a 90% target

P1 vehicle availability remained below the 90% target, reflecting ongoing operational challenges associated with maintaining mission-critical fleet assets. Factors impacting availability include vehicle accidents, manufacturer recalls, warranty repairs, and required third-party inspections for specialized equipment, including cranes and compressed natural gas (CNG) vehicles. These activities can temporarily remove vehicles from service and are not always within Fleet's direct control.

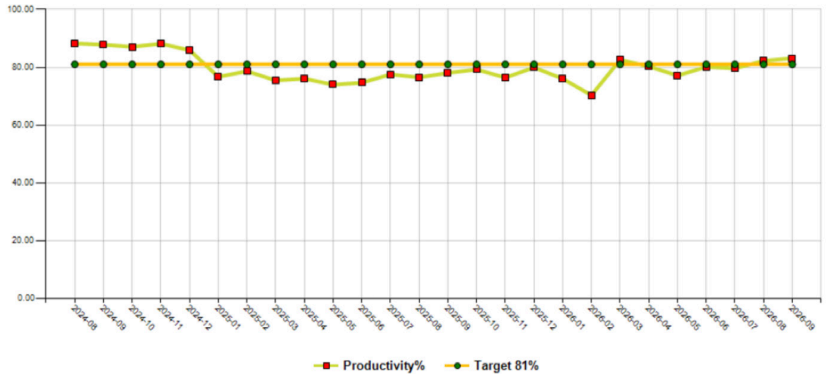
It is important to note that this performance measure applies specifically to Priority 1 (P1) vehicles, rather than the entire Fleet. Fleet continues to prioritize maintenance, repair coordination, and the timely return of these critical assets to service to improve availability and support operational readiness.

Two other factors contributed to missing the September target: Fleet was short two technicians in September, which reduced the total number of available work hours, and winter preparations for the Authority's Priority 3 winter equipment resulted in fewer P1 assignments.

Metric 2: Priority 1 Assignment ensures the technician resources are allotted appropriately to the immediate service and repair of P1 units. In this period, 51% of the technician hours were allocated to P1 vehicles (prior month 50%). The target range is 50-90% to support the goal of minimizing unit downtime. Remaining hours are split between servicing P2 & P3 units, which represent 70% of the total fleet.



Metric 3: Productivity tracks technicians on productive versus nonproductive activities, which may be defined as lunch, breaks, shop cleaning, and various other on-site but unassigned duties while clocked in. In this period 83% of the technician hours were classed as productive (prior month 82%). This variation can be explained that anything above 81% implies that technicians may be working through breaks/lunch. Taking scheduled breaks is a mandatory, safety requirement, especially when operating heavy machinery. The target ensures the balance of productive work vs necessary breaks.



Fleet provided scheduled routine maintenance on 70 units including oil and filter changes, battery and safety checks, fluid top offs, and repair. Fleet responded to 47 roadside assistance calls and 4 fuel requests, a considerable decline from previous months because of the DEF tank installations at DCW campuses. Additionally, 10 assets, mostly carts, were sent to auction generating $13,823 in revenue, bringing the total FY26 revenue to $533,326.

Customer Care

Customer Assistance Programs (CAP)

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

- Delivered 16,359 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.
- Launched a paid advertising campaign using local newspapers and radio stations, movie theaters and outdoor venues.

Residential Leak Assessment and Repair Programs (RLAAP and RLRAP)

As of the end of September year-to-date, 87 assessments and 56 repairs have been completed.

Program	FY2025 Enrolled	FY2025 Dollars	Sept Enrolled	Sept Dollars	# FY26 Enrolled	FY2026 Dollars	FY2026 Budget
CAP +	2,174	$1,537,636	54	$201,660	1,949	$1,298,243	$2,700,000
CAP I	1,863	$1,225,594	57	$125,223	1,547	$814,011	$2,100,000
CAP II	238	$102,654	5	$12,824	291	$84,327	$200,000
CAP III	54	$5,749	37	$847	211	$7,433	$10,000
Non Profit CRIAC Relief	174	$900,902	154	$186,294	806	$893,058	$843,133

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

Customer Care

Key Performance Indicators

Metric	Target/ Service Level	Jul 26	Aug 26	Sept 26
% of bills issued on time (w/in 5 days)	97.0%	98.4%	97.38%	98.4%
% unbilled	≤ 2%	0.2%	1.0%	0.5%
# of bill investigations (Disputes)	trend only	238	239	198
% Bill Investigations/Dispute Resolution <= 30 Days	80%	97%	98%	98%
% of calls answered in 60 Seconds (Call Center)	75%	89%	93%	90%
Monthly call volume served (Call Center)	trend only	11,242	10,446	9,922
Average Wait Time (minutes)	<0:50	:28	:22	:27
Abandon rate (NECC)	3%	1%	1%	1%
Emergency dispatch <= 10 Min (ECC)	≥ 92%	100%	100%	83%*

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	1,865	$647,610

FY 2026 Payment Plan Incentive Program

Adjustment Month	No. Accounts that Received Credits*	Adjustments
May-26	137	$48,483
Jun-26	128	$49,309
July-26	142	$51,637
Aug-26	85	$34,915
Sept-26	115	$47,353
FY26 Distribution	**1,750**	**$647,610**

Explanation of Missed Targets

***Emergency Dispatch Response Time: 83%**
Emergency Dispatch achieved an 83% compliance rate in September, with five of six calls meeting the 10-minute response target. The single exception exceeded the target by one minute due to extended call handling and required documentation. While the variance was minimal, Customer Care is implementing weekly performance reviews to identify potential delays, reinforce response protocols, and provide targeted coaching to support consistent compliance with the established standard.

Information Technology

IT Monthly Report

Metric	Target	Jun 26	Jul 26	Aug 26	Sept 26
Number of tickets submitted	Trend only	1,097	1,003	956	969
Number of open tickets	Trend only	30	49	56	91
SLA Compliance Rate	98%	100%	99%	98.8%	100%
Number of active projects	Trend only	8	10	10	11
Number of completed projects	Trend only	2	0	0	2
On schedule performance	90%	90%	90%	90%	91%
On budget performance	90%	100%	100%	100%	100%

Operations and Engineering

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

Key Performance Indicators

Metric	Target/Service Level	Jun 26	Jul 26	Aug 26	Sept 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%	23%	22%	20%	21%
Reactive Maintenance, percent of total maintenance hours	<20%	34%	34%	35%	31%
Critical Asset Availability, percent of total critical assets at the Blue Plains AWTP	>95%	96%	95%	97%	95%
Sewer Operations					
Combined Sewer System (CSS) structures (all outfalls, regulators, tide gates) inspections	100%	100%	100%	100%	100%
*NPDES Permit Requirement to clean catch basins in the MS4 area annually	14,700	14,555	14,708	14,833	14,855
*NPDES Permit Requirement to inspect the catch basins in the Combined Sewer Anacostia Tributary area twice annually.	11,400	11,347	11,626	11,700	12,815
*NPDES Permit Requirements to clean 85% of Catch Basins in the Combined Sewer area annually	9,095	6,036	7,867	9,002	10,253
Miles per month Sewer Cleaning and Inspection to meet 1,400 Miles of Small Diameter (<12 inches) in 10Yr Cycle	>12	20.4	14.1	14	9.1
Sewer Backup (Investigation to Resolution) Within 24 Hours Excluding Line Breaks	>95%	100%	100%	100%	100%
Number of SSO's	Report	4	5	2	3
SSO's to Body of Water	Report	3	2	1	2
SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)	2	3.3	3.7	3.8	4.1
SSO's per 100 miles of pipe (Water Body) (YTD)	Information Only	1	1.2	1.3	1.4
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%	13%	15%	11%	26%
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	Jun 26	Jul 26	Aug 26	Sept 26
Water Operations					
Safe Drinking Water Compliance	100%	100%	100%	100%	100%
Total Fire Hydrants Replaced	>21/Month	7	19	21	22
Approved Hydrant Flow Tests (Non-Winter Months)	>180	183	104	185	151
Fire Hydrant Operational Rate	99%	99.87%	99.82%	99.81%	99.84%
Priority 5 Emergency Water Service work orders completed w/in 24 hrs	>90%	100%	100%	100%	100%
Water Quality Complaint Resolution (within 48 hours)	>90%	90%	75%	90%	86%
Water Main Breaks	<28/Month	16	30	32	19
Water Main Break Rate /100 Miles (National Average is 25)	25	38.1	38.49	38.95	39.1
% 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%	99%
Lead Free DC					
Lead Service Line Replacements	100%*	122%	118%	115%	97%
Brass Service Line Replacements	N/A	59%	25%	20%**	35%
Premises with Test Pits	100%*	131%	144%	122%	150%
Right-of-Entry Authorizations	100%*	274%	295%	164%	177%
Payment Time	30 Days	25.1	26	26.5	24.1
Public Events & Presentations	N/A	15	8	13	14
Overall Customer Satisfaction	7+	8	8	9	8

*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 Water Resource Recovery Facility.

Explanation of Missed Targets continued –

Operations and Engineering

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

Explanation of Missed Targets, continued

Critical Asset Availability, percent of total critical assets at the Blue Plains AWTP
Critical equipment availability was below usual levels, primarily due to equipment failures in Stream 2 of the Cambi process that were likely caused by manufacturing issues. Availability was further affected by planned outages in the headworks area.

SSO's per 100 miles of pipe (YTD) (AWWA 2021 Utility Benchmarking Report)
The increase in SSOs during September was associated with heavy rain events that placed significant hydraulic loading on the North Interconnecting Branch Sewer (NIBS) and South Interconnecting Branch Sewer (SIBS). During the September 21 event, active rainfall contributed to an SSO on the 108-inch NIBS. Engineering also indicated that the NIBS and SIBS may have been restricted by debris by as much as 80% of their capacity. Heavy cleaning of both sewers is underway and will continue to restore capacity. September's SSO results should be considered in the context of these wet-weather events and the ongoing corrective cleaning work.

Pumping Operations Reactive Maintenance (<20%):
Reactive Maintenance exceeded target in September due to several critical equipment failures at key pumping facilities that required immediate corrective actions to maintain operational reliability and critical service continuity.

Hydrant Flow Tests (Non-Winter Months)
In September, we completed 229 hydrant flow tests. Out of those tests, only 151 were able to be approved. The remaining tests require additional review, verification, and/or corrective measures before final approval

Water Quality Complaint Resolution
Of the 50 customer complaints received, 43 locations were successfully resolved through consultation, field assessment, and/or a single hydrant flush. The remaining 7 locations required additional flushing activities and follow-up water quality verification, including emergency and unidirectional flushing, to achieve target water quality levels. One routine flush location continues to be managed through ongoing monitoring and scheduled flushing operations.

Lead Service Line Replacements
We replaced 311 lead services in September which is 97% of our target for the month. This is primarily due to a sudden sharp decrease in the percentage of lead service lines found. The percentage of test pits that find a lead service line has been hovering around 20% in recent months. The percentage of lead services lines dropped from 20% to 10% in September leading to a drop in replacements; when we find more copper, we have less lead to replace.

DC Water Capital Improvement Program

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

Lead Free DC

- LFDC completed 311 Lead Service Line Replacements and 14 Brass Service Line Replacements in September.
- In September, over 1,300 premises were test pitted to verify service line material, exceeding the goal of 907 premises with test pits.
- In September, outreach operations resulted in over 22,000 touchpoints, which includes over 17,000 in-person touchpoints.
- The program completed 4,040 service line replacements in FY26, which exceeds the previous highest year of production by nearly 1,000 replacements.
- Of the 4,040 service line replacements, 3,920 were lead – exceeding the goal of 3,815.
- LFDC had an active September, participating in 14 stakeholder engagement events, including:
  - 10 Community Meetings/Events
  - 1 CBO Engagement
  - 1 Civic and Citizens Association Presentation
  - 2 ANC Presentations (ANC 2E & 6B)



LFDC working on a restoration location.

DC Clean Rivers Projects – Current Status

Green Infrastructure (GI) Maintenance Contract: GI facilities maintenance is ongoing.
Potomac Interceptor (PI) Condition Assessment & Capital Planning: Condition assessment and CCTV review of the pipeline has concluded outside of the District. Final revisions are in process with contractor. 90% of manhole inspections have been completed to date, and deliverables are ongoing. Feasibility of vent structure inspection is currently being evaluated. 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 September, including completion of routine water-quality monitoring, follow-up soil testing and treatment of the remaining stockpile area, and advancement of canal restoration in coordination with NPS, MDE, CLEAR, and other stakeholders. The NPS preconstruction meeting for the canal clay liner was completed, construction stakeout and surface preparation advanced, and clay placement is being prepared for early October. Permanent rehabilitation activities also continued to advance, including completion of bypass pipe fusing, continued bypass system installation, substantial delivery of the 72-inch slipline pipe, and advancement of GMP design, pricing, and schedule development. The project team also provided an update to the Brookmont community on September 23.

DC Clean Rivers Projects – Current Status, continued

PI – Other Emergency Rehabilitation Projects: Significant progress continued during September 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: Permanent repair activities advanced substantially during September. Push Pits 1 and 2 and the MH410 receiving pit were excavated, dewatering systems were installed, and approximately 70% HOBAS slipline pipe has been delivered. Due to groundwater conditions, additional grout wells and ground stabilization are being implemented at the pits before sliplining can proceed. The lateral pit excavation was completed in September, with groundwater grouting planned for early October.
- MH82–83: Pipe rehabilitation is complete, with remaining site restoration and environmental inspection activities continuing.
- MH72–73.81: Pipe rehabilitation is complete, with site restoration and closeout progressing.
- MH1.6–MH4252: The bypass system remained operational under 24/7 monitoring while permanent rehabilitation preparation advanced. Geopolymer rehabilitation was completed in the repair areas, and the interceptor invert was subsequently paved to prepare for sliplining. By month-end, the site was being secured pending delivery of the HOBAS slipline pipe.

Updates on Consent Decree Projects

Rock Creek Green Infrastructure Project C (RC-C): Construction field work is ongoing. Thirty-six facilities have been completed; Four facilities are in active construction (out of 44).

Potomac River Tunnel Contract B – Tunnel System Construction

- North TBM Mary has mined to ring 203, just over 1000' from the shaft in West Potomac Park where it started mining in Spring 2026, and is now stopped to transition from slurry mining to open mode mining. Excavation in the Temporary Mining Shaft (TMS) of flow fill and exposing the tunnel segments has started. Outfitting the TMS to support the north drive is now underway. Muck conveyors are being assembled in the TMS shaft and on the surface. Surface assembly of TBM Emily is ongoing and four gantries for the south drive were placed in the connecting tunnel.
- CSO-020: Shaft drilling of the vent riser (6 ft diameter) and drop pipe (11 ft diameter) was ongoing all month. Directional drilling the permanent water and permanent power conduits began in September.
- CSO-022: Excavation of the approach channel and diversion chamber is ongoing, and two levels of bracing have been completed. The cast-in-place shaft liner continued in September with two liner lifts being placed.
- CSO-024: The Contractor continued jet grouting on the south side of K Street the entire month.
- 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. The flood wall around the drop shaft was completed. The Contractor is pursuing permits to use barges in the Potomac River for construction staging.
- CSO-029: Shaft excavation by drill and blast continued throughout September. The Contractor has mobilized to install soil nails for support of the approach channel excavation.

Piney Branch Tunnel

- Secant pile installation for the support of excavation around the mining shaft was completed in September and excavation of the shaft started. Excavation of the 60' diameter shaft is ongoing.
- Pepco's subcontractor installation of the permanent power duct bank in 17th Street NW is ongoing.
- Contractor is preparing to mobilize to the Park Road site for tree removal and site preparations. With tree removal to commence in early November.

People and Talent

HR Metrics Dashboard

Reporting period: September 2026 | Data as of September 30, 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 continued.** 19 hires against 9 separations (net +10), the strongest month since June. • **Pipeline is expanding.** 112 positions are under active recruitment, up from 101 in August, with 57 at interview stage or later. • **Unworked vacancies are shrinking.** Positions not under recruitment fell from 70 to 59. • **Safety cost control is strong.** 93% of workers' comp claims are TAD eligible, 43 points above target.	• **Vacancy rate is above target.** 13.33% versus a 10% target, a gap of about 43 positions, unchanged in six months. • **Operations concentration.** 76 of 171 vacancies (44%) sit in Operations, the Authority's most service-critical division. • **Unworked vacancies.** 59 vacancies (34%) are not under active recruitment and need a fill, restructure, or reallocate decision. • **Voluntary separations.** All nine September separations were resignations, the highest voluntary count in the five-month period.

Executive Dashboard – September 2026

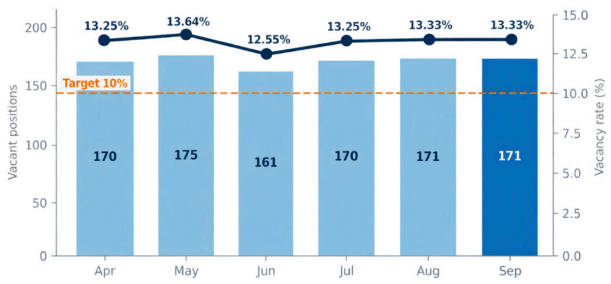
Vacancy Rate	Open Vacancies	Active FTEs	Hires	Separations	TAD Eligibility
13.33% Target 10% | Needs attention	**171** +1 vs. July	**1,112** Budgeted 1,283	**19** 10 external, 9 internal	**9** 9 voluntary, 0 involuntary	**93%**

Positions Under Recruitment	At Interview Stage or Later	457(b) Participants	Tuition Assistance Participants
112 Sept 30 | Up from 100	**57** As of Sept 30	**915** 81.4% of active employees	**17** Down from 19 in Aug

Vacancy and Recruitment

Vacancy rate has held at 12.6 to 13.6 for six months

Sept: 13.33%, 3.3 points above the 10% target (about 43 positions)



Vacancy rate = vacancies/budgeted positions (1,283). Data as of Aug 31, 2026

Note: The 10% vacancy-rate target reflects the AWWA benchmark

People and Talent

Vacancy and Recruitment, continued

Metric	Target	Jun 26	Jul 26	Aug 26	Sept 26
Vacancies	N/A	161	170	171	171
FTEs	N/A	1,122	1,113	1,112	1,112
Vacancy Rate	10%	12.5%	13.25%	13.33%	13.33%

Source: HRIS position control. Vacancy rate = vacancies / 1,283 budgeted positions. Data as of September 30, 2026.

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.

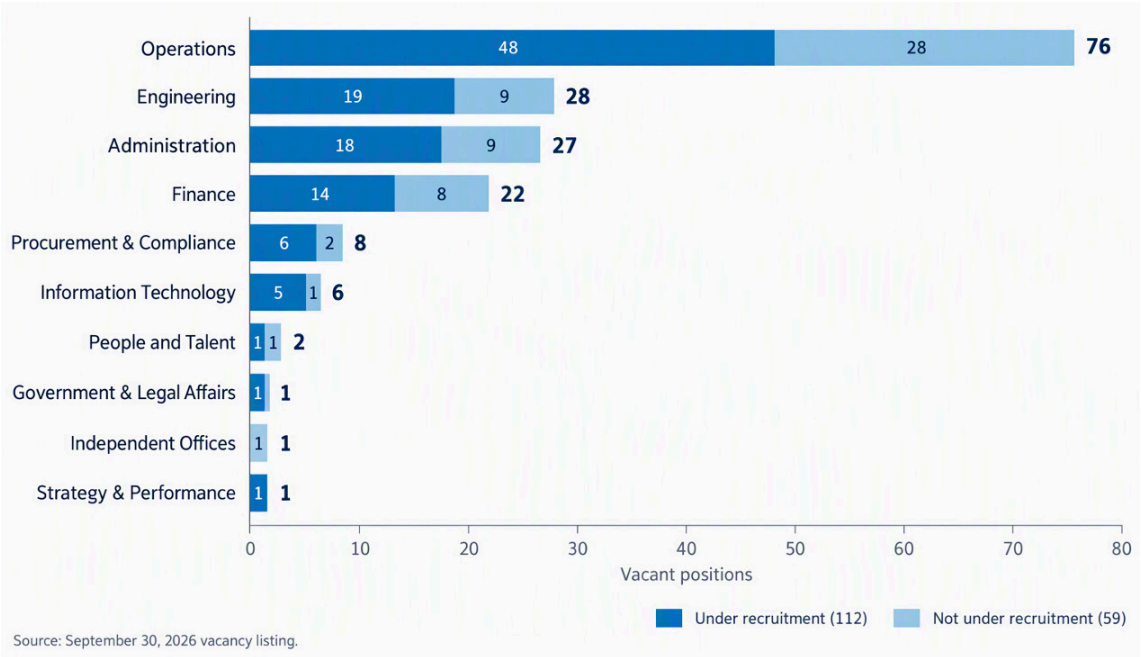
Positions under active recruitment: Approved vacancies managed by Talent Acquisition that the organization is actively working to fill through job postings, candidate sourcing, screening, interviewing, selection, offers, pre-employment activities, and onboarding.

Takeaway: The vacancy rate has held between 12.6% and 13.6% for six 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. Positions not under recruitment fell from 70 to 59 in September.

Vacant Positions by Division | As of September 30, 2026

Operations holds 44% of all vacancies

171 vacancies; 59 (34%) are not under recruitment



People and Talent

Vacant Positions by Division | As of September 11, 2026, continued

Division	Vacant	Not Under Recr.	Under Recr.	Open & Sourcing	Interview / Selection	Offer	Onboarding
Operations	76	28	48	26	12	3	7
Engineering	28	9	19	13	5	0	1
Administration	27	9	18	8	7	3	0
Finance, Procurement & Compliance	22	8	14	1	8	1	4
Information Technology	8	2	6	5	1	0	0
People and Talent	6	1	5	2	2	0	1
Government & Legal Affairs	2	1	1	0	1	0	0
Independent Offices	1	1	0	0	0	0	0
Strategy & Performance	1	0	1	0	0	0	1
Total	**171**	**59**	**112**	**55**	**36**	**7**	**14**

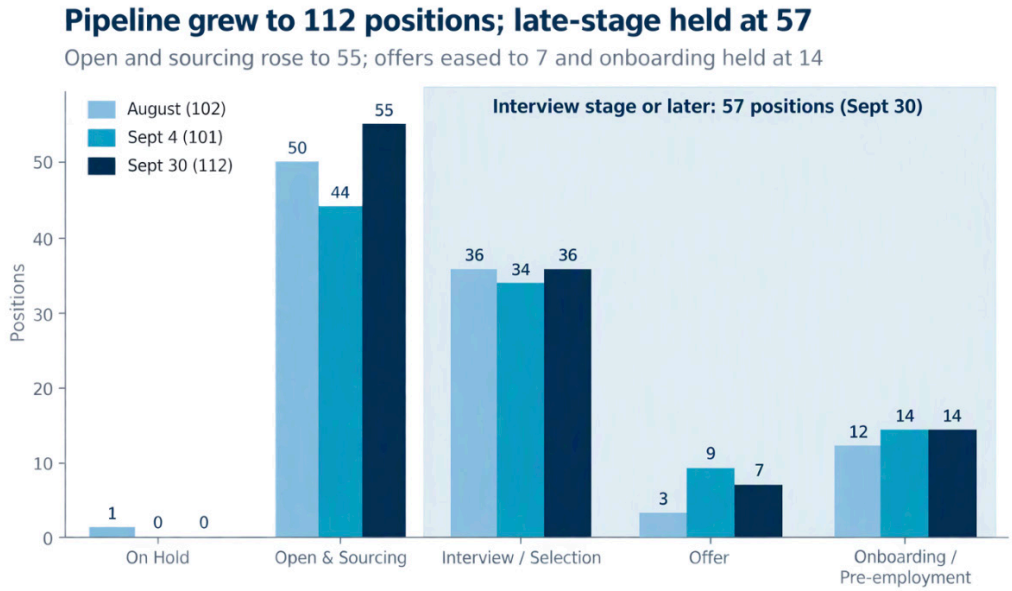
Source: September 30, 2026 vacancy listing, ranked by total vacant positions.

Takeaway: Operations and Engineering together account for 104 vacancies (61%). Within Operations, 28 vacancies are not yet under recruitment; a position-by-position decision on these roles remains 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 due to promotion or resignation, pending PRF reclassification to a higher or lower grade, temporarily filled by an acting employee, affected by a union dispute, or awaiting an updated job description from the business.

People and Talent

Recruitment Pipeline | Aug to Sept



Source: Aug, Sept 4 and Sept 30 recruitment reports. Interview and selection are shown combined.

Pipeline Stage	Prior Months	Aug 31	Sept 4	Sept 30
Positions under recruitment	90 (May) / 89 (Jun) / 104 (Jul)	102	101	112
Open & Sourcing	47 (Jul)	50	44	55
Interview / Selection	38 (Jul)	36	34	36
Offer	8 (Jul)	3	9	7
Onboarding / Pre-employment	11 (Jul)	12	14	14

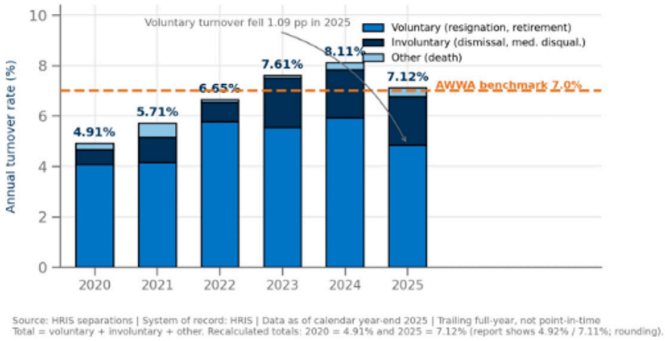
Pipeline movement: Total active recruitment grew from 101 on September 4 to 112 by September 30, the largest pipeline of the May to September period. Positions at interview stage or later held steady at 57, while open and sourcing positions rose to 55 and offers settled at 7 after peaking at 9 in early September. Fourteen positions are in onboarding or pre-employment, which should support higher October start dates.

Pipeline Stage	Definition
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.

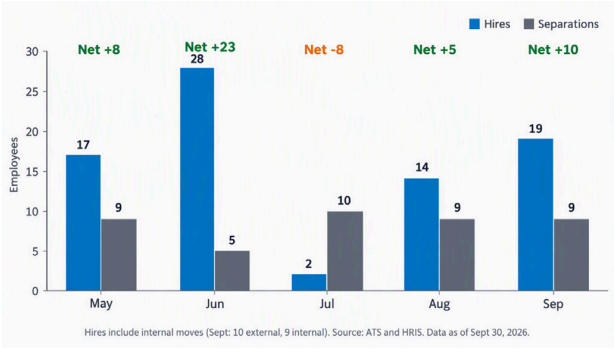
People and Talent

Attrition and Net Movement

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



Hiring outpaced attrition in three or four months
Sept added 19 hires against 9 separations, a net +10



Annual trend: CY25 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.

Monthly movement: September produced 19 hires (10 external, 9 internal) against 9 separations (all voluntary resignations), a net gain of ten. Across May to September, hires totaled 80 against 42 separations. July's two-hire month remains the outlier and shows how quickly gains can reverse when hiring slows. All nine September separations were resignations; there were no involuntary separations for the first time in the period.

Takeaway: Retention is stabilizing, but September's separations were entirely voluntary resignations, so the division and tenure mix of resignations should be monitored. The constraint on headcount growth remains hiring throughput.

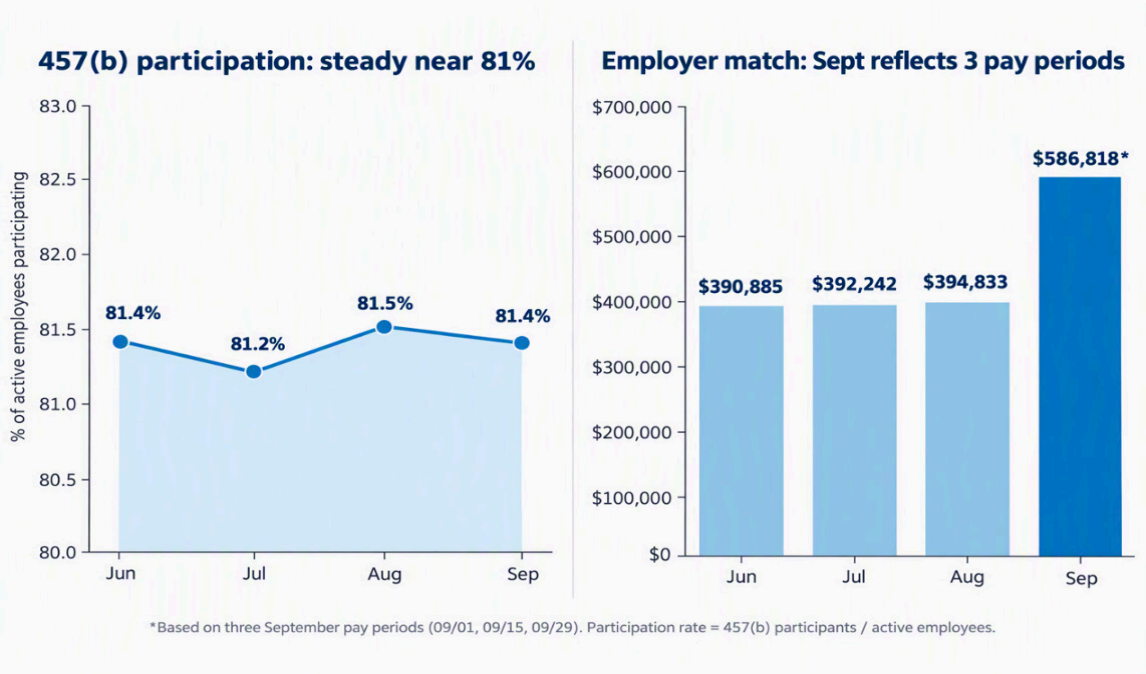
Metric	Jun 26	Jul 26	Aug 26	Sept 26
Positions under recruitment	89	104	101	112
Total hires	28	2	14	19
External hires	19	1	8	10
Internal hires / moves	9	1	6	9
Total separations	5	10	9	9
Voluntary separations	2	6	6	9
Involuntary / other separations	3	4	3	0
Termination reasons	2 resignations; 1 dismissal; 2 deaths	5 resignations; 1 retirement; 4 dismissals	6 resignations; 3 dismissals	9 resignations

Source: ATS and HRIS. Data as of September 30, 2026. Hires include internal moves; only external hires reduce the vacancy count.

People and Talent

Benefits

457(b) Participants	Receiving Full Match	Active Employees
915 81.4% of active employees	**777** Contributing enough for full match	**1,124** Sept 2026



Retirement Plan	Jun 26	Jul 26	Aug 26	Sept 26
Active employees	1,131	1,127	1,125	1,124
Employees participating in a 457(b)	921	915	917	915
457(b) participation rate	81.4%	81.2%	81.5%	81.4%
Employees contributing enough for a full match	782	777	782	777
Total employer matching dollars provided	$390,885	$392,242	$394,833	$586,818*

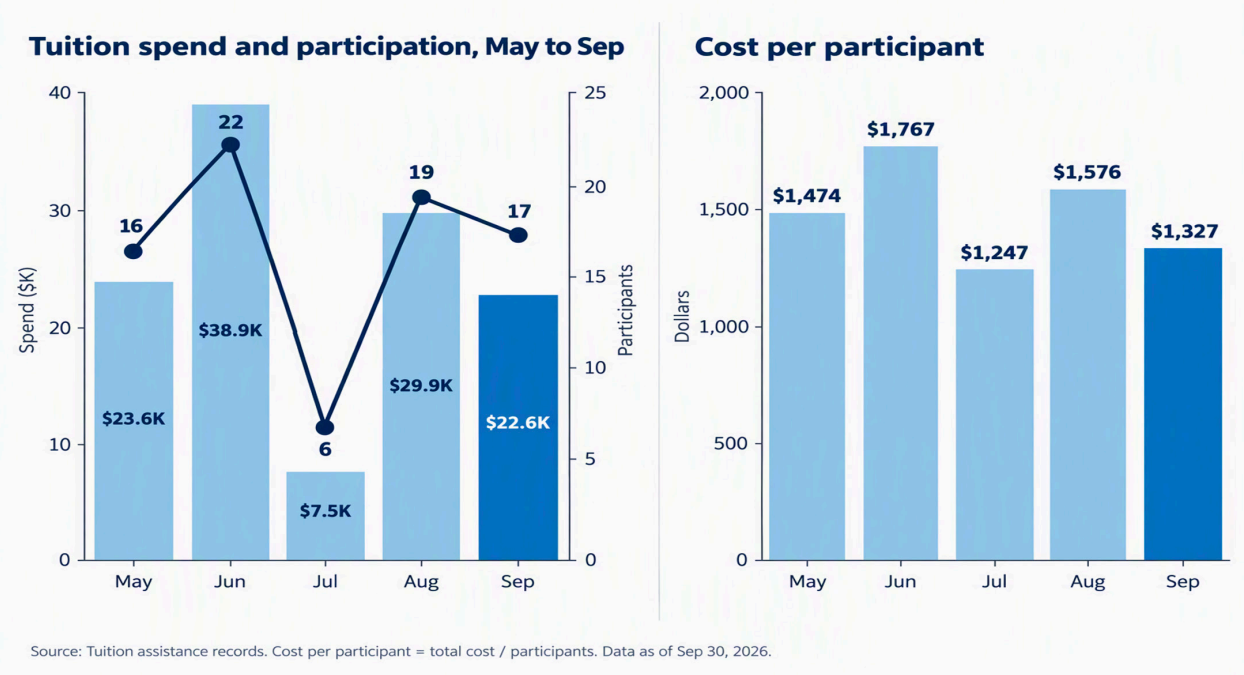
*Based on three September pay periods (09/01/26, 09/15/26, 09/29/26); other months reflect two pay periods.
Participation rate = 457(b) participants / active employees.

Benefits Snapshot: Retirement plan participation remained stable in September, holding at roughly 81% of active employees (915 participants). 777 employees contribute enough to receive the full employer match. Total employer matching dollars rose to $586,818 because September included three pay periods; the average per pay period (about $195,600) is in line with prior months.

People and Talent

Learning and Development

Tuition Assistance Cost	Tuition Participants	Seeking Certification	External Training
$22,565 Sept 2026	**17** Down from 19 in Aug	**3** Sept 2026	**11** Up from 4 in Aug



Source: Tuition assistance records. Cost per participant = total cost / participants. Data as of Sep 30, 2026.

Learning & Development Metric	Jul 26	Aug 26	Sept 26
Total cost of tuition assistance / reimbursement	$7,483	$29,935	$22,565
Employees participating in tuition assistance	6	19	17
Cost per participant	$1,247	$1,576	$1,327
Employees seeking an associate's degree	0	2	0
Employees seeking a bachelor's degree	3	5	2
Employees seeking a master's degree	1	4	1
Employees seeking a doctorate degree	0	1	0
Employees seeking a certification	0	3	3
Employees participating in external training	2	4	11

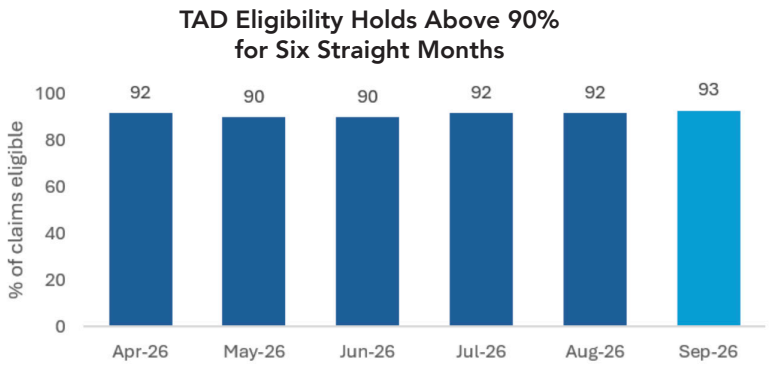
Cost per participant = total tuition assistance cost / participants.

Learning and Development Snapshot: Participation increased from 16 in May to 22 in June before declining to six in July due to a temporary pause in application approvals based on the recommendation of outside legal counsel while the Authority was involved in ongoing litigation. Once the matter was resolved, we resumed normal processing, which contributed to the increase to 19 in August.

People and Talent

Workers' Compensation – Temporary Alternative Duty

TAD Days Utilized	Employees Participated	Increase in TAD Days
1,084 FY2026 | Up from 821 in FY2025	**24** Across 8 departments	**+32%** 263 more days than FY2025



Retirement Plan	Jun 26	Jul 26	Aug 26	Sept 26
Percentage of workers' compensation claims eligible for TAD	90%	92%	92%	93%

Program significance: In FY 2026, 24 employees from 8 departments participated in the Temporary Alternate Duty (TAD) Program. Temporary Alternate Duty utilization increased significantly in FY2026, reaching 1,084 days compared to 821 days in FY2025. The increase reflects our continued commitment to keeping injured employees engaged in productive work while they recover, reducing lost-time exposure, supporting return-to-work outcomes, and maintaining workforce productivity. The TAD program remains an important tool for facilitating safe recovery, minimizing workers' compensation costs, and promoting positive employee outcomes.

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 43 position gap and track it monthly against separations.	Vacancy rate trending toward 10%
Resolve unworked vacancies	Complete a fill, restructure, or reallocate decision on the 59 vacancies not under recruitment, starting with Operations (28).	Decision on 100% of the 59 positions
Convert the late-stage pipeline	Prioritize the 57 positions at interview or later and the 14 in onboarding to accelerate offers and start dates.	Higher monthly external hires
Stabilize hiring volume	Address the causes of month to month swings (requisition approvals, panel scheduling, pre-employment timing).	Fewer months below 10 hires
Sustain retention gains	Review the nine September resignations for division and tenure patterns, and maintain voluntary turnover improvements through engagement and development programs.	CY26 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 30) and may vary slightly. Hires include internal moves; only external hires reduce the vacancy count. Benefits figures are based on active employees rather than FTEs.

Government and Legal Affairs

Government Affairs Highlights

District Engagement

Sept. 18 – B26-0443 (Billing and Disconnection Modernization)

This was a major focus for Government Affairs during the month. Government Affairs met with Councilmember Charles Allen's staff and presented DC Water's position on preserving lien authority as a debt-security and payment-plan tool, while raising concerns about proposed receivership provisions. To support the engagement, Government Affairs developed an issue matrix, talking points, and practical examples explaining the role of liens.

Sept. 19 – Potomac River Tunnel

Government Affairs supported the "Emily" tunnel boring machine Community and Family Day.

Sept. 28 – Board Chair Meeting Preparation

Government Affairs convened its consultants to prepare for the October 13 and December 10 in-person meetings with the Board Chair. Consultants received a presentation guide focused on jurisdiction, expertise, key updates, DC Water activities, leadership decision points and recommendations, and forward-looking opportunities.

Sept. 23 – B26-0771 (Tax Sale Equity Amendment Act of 2026)

Government Affairs prepared a one-pager to support internal review and discussion of the legislation.

Sept. 30 – B26-0570 (Office of Human Rights Rulemaking Authority Amendment Act of 2026)

Government Affairs shared DC Water's questions and concerns with OCFO. OCFO indicated that Committee staff had not provided an updated draft or confirmed a new markup date and believed a November markup was intended.

Regional Engagement

Sept. 30 – Potomac Interceptor Constituent Inquiry

Government Affairs responded to Conor Curran in the Office of Delegate Marc Korman regarding a constituent odor complaint near the Potomac Interceptor, providing DC Water's update on ongoing odor mitigation measures.

Federal Engagement

Sept. 18 – Congressional Oversight & Investigations

Government Affairs coordinated a discussion between DC Water leadership and federal Government Affairs consultants regarding congressional oversight and investigations, supporting continued alignment on federal engagement.

Sept. 30 – Permitting Reform, PIF, and Stormwater Fee

Federal consultants provided Government Affairs with permitting-reform legislation's section-by-section analysis for review and shared updates related to the Public Inconvenience Fee and stormwater-fee developments.

Government and Legal Affairs

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

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	FY 2026 YTD
Cases Managed	30	29	28	34	50
New Cases	3	3	7	10	23
Cases Closed	4	7	4	5	20
Amount Demanded of DC Water in Closed Cases	$508,000	$10,775,000	$1,234,012	$784,653	$13,301,666
Amount Paid by DC Water in Closed Cases	$43,000	$100,500	$1,000	$317,734	$462,234

*This data is current as of 9/30/26.

Revenue Recovery Cases

Currently, DGLA is managing 234 open foreclosure cases and 51 active bankruptcy cases. Additionally, DGLA collected $750,000 in an IAC settlement in September 2026.

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 September 2026 related primarily to water/sewer operations, customer service records, and LPRAP.

FOIA Data

Open Requests	184
Requests Opened this Month	18
Requests Closed this Month	4

Other Legal Matters

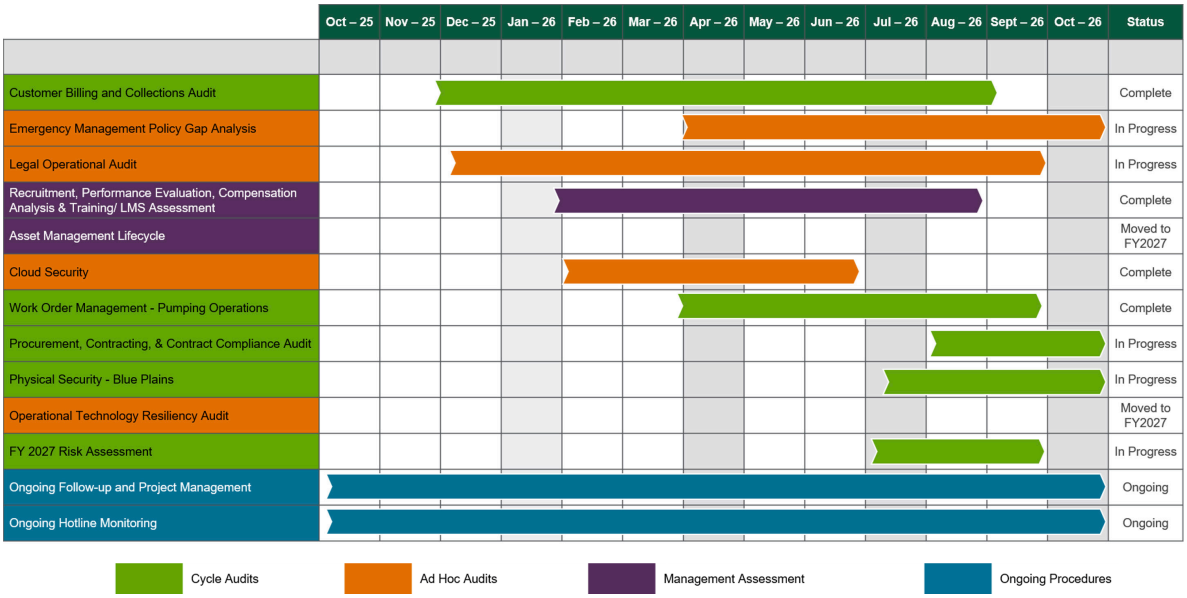
Type of Legal Matter	# Reviewed/Processed
Contracts	19
Agreements	5
Easements	2
Subpoenas	1

Internal Audit

Internal Audit GM Report November 2026

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

Internal Audit Plan FY2026 Timeline



Open Prior Audit Findings

Audit Report	Issue Date	Corrective Actions			
		Total	Open	Closed	Pending Testing
Work Order Management - DWO	7/27/2023	3	1	2	0
Fleet Management	10/27/2023	6	1	5	0
Work Order Management - Facilities	4/11/2025	13	1	12	0
Strategic Plan Monitoring	9/29/2025	3	3	0	0
Third-Party Vendor Management	11/6/2025	3	1	2	0
Customer Billing and Collections	8/13/2026	7	7	0	0
Cloud Security/M365	9/3/2026	44	44	0	0
Legal Operations	TBD	12	12	0	0
Work Order Management - DPSO	10/6/2026	3	3	0	0
	TOTAL	94	73	21	0

In total, 89% of all prior audit findings from FY23 through FY25 are closed. Management's target closure rate is 95%. Previously, total audit findings were calculated from FY17 through FY25, including open items from FY17 that have since been resolved.

Recently issued FY26 audit reports added 66 corrective actions to the total: 7 from Customer Billing and Collections, 44 from Cloud Security/M365, 12 from Legal Operations, and 3 from Work Order Management – DPSO.

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

Internal Audit

Open High Risk Prior Audit Findings*

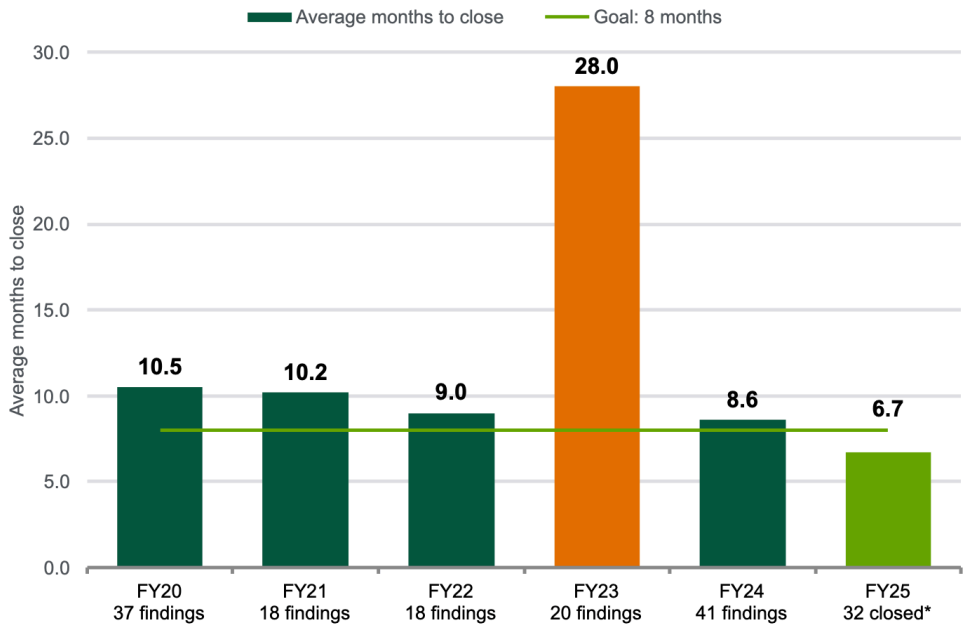
*Note: The audit findings reported below represent open high-risk findings through the FY26 Audit Plan year. IT findings will be reported separately.

#	Audit FY	Issue Date	Audit Report	High Risk Open Finding	Original Target Date	New Target Date	# of Extensions
1	2025	4/11/2025	Work Order Management – Facilities Audit	**Lack of Current Asset Retirement and Disposal Standard Operating Procedures (SOPs)** Update: Facilities team is currently working towards completing the action plan. Draft policy reviewed on 9/11/2026; extended to end of the year.	3/31/2026	12/31/2026	2

Closure Time by Fiscal Year, 2020–2025

The graphs below illustrate the average number of quarters from audit finding issuance to audit finding closure year-over-year as of October 2026. Management has made significant improvements to achieve timelier audit finding closure as illustrated by the decline across all years. FY23 is an outlier year driven by long-running findings, including a 6-year hydrant flow-testing requirement.* Management's target time to closure is eight months.

Average Months to Close a Finding by Fiscal Year Issues, Compared with the 8-month Goal



Source: CB Internal Audit Tracker, as of October 2026. Average time measured from report issuance to validated closure. *FY25 = 32 closed findings; 5 open findings excluded.

Data before FY2023 was provided by RSM

Cherry Bekaert
Your Guide Forward

Explanation of Missed Targets

FY25 Facilities Work Order Management Audit | Lack of Asset Retirement and Disposal SOPs (High)
The Asset Management Policy was initially drafted on May 13 and has undergone multiple rounds of cross-departmental review involving Finance, Facilities, and other key stakeholders. Several departments have provided feedback and revisions, with the most recent coordination meeting held on September 23 to clarify Finance's role and responsibilities. While substantial progress has been made, several stakeholder responses remain outstanding. We are continuing to coordinate with the respective departments to finalize the policy and advance the corrective action toward closure.

FY23 DWO Work Order Management | Hydrant Flow Testing Six Year Requirement (Low)
The team continues to make progress toward the FY 2028 hydrant flow-testing requirement. Although approximately 2,200 flow tests are conducted annually, system deficiencies and required corrective repairs limit the number of unique hydrants tested and approved to approximately 1,100 annually. Operational improvements have increased testing efficiency, but infrastructure conditions continue to present challenges to achieving full compliance.

Management is evaluating a revised FY 2027 testing strategy focused on maximizing the number of unique hydrants tested while identifying those requiring additional investigation or infrastructure repairs. The long-term objective is to establish a sustainable testing cycle with at least 90% compliance while systematically addressing remaining deficiencies through targeted corrective actions and capital improvements.

Takeaways

- FY25 is the first year to meet the 8-month goal, at 6.7 months (1.3 months under goal).
- Excluding FY23, averages improved every year, from 10.5 months (FY20) to 6.7 months (FY25)
- FY23 (28 months) is an outlier driven by long-running findings, including a 6-year hydrant flow-testing requirement and Fleet policies that needed union and legal review.
- Across all 166 findings, the weighted average in 11.2 months, inflated by FY23.



Presented and Adopted: November 5, 2026
SUBJECT: Approval of Award and Authorization to Execute Contract No. 260070, Public Space Restoration Contract, Capitol Paving of DC, Inc.

#26-71
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 November 5, 2026, upon consideration of a joint-use matter, decided by a vote of ____ ( ) in favor and ____ ( ) opposed to approve the award and authorize execution of Contract No. 260070, Capitol Paving of DC, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract No. 260070 with Capitol Paving of DC, Inc. This indefinite-delivery, indefinite-quantity contract will provide permanent restoration of paved and unpaved public spaces disturbed by DC Water's construction, rehabilitation, or maintenance of water and sewer infrastructure. Services include restoring roadways, sidewalks, tree spaces, and other structures throughout Washington, DC, and, as needed, surrounding jurisdictions. DC Water will issue task orders as needed to support safe, compliant restoration, protect public assets, and maintain reliable water and sewer services. The total contract value is not-to-exceed $90,000,000.00 for an initial three-year term with two optional one-year renewals exercisable at DC Water's sole discretion.

This Resolution is effective immediately.

_____
Acting Secretary to the Board of Directors

Docusign Envelope ID: 8FC4F8AA-E85A-89DF-8331-8E32CB65DD79

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

Public Space Restoration Contract
(Joint Use)

Approval of award and authorization to execute a public space restoration construction contract not to exceed $90,000,000.00. 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:
Capitol Paving of DC, Inc. 2211 Channing St., NE Washington, DC 20018	Omni Excavators, Inc Washington, DC	DBE	31.68%
	E & F landscaping, LLC Brandywine, MD	DBE	0.28%
	Jaxson Point, Inc King George, VA	DBE	0.04%
	Royal Construction Materials, LLC Mclean, VA	WBE	6.00%

DESCRIPTION AND PURPOSE

*Total Contract Value, Not-To-Exceed:	$90,000,000.00
Base Contract Value (3-Year Term, Not-to-Exceed)	$48,336,110.00
Option Period Value (2 Option Years, Not-to-Exceed)	$41,663,890.00
Contract Time:	1825 Days (3 Years, 2 Option Years)
Option Years:	2
Anticipated Contract Start Date (NTP):	01-05-2027
Anticipated Contract Completion Date:	01-04-2032 (Including 2 Option Years)
Bid Opening Date:	08-12-2026
Bids Received:	2
Capitol Paving of DC, Inc.	$48,336,110.00
Fort Myer Construction Corp	$54,147,087.50

*The two (2) bids received were based on a three-year term. The Fact Sheet also includes pricing for two (2) one-year renewal periods.

Purpose of the Contract:
DC Water is required to permanently restore all paved and non-paved public space assets - roadways, sidewalks, tree spaces, and other structures - disturbed by water and sewer construction, rehabilitation, and maintenance. This Indefinite Delivery/Indefinite Quantity (IDIQ) contract provides public space restoration and paving services at various locations throughout Washington, DC, and, as needed, in surrounding jurisdictions. The contract supports the safe and compliant restoration of roadways, sidewalks, tree spaces, and other public infrastructure, while maintaining the integrity of public assets and enabling reliable water and sewer services. Scopes of work will be developed and issued to the contractor on a task order basis, as needed by DC Water.

Contract Scope:
- Restore and/or replace asphalt and concrete roadways, brick and concrete sidewalks, landscaped areas, and other miscellaneous repairs that result from excavations performed during water and sewer infrastructure rehabilitation and repair activities in public space.
- Scope of work is developed and issued as task orders and as needed. Restoration work is at various locations throughout Washington, DC. The nature, extent, and location of the work for each task order varies.

Docusign Envelope ID: 8FC4F8AA-E85A-89DF-8331-8E32CB65DD79

- The water and sewer operations, on an annual basis, typically generate an average of 1,700 task orders for public space restorations.

Federal Grant Status:

- Construction Contract is not eligible for Federal Grant funding assistance.

PROCUREMENT INFORMATION			
Contract Type:	Unit Price	**Award Based On:**	Lowest Price Technically Acceptable
Commodity:	Construction	**Contract Number:**	260070
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	**Department:**	Water Operations
Service Area:	Water, Sanitary	**Department Head:**	Chris Collier
Project:	T8, U9, T9, U8, GQ, ST, L6, L9, NE		

**ESTIMATED USER SHARE INFORMATION		
User	Share %	Dollar Amount
District of Columbia	100.00%	$90,000,000.00
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%**	**$90,000,000.00**

** Work under this contract will be assigned as needed under specific task order. 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: Chris M. Collier 10/8/2026
Chris M. Collier — Date
Vice President
Water and Sewer Operations

Signed by: Ernest Tuckett III 10/9/2026
Ernest Tuckett III — Date
Chief Legal Officer and EVP
Government and Legal Affairs

Signed by: Korey Gray 10/8/2026
Korey R. Gray — Date
Vice President of Compliance
and Chief Procurement Officer

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

Matthew T. Brown 10/12/2026
Matthew T. Brown — Date
Interim Chief Executive Officer
and General Manager

Presented and Adopted: November 5, 2026
SUBJECT: Approval of Award and Authorization to Execute Contract No. 260090, Anacostia Field Operations Building Envelope Restoration and Basic Mechanical, Electrical and Plumbing Upgrades, Atmos Solutions, Inc.

#26-72
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 November 5, 2026, upon consideration of a non-joint use matter, decided by a vote of ____ ( ) in favor and ____ ( ) opposed to approve the award and authorize execution of Contract No. 260090, Atmos Solutions, Inc.

Be it resolved that:

The Board of Directors hereby authorizes the Interim CEO and General Manager to award and execute Contract No. 260090, Atmos Solutions, Inc. The Anacostia Field Operations project supports awarding a Design-Bid-Build construction contract to restore and rehabilitate the historic old pumping station's building envelope and make basic mechanical, electrical, and plumbing improvements at 1716 18th Pl, SE, Washington, DC 20020. The work will stabilize and preserve the building envelope, address deferred maintenance, enhance safety, extend facility life, and support possible future operational use of this non-process facility. The total contract value is not-to-exceed $3,638,639.47 from December 1, 2026 through November 30, 2028.

This Resolution is effective immediately.

_____
Acting Secretary to the Board of Directors

Docusign Envelope ID: 96619EBB-44A5-8FE8-82FC-E8949A6D367B

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

ACTION REQUESTED

CONSTRUCTION CONTRACT:

Anacostia Field Operations
Building Envelope Restoration & Basic Mechanical, Electrical & Plumbing Upgrades (Non-Joint Use)

Approval of award and authorization to execute a construction contract not-to-exceed $3,638,639.47

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME:	SUBS:		PARTICIPATION:
ATMOS SOLUTIONS INC. 6856 Eastern Ave NW Washington DC 20012 (DBE)	JB Smith Construction, L.L.C Catonsville, MD Steel Pro Inc, Baltimore, MD	DBE WBE	97% 3%

*Multiple contractors expressed interest in the project through site visit participation and the submission of procurement-related questions. To maximize competition the bid period was extended to provide additional time for interested firms to prepare proposal. Despite these efforts, only one bid was received and was determined to be fair and reasonable according to the scope and requirements of the project.

DESCRIPTION AND PURPOSE

Contract Value, Not-To-Exceed:	$3,638,639.47
Contract Time:	730 days (2 Years, 0 Months)
Anticipated Contract Start Date (NTP):	12/01/2026
Anticipated Contract Completion Date:	11/30/2028
Bid Opening Date:	09/08/2026
Bids Received:	1*

Purpose of the Contract:
The Anacostia Field Operations project supports award of a Design-Bid-Build construction contract for restoration and rehabilitation of the historic old pumping station building envelope and associated basic mechanical, electrical, and plumbing (MEP) improvements at 1716 18th Street, S.E., Washington, DC 20020. The contract will stabilize and preserve the historic building envelope, address deferred maintenance, improve safety and facility longevity, and support potential future operational use of this non-process facility.

Contract Scope:
The work includes restoration of the historic building envelope and basic Mechanical Electrical & Plumbing (MEP) systems at the abandoned Anacostia Water Pumping Station. While the primary focus is on the old pumping station building envelope, limited MEP improvements are needed to support stabilization, safety, and potential future use.

- **Building Envelope:** Restore exterior walls, windows, doors, trim, moldings, half-timbering, and stucco using historically sensitive materials and details. Replace the existing slate roof with a lighter synthetic roof system designed to maintain the historic appearance.
- **MEP Systems:** Restore basic MEP systems within the old pumping station, including a new Variable Refrigerant Volume (VRV) heat pump system, electrical distribution, LED interior/exterior lighting, lightning protection, and renovation of the existing single-user restroom.
- **Structural:** Provide limited roof-framing evaluation associated with the new roof system.

Docusign Envelope ID: 96619EBB-44A5-8FE8-82FC-E8949A6D367B

Federal Grant Status:

- Construction Contract is not eligible for Federal Grant funding assistance

PROCUREMENT INFORMATION			
Contract Type:	Construction contract	**Award Based On:**	Lowest Qualified Bidder
Commodity:	Construction	**Contract Number:**	260090
Contractor Market:	Open Market		

BUDGET INFORMATION			
Funding:	Capital	**Department:**	Facilities Management
Service Area:	Non-Process Facilities	**Department Head:**	Brent Christ
Project:	SA		

ESTIMATED USER SHARE INFORMATION		
User	**Share %**	**Dollar Amount**
District of Columbia	100.00%	$ 3,638,639.47
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%**	**$ 3,638,639.47**

Signed by: Kirsten B. Williams, Esq. 10/8/2026
Kirsten B. Williams Date
Chief Administrative Officer
and Executive Vice President

Signed by: Korey Gray 10/8/2026
Korey R. Gray Date
Vice President of Compliance
and Chief Procurement Officer

Signed by: Lola Oyeyemi 10/8/2026
Lola Oyeyemi Date
Chief Financial Officer and EVP
Finance, Procurement and Compliance

Signed by: Ernest Tuckett III 10/9/2026
Ernest Tuckett III Date
Chief Legal Officer and EVP
Government and Legal Affairs

Matthew T. Brown 11/2/2026
Matthew T. Brown Date
Interim Chief Executive Officer
and General Manager