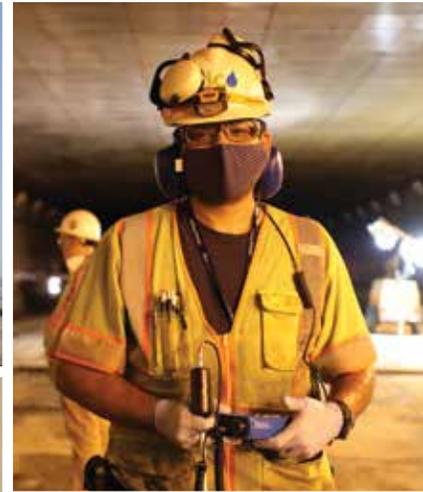


25-Year Journey to World Class

Annual Report 2021





DC Water Celebrates 25-Year Journey to World Class

“Over the last quarter century, the women and men of DC Water have firmly established the Authority as an innovator and leader across the global water sector. Inspired to build upon our legacy, today’s Team Blue is already focused on the next 25 years, delivering a new suite of programs and equity initiatives that will dramatically improve water infrastructure and environmental outcomes in our historically underserved communities.”

David L. Gadis
CEO and General Manager

On April 18, 2021, the Authority marked its 25th anniversary as an independent water and sewer authority. Anniversaries are a time to celebrate achievements, big and small, but also an opportunity to examine how we have navigated the challenges along the way.

The COVID pandemic has continued to pose serious challenges for the Authority, our employees, and the communities we serve. Additionally, climate change is placing further strain on our already aging infrastructure and the economic impact from the pandemic has created new financial hardships for some customers. With a little creativity and a lot of hustle, DC Water met these challenges one customer at a time.

DC Water suspended service disconnections and provided several financial assistance programs, with an emphasis on equity for our customers. We completed and launched new green and water infrastructure projects and programs, including an ambitious plan to replace *all* lead service lines in the District. Perhaps most importantly, we unveiled a new strategic plan, **Blueprint 2.0**.

Although proud of our 2021 prodigious achievements *and* 25-year journey to world-class, there is so much more to be done to make the world a safe and healthy place. We have the passion, commitment, and blueprint to guide us to an even more remarkable future.

Table of Contents

2	DC Water Celebrates 25-Year Journey to World Class	20	EPA Supports DC Water’s Infrastructure Repair, Rehab and Replacement Program
3	Messages from the CEO and Board Chair	22	Environmental Stewardship Begins with Us
5	Board of Directors	24	Meeting the Energy Challenge
7	Maintaining Industry Leadership at Home—and Abroad	25	Financial Performance
10	Meeting the Challenges of COVID	28	Clean Rivers Project Gains Momentum
12	Lead Free DC by 2030	30	Warmer, Wetter and Wilder
14	Diversity, Equity and Inclusion	32	There When You Need It
16	DC Water Cares	33	Awards
18	An Economic Lifeline	35	By The Numbers

Messages from the CEO and Board Chair



Despite significant challenges posed by the ongoing COVID-19 pandemic, I am very proud to report that DC Water had a remarkably successful year. In 2021, the Authority launched new cloud-based Enterprise Resource Planning (ERP) software, developed the Lead

Free DC Program, launched a new Strategic Plan, Blueprint 2.0, and contributed to national advocacy on water equity and infrastructure needs. These initiatives would represent ambitious goals under ideal circumstances, but within the context of the pandemic, it is an exceptional level of performance.

Like Blueprint 2.0, this Annual Report is organized around the five organizational imperatives that we believe are critical to our continued success and ability to equitably meet the needs of our community: **Healthy, Safe and Well, Reliable, Resilient, Sustainable and Equitable.**

The stories and successes highlighted in this Annual Report all relate to at least one of the imperatives above and reveal an organization that is focused on the future and able to meet the challenges ahead of us, from climate change to aging infrastructure and more.

I invite you to explore the stories and accomplishments featured throughout this report; I think you will find that DC Water continues to set the standard for our customers, our community, and our industry.

David L. Gadis
CEO and General Manager



It is incredible how far this utility has come in a relatively short amount of time. When it was established as an independent Authority of the District of Columbia in 1996, few could have imagined the DC Water of today, a national and international

leader setting the standard for cutting-edge research and innovation, implementing new technologies on a grand scale, and embracing green initiatives that reduce its carbon footprint.

As we celebrate the success of the first 25 years, we must acknowledge the tremendous work done most recently managing the treacherous impacts of the pandemic. The team at DC Water has excelled under the most trying of circumstances, continuing to provide critical services with dedication and compassion.

I also want to commend the members of the Board of Directors for their steady leadership over the past year. The financial impacts of the pandemic have necessitated some difficult decisions, and the Board has handled each challenge expediently and professionally. I am most proud of the additional assistance we have provided to help customers struggling to pay their bills.

It is my great pleasure to lead this Board on behalf of Mayor Bowser and as I look back on the accomplishments of the past year, I am confident we have established a great foundation for the next 25 years.

Tommy Wells
Board Chair



Healthy, Safe and Well

Is everyone affected by the Authority healthy, safe and well?



Reliable

Can we delivery our agreed service level in an efficient and effective manner?



Resilient

Are we able to cope with and recover from disruption and able to anticipate shocks and stressors to maintain service levels?



Sustainable

Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?



Equitable

Are we operating in an equitable manner to enable our employees, partners, customers and communities to prosper?



Board of Directors

Board members are appointed by the Mayor of the District of Columbia. Currently, the Board has eight standing committees.

PRINCIPAL BOARD MEMBERS

Tommy Wells

Board Chair
District of Columbia
Director, Department of Energy and Environment

Rachna Butani Bhatt

District of Columbia
Director, HRGM Corporation

David Franco

District of Columbia
Principal, Level 2 Development

Anthony R. Giancola, PE

District of Columbia
Retired

Christopher Herrington

Fairfax County, VA
Director, Department of Public Works and Environment

Fariba Kassiri

Montgomery County, MD
Deputy Chief Administrative Officer

Floyd Holt

Prince George's County, MD
Deputy Chief Administrative Officer for Government Infrastructure, Technology and Environmental Services

Tara Jackson

Prince George's County, MD
Chief Administrative Officer

ALTERNATE BOARD MEMBERS

Reverend Dr. Kendrick Curry

District of Columbia
Pastor, Pennsylvania Avenue Baptist Church

Ivan Frishberg

District of Columbia
First Vice President, Sustainability Banking, Amalgamated Bank

Howard C. Gibbs

District of Columbia, *Retired*

Joe Leonard, Jr.

District of Columbia
Director, Howard University Community Association

Jed Ross

District of Columbia
Chief Risk Officer, Office of Risk Management

Sarah Motsch

Fairfax County, VA
Branch Manager, Department of Public Works and Environmental Services, Engineering Support

Adriana Hochberg

Montgomery County, MD
Assistant Chief Administrative Officer

Steven Shofar

Montgomery County, MD
Division Chief, Intergovernmental Affairs,

Andrea Crooms

Prince George's County, MD
Director, Department of Environmental Programs,

Jared McCarthy

Prince George's County, MD
Deputy Chief Administrative Officer for Government Operations

STANDING COMMITTEES

Executive Committee

Tommy Wells, *Chair*

Audit

Floyd Holt, *Chair*

Governance

Joe Leonard, Jr., *Chair*

DC Retail Water and Sewer Rates

Rachna Butani Bhatt, *Chair*

Environmental Quality and Operations

Sarah Motsch, *Chair*

Finance and Budget

Anthony R. Giancola, PE, *Chair*

Human Resources and Labor Relations

Adriana Hochberg, *Chair*

Strategic Planning

Tommy Wells, *Chair*

SENIOR EXECUTIVE TEAM

David L. Gadis

Chief Executive Officer and General Manager

Marc K. Battle, Esq.

Chief Legal Officer and EVP, Legal Affairs

Matthew Brown

Chief Financial Officer and EVP, Finance and Procurement

Wayne Griffith

Chief Strategy and Performance Officer and EVP, Strategy and Performance

Keith J. Lindsey

Chief of Staff

Kishia L. Powell, P.E.

Chief Operating Officer and EVP

Lisa Stone, SPHR, SHRM-SCP

Chief People and Inclusion Officer and EVP, People and Talent

Kirsten B. Williams, Esq.

Chief Communications and Stakeholders Engagement Officer and EVP



Maintaining Industry Leadership at Home—and Abroad

Despite challenges presented by the pandemic, DC Water continues to make a splash at the industry level.

DC Water played a very visible role at Water Environment Federation's Technical Exhibition and Conference (WEFTEC) with 17 Authority employees featured as presenters during the conference. Our CEO, **David Gadis**, participated in a panel discussion with the CEO of PDT of Johor Bahru, Malaysia, our twin agency through the ASEAN WISE program—which forms partnerships between

ASEAN Smart Cities and U.S. urban water utilities in order to advance water security. After the conference, DC Water had the pleasure of hosting the delegation for a visit in the nation's capital.

Chief Operating Officer **Kishia Powell** was elected president of the National Association of Clean Water Agencies (NACWA)—representing 330+ public water utilities. Ms. Powell will be instrumental in advancing policy intended to create an equitable and sustainable water future. She previously testified before the U.S. Senate Committee on Environ-



“Already faced with the challenge of maintaining and replacing aging infrastructure, grappling with the impacts of climate change on our most vulnerable communities, and spending billions to meet our compliance obligations; the COVID-19 pandemic has exacerbated the financial strain for many clean water utilities as arrearages have grown to an estimated \$8.7 billion in revenue losses.”

Kishia Powell
Chief Operating Officer and
Executive Vice President

ment and Public Works and stressed the need for federal investment in critical infrastructure projects as “the COVID-19 pandemic has exacerbated the financial strain for many clean water utilities.”

As the Keynote Speaker at this year's Chesapeake Tri-Association Conference, CEO Gadis highlighted how DC Water delivers equity to our stakeholders and unveiled Blueprint 2.0 to our industry peers. Senior Management Analyst **Gian Cossa** was installed as the new president of the Conference.

The Authority's CEO and COO virtually participated in the Singapore International Water Week conference. Ms. Powell was featured in a panel on “smart water” innovation and Mr. Gadis gave remarks at a session for utilities in the ASEAN WISE program. DC Water works to improve lives locally, but our impact can be felt around the globe.





Healthy, Safe and Well

Is everybody we impact healthy, safe and well?

Meeting the Challenges of COVID

From the outset of the pandemic, the coronavirus has been a moving target. From the initial spread of the virus, and with each subsequent variant, DC Water has adjusted to protect our employees, our customers, and the communities we serve.

The Authority was among the first water utilities nationwide to announce a moratorium on service disconnections and also restored service to suspended accounts to support public health needs. Telework was expanded to allow employees to work from home whenever possible and we took action to protect essential employees by separating teams, staggering shifts, and deferring non-critical maintenance work to limit the spread of the virus.

As DC Water moved to protect against the spread of the virus, the Authority was also focused on the economic impact of the pandemic. We expanded our Customer Assistance Programs to offer additional financial assistance to affected families, including the first programs targeting those residing in multi-family rental properties.

As we turn our focus to recovery in the coming months, DC Water will continue to work closely with the District government, our Stakeholder Alliance and other community partners to ensure that we continue to anticipate and meet the needs of our community.



“We recognize our customers most impacted by the pandemic may still be struggling financially. We urge those customers to contact us for payment assistance and flexible repayment plans now and to work towards resolution before we implement late fees.”

David L. Gadis
CEO and General Manager



Healthy, Safe and Well continued

Lead Free DC by 2030

Building on the early success of its Lead Free DC initiative that removed lead service lines from more than 1,000 District homes and saved customers approximately \$1,000,000 in replacement costs, DC Water unveiled an ambitious plan to remove all lead service lines in the District by 2030.

The new plan combines DC Water’s existing programs to remove lead into one coordinated effort that prioritizes lead replacement for children and pregnant women, as well as historically underserved communities that experience disproportionately poorer health outcomes compared with other parts of the city.

DC Water estimates the District of Columbia has more than 28,000 service lines with lead pipe. The new initiative accelerates the replacement of those lead service lines and will align DC Water’s replacement programs with a public education



program to assist implementation of new laws supporting lead mitigation and also identify additional financing vehicles.

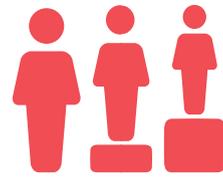
The bold initiative is expensive—costing between \$944 million and \$1.139 Billion by DC Water’s estimates to eliminate all lead service lines.

John Deignan (*Program Manager, Lead Services / Water Services*) said the new initiative “represents a holistic approach that incorporates water quality and customer equity needs when prioritizing replacements.”

Timeline of Lead Service Line Replacements

Fiscal Year	CIPERR	VFRP	LPRAP	Annual LSL Total	Phase		
					Phase I	Phase II	Phase III
FY2021	150	400	250	800	Phase I		
FY2022	1693	300	400	2393		Phase II	
FY2023	2324	200	800	3324			Phase III Design
FY2024	3157	183	1234	4574		Phase II Wrap-up	
FY2025	3261	183	1234	4678			
FY2026	2344	183	1234	3761			Phase III
FY2027	1398	183	1234	2815			
FY2028	1398	183	1234	2815			
FY2029	1398	183	1234	2815			Phase III Wrap-up
Grand Total*	17124	1997	8854	27975			Phase IV

CIPERR: Capital Improvement Project and Emergency Repair Replacements; **VFRP:** Voluntary Full Replacement Program; **LPRAP:** Lead Pipe Replacement Assistance Program
 *Annual LSL replacements per program area were generated by the Lead Free DC prioritization model which is based on water quality and equity factors. VFRP and LPRAP are customer-initiated programs so LSL rate is dependent on customer participation. Only unfunded amounts were adjusted in the high and low cost estimate.



Equitable

Are we operating in an equitable manner to enable our employees, partners, customers, and communities to prosper?

Diversity, Equity and Inclusion

This past year taught us a lot about listening and learning from our employees, customers and communities. With increased national attention on the broader issues of race and inequality, DC Water began looking inward at how we can drive deeper conversations about social justice, while creating awareness about the challenges vulnerable communities face.

From listening sessions and employee town hall meetings to the formation of new employee resource groups, DC Water spent the year focusing on the unique needs of its workforce by creating immersive experiences that allow diverse groups of employees to form networks of support. These conversations sparked the formation of the One Water Council for Inclusion and Equity, which was initiated to link inclusion activities to our strategic imperatives.

In partnership with the US Water Alliance and Benny Starr, its inaugural Artist-in-Residence, DC Water began a new journey to approach solving the challenges its customers face more equitably with the launch of its Water Equity Roadmap.

Equity leaders held a series of listening sessions on critical topics in water equity, including public engagement, affordability, workforce development and climate resiliency. These smaller group settings were opportunities to connect and share personal experiences, while examining the actions the Authority can take to advance equitable water management.

Much more work is needed to turn actions into results, but we are committed to this journey and know that our success makes us stronger as an Authority and a community.





Equitable continued



DC Water Cares

The continuing COVID-19 pandemic – still going strong in its second year – created a considerable financial hardship for many District residents. The impact was apparent as more of our customers fell behind on their water bills, and thousands took advantage of assistance programs.

In response, this year we launched the comprehensive DC Water Cares program, including a new plan that provides near-term emergency relief to customers with past due balances. We also launched a new program to provide assistance to tenants and property owners of multi-family housing units – one of the very first programs of its kind in the nation. And we continued to offer qualified customers discounts on their monthly bills.

In an effort to connect customers with the help available, we worked extensively this year to promote DC Water Cares. We presented to dozens of community groups, and partnered with a wide range of organizations and agencies to inform the public about the suite of assistance programs. We used paid advertising, social media, Nextdoor and direct outreach to residents. We also partnered with local food banks to insert DC Water Cares fliers into food bags and boxes for their clients.



The number of participants in the expanded customer assistance programs (CAP) for residents grew to 5,182 customers, a 13 percent increase from the previous year. Of those customers, 3,179 also received emergency assistance from DC Water or the District Government to pay all or part of an outstanding water-bill balance. The Multi-family Assistance Program (MAP) provided more than \$2.5 million in assistance to 5,978 tenants. In total, DC Water and the District provided more than \$9.4 million to assistance to ensure everyone had access to clean drinking water this year.



Equitable continued

An Economic Lifeline

DC Water does far more for the community than providing water and wastewater services. Under the leadership of **CEO David Gadis**, the Authority has broadly expanded its suite of Business Diversity and Inclusion Programs that offer an economic lifeline for local, small, and disadvantaged businesses and their employees.

Over the past year, the Authority has made significant progress and garnered numerous accolades for these efforts, including revisions to DC Water’s Business Development Plan that simplify the process for these businesses to bid on and win contracts with the Authority. We also launched the Business Diversity and Inclusion Advisory Council as a forum for ongoing dialogue and feedback from the small business community.

During FY 2021, the Authority awarded contracts totaling more than \$20.4 million to disadvantaged small businesses and \$6.8 million to women-owned enterprises, and the impact has been increasingly recognized and honored. DC Water was recognized as a “Champion for Minority Business Enterprises” by the District of Columbia Metro Hispanic Contractor’s Association, and as “Outstanding Partner for Certified Business Enterprises,” by the District of Columbia Anchor Partnership. In addition, Mr. Gadis was honored as a COVID-19 Hero” at the Maryland Washington Minority Contractors Association’s 8th Annual Black History Awards ceremony.



“Champion for Minority Business Enterprises”



“Outstanding Partner for Certified Business Enterprises”



Md. Washington
Minority Companies Association

“COVID-19 Hero”



Sustainable

Are we able to meet the needs of the present without compromising the ability of future generations to meet their own needs?

EPA Supports DC Water's Infrastructure Repair, Rehab and Replacement Program

In April, the U.S. Environmental Protection Agency (EPA) awarded DC Water a \$156 million Water Infrastructure Finance and Innovation Act (WIFIA) loan to help finance water infrastructure improvements, including new water mains throughout the city. DC Water's Comprehensive Infrastructure Repair, Rehabilitation and Replacement Program costs \$319 million, and EPA's WIFIA loan finances nearly half.

The funds are earmarked for small-diameter water main replacements, wastewater treatment plant upgrades and sewer rehabilitation projects—all necessary to provide critical services that are vital to public health.

Upgrades to water mains and pumps throughout the system will improve drinking water distribution for better public health protection, and protect the Potomac and Anacostia Rivers from sewage contamination with upgraded stormwater and 'green' projects.

According to Chief Financial Officer **Matthew Brown**, "These funds will provide much-needed upgrades to our water, sewer and wastewater treatment facilities and save us close to \$30 million that we can pass along to our customers."



DC Water serves more than 700,000 residents, including many lower income communities and communities of color.

"The savings will make it easier for the Authority to continue many of its income assistance programs to help customers in need," Brown said.



Sustainable continued

Environmental Stewardship Begins with Us

In February, we received word that our administrative headquarters building (HQO) was officially certified by the U.S. Green Building Council (USGBC) as LEED Platinum. LEED Platinum represents the top tier of the LEED rating system and is reserved for those buildings that collectively achieve the highest scores across nine areas of measurement.

According to the building's architect, Sven Shockey, of SmithGroup, there were only 125 platinum certified buildings in the District at the time of the announcement. In addition, HQO was the very first new office building in North America to use a wastewater thermal exchange system to heat and cool the building.

HQO was also recognized for its many other sustainable features, including the green roof which reduces stormwater runoff and contains grass, flowers and shrubs to absorb rainwater. A 40,000-gallon cistern collects any rainwater not absorbed by plantings. The collected water is then used for 100 percent of the toilet flushing and irrigation needs of the building. The use of the wastewater thermal exchange system and the rainwater capture saves up to 1.2 million gallons of water annually.

Most of the building's interior receives natural daylight, so interior lighting is automatically shut off or dimmed during the day to reduce energy consumption. At night, lighting is motion-activated. As a result of all the energy-saving approaches designed into the building, it is one of the most energy-efficient structures in the city, using 48 percent less energy than a typical office building of its size.





Sustainable continued

Meeting the Energy Challenge

In January 2021, the Advanced Energy Group (AEG) convened stakeholders in Washington D.C. to discuss overcoming obstacles the District faces in its resilience and equity goals while decarbonizing critical infrastructure. DC Water competed and won AEG’s infrastructure-focused challenge, launching a 12-month collaboration with stakeholders. This partnership developed a prioritized portfolio of potential projects with the goal of enhancing water equity while also expediting funding and identifying other collaborative opportunities. The 16 projects in the portfolio include: renewable natural gas, co-digestion, wastewater thermal energy, solar arrays, EV chargers, and a microgrid.

The process has allowed us to proactively demonstrate how, through a crowdsourcing process,

we can create District-wide opportunities that are not only environmentally sound, but lead with an equitable approach. To ensure ingenuity and diversity of thought, the team first established a Task Force consisting of both DC Water staff and external stakeholders. With community as the focal point, the Task Force collectively defined equity within the context of the Challenge, developed scoring tools to evaluate potential equity, carbon, and resilience gains, and assessed the value and potential impact of projects under consideration.

By February 2022, the Task Force will have officially delivered on its challenge. However, the Task Force continues to seek community and other stakeholder input to gain deeper perspectives on opportunities, needs, and challenges as we move these project opportunities forward.

Quarterly Milestones and Inter-Challenge Connections

Year-Qtr Month	21-Q1 JAN	21-Q2 APR	21-Q3 JUL	21-Q4 NOV	22-Q1 JAN	22-Q2 APR	22-Q3 JUL	22-Q4 OCT
DOEE DC Water Pepco Ameresco	DC Water 21-Q1 – Critical Infrastructure, Equity and Resilience							
		M1	M2	M3	D			
AvalonBay Communities Nuveen Clark Construction HOK	HOK 21-Q2 – Buildings and Construction							
PJM AES HEET DOEE	Heet 21-Q3 – Grid Modernization							
TBD	TBD 21-Q4 – Mobility and Transportation							

M1 – Define equity and identity broad project portfolio **M2** – Score projects, identify strategic partnerships **M3** – Prioritize and unify portfolio
Deliverable (D) – Submit a refined outline of DC Water projects combining equity, carbon reduction and vulnerability

Sustainable continued

Financial Performance

DC Water ended fiscal year 2021 in a strong financial position, particularly in light of COVID impacts to the Authority. Results included a strong liquidity position and positive budget-to-actual results from cost-control initiatives. The Authority met or exceeded all financial targets and complied with Board policies and bond covenants.

Highlights

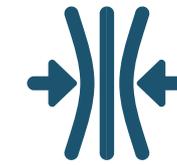
- Operating revenues increased by \$33.7 million to \$770.6 million, or 4.6%, primarily due to the retail rate increase of 9.9% offset by the 6.8% decrease in the Clean Rivers Impervious Area Charge (CRIAC) and the effects of the COVID-19 pandemic.
- Operating expenses increased by \$18.2 million to \$471.9 million, or 4.0%, primarily due to increases in personnel services, chemicals, supplies and small equipment, utilities and rent, depreciation expense, and water purchases.
- Capital assets, net of depreciation and amortization, increased by \$261.1 million to \$7.7 billion, or 3.5%, as a result of capital additions of \$399.2 million offset by depreciation and amortization of \$138.1 million. Capital additions incurred in 2021 were in line with the Authority's approved 10-year capital improvement program.
- Current assets decreased by \$17.0 million to \$711.8 million, or 2.4%, primarily due to a \$12.2 million decrease in restricted cash and investments, an \$8.3 million decrease in receivables from other jurisdictions, a \$5.9 million decrease in receivables from the Federal government offset by an \$8.7 million increase in unrestricted cash and investments and a \$4.7 million increase in customer receivables.
- The Authority's net position increased by \$187.8 million to \$2.7 billion, or 7.6%, as a result of current year operations and capital contributions.
- Long-term debt, including current maturities, decreased by \$92.0 million to \$3.7 billion, or 2.4%, primarily due to principal payments of \$76.3 million.
- Long Term Credit ratings of Aa1/AAA/AA+ and Short Term Credit Ratings of P-1/ A-1+/ F1+ were reaffirmed by Moody's, S&P, and Fitch rating agencies.
- Government Finance Officers Association awarded DC Water with a Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award.
- DC Water received its 25th consecutive unmodified audit opinion on its financial statements.

SEPTEMBER 30, 2021 AND 2020 (IN THOUSANDS)

Condensed Statements of Net Position	2021	2020
Current assets	\$711,797	\$694,776
Capital assets, net	7,735,722	7,474,561
Non-current assets	130,304	266,946
Total assets	8,577,823	8,436,283
Deferred outflows of resources	94,804	99,412
Current liabilities	497,849	474,538
Long-term debt outstanding	3,616,698	3,716,204
Long-term liabilities	1,896,811	1,871,520
Total liabilities	6,011,358	6,062,262
Net investments in capital assets	2,305,799	2,129,340
Restricted	39,223	35,222
Unrestricted	316,247	308,871
Total net position	\$2,661,269	\$2,473,433

Condensed Statements of Revenues, Expenses and Changes in Net Position		
Operating revenues	\$770,557	\$736,828
Operating expenses	471,902	453,699
Net non-operating (expenses)	(152,912)	(82,878)
Change in net position before capital contributions	145,743	200,251
Capital contributions	42,093	22,727
Change in net position	187,836	222,978
Net position – beginning of year	2,473,433	2,250,455
Net position – end of year	\$2,661,269	\$2,473,433

Condensed Statements of Cash Flows		
Net cash provided by operating activities	\$376,150	\$392,695
Net cash used in capital and related financing activities	(489,984)	(139,296)
Net cash used in investing activities	56,239	(56,856)
Net increase in cash and cash equivalents	(57,595)	196,543
Cash and cash equivalents – beginning of year	550,728	354,185
Cash and cash equivalents – end of year	\$493,133	\$550,728



Resilient

Are we able to cope with and recover from disruption, anticipating shocks and stressors to maintain service?

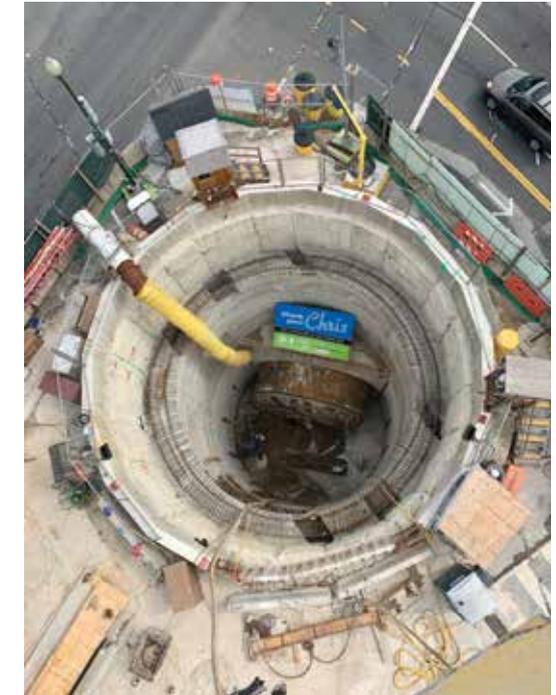
Clean Rivers Project Gains Momentum

2021 was another banner year of progress in the generational effort to improve the water quality in the Anacostia and Potomac rivers and Rock Creek.

In April 2021, the tunnel boring machine (TBM) known as Chris completed mining the Northeast Boundary Tunnel (NEBT). Chris broke through a drop shaft approximately 80 feet below the ground near the intersection of 6th and R Streets, NW. Its five-mile journey began in 2018 just south of the RFK Stadium.

The NEBT is the longest and final segment of the Anacostia River Tunnel System and will add 90 million gallons of capacity to the existing tunnel commissioned in March 2018. The tunnel system will reduce Combined Sewer Overflow (CSO) discharges to the Anacostia River by 98 percent, for an average year, and reduce flooding and sewer backups in Northeast DC. The tunnel system has already captured more than 12 billion gallons of combined sewage and 7,700 tons of trash.

This year was also important for the Green Infrastructure (GI) program as the U.S. EPA approved DC Water's "hybrid" approach to controlling CSOs in Rock Creek. The approach blends the best of gray and green technologies and will result in at least 92 impervious acres managed with green infrastructure. This hybrid approach will deliver additional triple bottom line benefits such as



enhancements to green space, habitat creation for birds and pollinators, and new local green jobs.

The Potomac River Tunnel is the next major phase of the DC Clean Rivers Project and will reduce CSOs that contribute to water quality impairment of the Potomac River and ultimately the Chesapeake Bay. The Advanced Utility Construction phase of the Potomac River Tunnel will begin in 2022 followed by tunnel construction in 2023.



Resilient continued

Warmer, Wetter and Wilder

Once upon a time, flooding within the District primarily impacted residents in low-lying neighborhoods such as Bloomingdale and LeDroit Park. However, in recent years, we have seen more severe weather than ever before, driven by climate change.

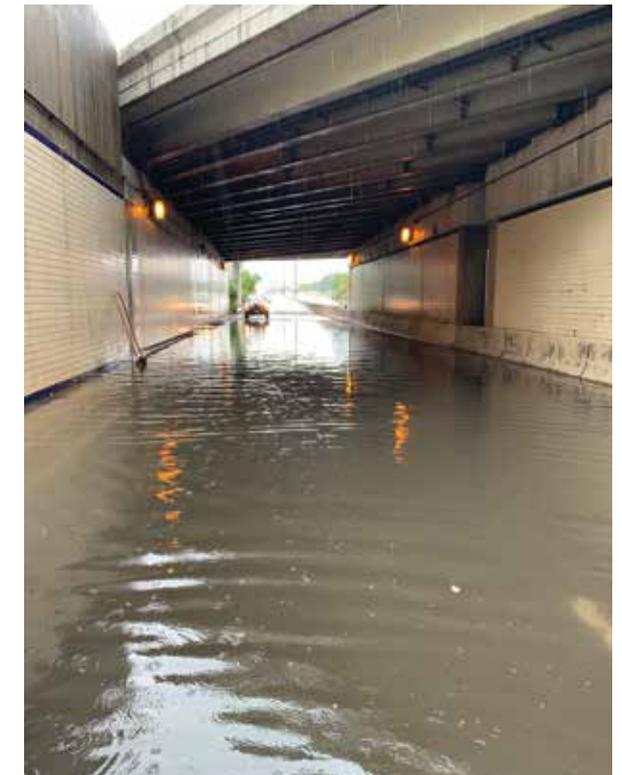
On September 10, 2020, an unusually intense storm brought three inches of stormwater across the District within a two-hour period. Our sewer and stormwater pumps were pushed to capacity, and within 25 minutes, the Anacostia River Tunnel had filled, capturing 100 million gallons of stormwater.

“The September 10 storm underscored the urgent and growing risk of severe flooding due to climate change,” said Board Chair **Tommy Wells**. “Things are only going to get worse due to shifting global temperatures and weather patterns, and we need to work together to protect and prepare our residents and our city.”



To address these challenges, DC Water will play a leading role in the Flood Task Force established by City Administrator Kevin Donahue. The Task Force, chaired by Mr. Wells and Mr. Gadis, is comprised of 13 agencies and 15 consulting organizations, and will strive to improve the District’s flood readiness.

Please visit DCFloodTaskForce.org for more information.





Reliable

Can we deliver our agreed service level in an efficient and effective manner?

“Especially right now, it is critical that we are able to continue making progress on projects that improve our region’s infrastructure and help us build a more resilient city – and to be able to do so without creating a new financial burden for residents, especially those who have been hit the hardest by this pandemic.”

Muriel Bowser
D.C. Mayor

There When You Need It

While 2021 marked the 25th Anniversary of the establishment of DC Water as an independent authority, in reality, the District’s water and sewer infrastructure dates back much further. Some of the pipes in the ground have been in service since the late 1800’s and still do an incredible job of distributing drinking water or collecting wastewater on cue.

But keeping an aging system in a state of good repair is an ongoing challenge. It takes a significant financial investment to replace old pipes, pumps and other equipment. And sometimes it takes ingenuity and elbow grease.



Over the summer, staff in Pumping Maintenance took it upon themselves to rebuild the screens at the Potomac Sewage Pumping Station, installing new support bars on the heavily-used machines that catch debris before it reaches and potentially damages the pumps. The in-house repair work saved ratepayers money and improved the reliability of this important infrastructure.

wet AWARDS



Awards

Wastewater

The National Association of Clean Water Agencies (NACWA) honored DC Water with a **Platinum9 Award** for nine consecutive years of 100% compliance with the requirements of the U.S. Environmental Protection Agency's National Pollutant Discharge Elimination System (NPDES).

Communications

DC Water accepted a Public Communication and Outreach Program Award from the Water Environment Federation (WEF).

for its first-ever children's book, "Wendy, Where Does the Wastewater Go?" In the book, the Authority's beloved waterdrop mascot takes a group of students on a tour through each of the steps of the wastewater treatment process, beginning in a home where the water is first used, and ending with cleaned water being released back into the Potomac River.

Finance

The Government Finance

Officers Association (GFOA) recognized DC Water with a **Certificate of Achievement for Excellence in Financial Reporting**. The Certificate represents the highest form of recognition in governmental accounting and financial reporting and is a significant accomplishment for the Finance team and the Authority.

Facilities

Our administrative headquarters building continues to receive recognition for its innovative

design and sustainable features. HQO was honored with several additional design awards this year, including the **American Society of Heating, Refrigerating and Air Conditioning Engineers' (ASHRAE) Region II Award of Excellence**.



HQO also earned a regional honorable mention from the **American Institute of Architects (AIA) Potomac Valley, Maryland Chapter** and an honorable mention from AIA Virginia.

Fleet

DC Water was selected as one of the **Leading Fleets in North America** by Government Fleet magazine.

100 Best Fleets in the Americas (#68) by the National Association for Fleet Administrators (NAFA).

Individuals

CEO David L. Gadis was honored by the Md. Washington Minority Companies Association (MWMCA) as a COVID-19 hero for demonstrating bravery and commitment throughout the pandemic.

In bestowing the award, the MWMCA specified that Mr. Gadis was recognized for his "continued leadership and commitment to do business with diverse suppliers during the worldwide pandemic, while simultaneously supporting affirmative hiring practices, implementing social distancing practices, remote and flexible work arrangements and new hygiene and cleaning procedures in the workplace."

Nam Ngo (Research Intern / Wastewater Treatment) received the Martha Hahn Memorial Recognition for the Top Rated Abstract at WEFTEC.

Chris Peot (Director, Resource Recovery / Wastewater Treatment) was inducted as a Fellow of the Water Environment Federation.

David Gill (Acting Director, Occupational Safety and Health / Shared Services) accepted the Burke Safety Award from the Chesapeake Water Environment Association (CWEA). The award is presented to "a municipal or industrial wastewater facility for establishing and maintaining an active and effective safety program."

Greg Phillips (Program Manager, Laboratory / Wastewater Treatment) was honored by CWEA with the Laboratory Analyst Award, which is bestowed in recognition of "individuals for outstanding performance, professionalism and contributions to the water quality analysis profession."

Timothy Fitzgerald, Director of Fleet Management, was chosen by the Greater Washington Region Clean Cities Coalition (GWRCCC) Board of Directors to receive the "District of Columbia Visionary Award."





Pumped and Treated Water Storage

During Fiscal Year 2021, DC Water pumped an average of more than **95 million gallons** of water per day. In addition, DC Water stores **60 million gallons** of treated water at its eight reservoirs and tanks. The Washington Aqueduct, which treats drinking water, stores an additional **49 million gallons**.



Sewer System

DC Water operates about **2,000 miles** of combined, separate, and stormwater sewers; **50,000 manholes** and **25,000 catch basins**; **nine wastewater pumping stations**; **one combined sewer swirl facility**; and **16 stormwater pumping stations**.

Water Distribution System

DC Water delivers water through roughly **1,300 miles** of interconnected pipes, **four pumping stations**, **four reservoirs**, **three elevated water tanks**, **43,860 valves**, and **9,510 fire hydrants**.



By the Numbers

The District of Columbia Water and Sewer Authority (DCWASA) was created by District law in 1996, with the approval of the United States Congress, as an independent authority of the District Government with a separate legal existence. In 2010 the Authority rebranded and became DC Water.

Service Area

DC Water provides more than **700,000 residents** and **21.3 million annual visitors** in the District of Columbia with retail water and wastewater (sewer) service. With a total service area of roughly **725 square miles**, DC Water also treats wastewater for approximately **1.6 million people** in neighboring jurisdictions, including Montgomery and Prince George's counties in Maryland, and Fairfax and Loudoun counties in Virginia.

Blue Plains

The Blue Plains Advanced Wastewater Treatment Plant is located at the southernmost tip of the District, covering more than **150 acres** along the Potomac River. Blue Plains is the largest advanced wastewater treatment facility in the world.

Wastewater Treatment Capacity

Blue Plains treats an annual average of **320 million gallons per day (MGD)** and has a design capacity of **384 MGD**, with a peak design capacity to treat more than one billion gallons per day.



Photos courtesy of:

cover (DC WASA)
Balmar

page 15
SRB Communications

page 17
Double R Productions

page 19
US EPA

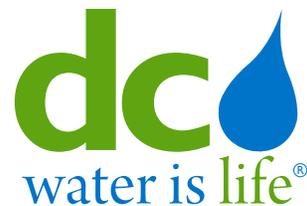
pages 21, 22, 34
Emily Hagopian

page 27
Krista Schyler

pages 33, 34
WEFTEC

“You must be shapeless, formless, like water. When you pour water in a cup, it becomes the cup. When you pour water in a bottle, it becomes the bottle. When you pour water in a teapot, it becomes the teapot. Water can drip and it can crash. Become like water my friend.”

Bruce Lee, American martial artist



DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY
1385 CANAL STREET SE, WASHINGTON, DC 20003



printer, please place
FSC logo here

