



AlexRenew is an independent public authority that manages Alexandria's wastewater to improve our local waterways.

703.721.3500 | AlexRenew.com | [f](#) [t](#) [@](#) [in](#)
1800 Limerick Street, Alexandria, Virginia 22314

BOARD OF DIRECTORS

John Hill
Chair

James Beall
Vice Chair

William Dickinson
Sec'y-Treas

Adriana Caldarelli

Mark Jinks

CHIEF EXECUTIVE OFFICER

Karen L. Pallansch
P.E., BCEE,
WEF Fellow

GENERAL COUNSEL

McGuire Woods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors
FROM: Secretary-Treasurer
DATE: November 8, 2022
SUBJECT: Regular Board of Directors Meeting

The Regular Meeting of the Board of Directors will be held virtually via Zoom on Tuesday, November 15, 2022, at 6:00 p.m.

There are no items for Board action this month.





**Agenda
Amended**

Alexandria Renew Enterprises Board of Directors Meeting
Tuesday, November 15, 2022, @ 6:00 p.m.
Virtual via Zoom Please click the link below to join the webinar:



No.	Item	Presenter	Action Required
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The November 15, 2022 Alexandria Renew Enterprises Board of Directors meeting is being held electronically pursuant to Virginia Code Section 2.2.3708.2(A)(3), the revised City of Alexandria Boards and Commission Handbook effective September 1, 2022, and AlexRenew’s electronic participation policy.

The Board of Directors and staff are participating from remote locations through a videoconference call on Zoom:

Links: <https://us06web.zoom.us/j/85612732587?pwd=ZnNZeFRsRnFuOS8vK29TcW9YN3J4Zz09>

Topic: Regular Board of Directors Meeting
Register in advance for this webinar.

After registering, you will receive a confirmation email containing information about joining the webinar.

Submission of written statements is encouraged. Written statements may be emailed to the Board Secretary at lorna.huff@alexrenew.com.

Public comment will also be received at this meeting. If you wish to speak during public comment, please email or call the Board Secretary at (703) 721-3500 ext. 2260 in advance so you can be added to the speakers list. A recording of the meeting will be posted on the alexrenew.com website after the meeting.

1.	Call to Order (6:00 p.m.)	Chairman	
2.	Approval of Agenda (6:02 p.m.)	Chairman	Approval
3.	Public Comment Period (6:05 p.m.)	Chairman	
4.	Consent Agenda (6:17 p.m.)	Chairman	Approval
	A. Minutes (Meeting October 18, 2022)		
	B. Minutes (Special Meeting October 22, 2022) (Tab 1)		
5.	Unfinished Business (6:20 p.m.)	Chairman	Approval
	A. CEO Interviews.	Mr. Hill	
	Pursuant to the Virginia Freedom of Information Act, Section 2.2-3712.B, the Board will be holding closed meetings solely for the purpose of interviewing candidates for the position of chief executive officer. Interviews conducted pursuant to this notice will be held within 15 days at Alexandria Renew Enterprises, 1800 Limerick Street, 6 th floor, Ed Semonian Boardroom, Alexandria, VA 22314		
6.	New Business (6:30 p.m.)	Chairman	Approval
	A. None		
7.	AlexRenew Monthly Outcomes Update (6:35 p.m.) (Tab 2)	Ms. Pallansch	Information
8.	Closed Session for discussion, consideration or interviews of prospective candidates for employment. (6:40 p.m.)	Chairman	
9.	Adjourn (8:00 p.m.)	Chairman	

Times shown in parentheses are approximate and serve as guidelines

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call (703) 721-3500 ext. 2260 at least three business days prior to the meeting.

A Special Board of Directors Meeting will be held on Thursday, December 1, 2022 @ 5:30 p.m.

A Special Board of Directors Meeting will be held on Saturday, December 3, 2022 @ 8:00 a.m.

The next Regular Board of Directors meeting is scheduled for Tuesday, December 20, 2022 @ 6:00 p.m.

Members of the public may park in the parking lot across the street from AlexRenew at the corner of Limerick & Bartholomew Streets

<p>Chairman- John Hill • Vice Chairman- Jim Beall • Secretary-Treasurer-William Dickinson • Members- Adriana Caldarelli, Mark Jinks</p>
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Minutes of the 898th Meeting
"Celebrating Over 60 Years of Continuous Environmental Excellence"
Alexandria Renew Enterprises
6:00 p.m., Tuesday, October 18, 2022

On Tuesday, October 18, 2022, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting in the Edward Semonian Board Room at 1800 Limerick Street, with the following present:

Members: Mr. John Hill, Chairman
Mr. James Beall, Vice Chairman
Mr. William Dickinson, Secretary-Treasurer
Ms. Adriana Caldarelli, Member
Mr. Mark Jinks, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
Ms. Allison Deines, Director, Policy and Strategy
Ms. Caitlin Feehan, RiverRenew Program Director
Ms. Lorna Huff, Secretary to the Board

Counsel: Ms. Amanda Waters, General Counsel,
McGuireWoods LLP

Fairfax County
Representative: Mr. Shahram Mohsenin, Director
Wastewater Planning & Monitoring Division

City Representative: Ms. Erin Bevis-Carver, Director
T&ES/Sanitary Sewer Infrastructure Division

Consultants: Mr. Justin Carl, Owner's Advisor
Brown & Caldwell

Call to Order

The Chairman called the meeting to order at 6:04 p.m.

Approval of Agenda

The Chairman asked that members review and approve the agenda. Mr. Dickinson moved, and Ms. Caldarelli seconded. The Board unanimously approved.

Public Comment Period

There were no members of the public in attendance and the Chairman closed the public comment period.

Consent Agenda

The Chairman asked that members review the Minutes from the September 20, 2022, Board meeting. Mr. Dickinson reported that Mr. Jinks was not included in the list of attendees. The minutes will be amended. There being no additional questions or comments, the Chairman requested a motion to approve the Consent Agenda as amended. Mr. Jinks moved approval and Mr. Beall seconded. The Board unanimously approved.

Finance and Audit Committee Report

The Chairman reported on AlexRenew's clean unmodified opinion from auditors Yount, Hyde & Barbour and recognized Mr. Jinks. He reported that AlexRenew's clean unmodified opinion means the auditor review of the financial statement and the accompanying documents found everything materially in order. He referenced AlexRenew's Federal Single Audit also received an unmodified clean opinion noting it is the highest designation that an organization can receive. He commended the clarity and thoroughness of the audit and the Annual Comprehensive Financial Report.

The Chairman inquired if members had additional comments or questions. There being no additional questions or comments, Mr. Jinks recommended that the Board accept the FY22 Annual Comprehensive Financial Report (ACFR). Mr. Jinks moved and Mr. Beall seconded, the Board unanimously approved the FY22 ACFR.

Unfinished Business

A. CEO (Chief Executive Officer) Search Progress Report

Discussion

The Chairman reported that CEO job notice closed on Friday, October 14. The Board will meet on Saturday, October 22, at 8:00 a.m. to review resumes selected by Polihire. There are approximately seven candidate resumes for review. From this process, the Board will decide which candidates to interview. Interviews will begin on November 12 and run through November 27. He requested that members keep evenings and weekends available for scheduling. Members asked whether the Board would meet again with Polihire and would members be able to review the resumes of unselected candidates. The Chairman reported that the Board will not meet again with the recruiter. Polihire will provide their detailed analysis of each candidate as well as resumes and other pertinent information. The Chairman reported resume information could be made available if the Board requested.

New Business

A. None

CEO Monthly Outcomes Reports

Ms. Pallansch referenced her written report and inquired if members had questions or comments. Ms. Pallansch reported that today is the 50th Anniversary of the Clean Water Act. She noted that cleaning water is the reason AlexRenew exists. Future vision has making the water fishable and swimmable for all.

She inquired if members had questions or comments on her two-page written report or the RiverRenew Dashboard.

RiverRenew Dashboard

Work is increasing at the Pendleton Street site (001) as shown on the Look Ahead and referenced on page 3. Staff and the contractor have adjusted the schedule to make up time. The contractor is accelerating the schedule to begin the Pile driving of approximately 250 piles in early November. The piles are needed to support the promenade and other surrounding infrastructure. The piles will be

driven by hammer due to risk management concerns and the contractor has installed monitoring devices to measure vibrations. The pile driving will take approximately four months. Mr. Jinks asked about community outreach to the neighborhood. Ms. Pallansch reported that staff will be available at the site for the first week to inform citizens. AlexRenew has scheduled Sip and Sees, flyer and door hanger distribution, and the Stakeholder Advisory Group (SAG) meeting. She reminded members of the Jamieson Street shutdown for three months in late winter. Tunnel boring begins around October 27th. The Council Board Workgroup meets Wednesday, October 19, at 5:00 p.m. at City Hall in the Council Workroom.

The Chairman referenced page 2 of the Dashboard and noted that 30% of earned value of the project is completed. Ms. Pallansch explained the process of beginning the tunnel boring machine noting that Hazel will not reach full speed, approximately 40 feet per day, until late December. Mr. Dickinson inquired if the tunnel segments are currently on site. Ms. Pallansch reported the segments are not on site due to a lack of storage space. They are currently stored in Maryland. Hazel's progress will be tracked on the Dashboard.

Financial Report

Ms. Pallansch referenced the financial report and inquired if members had questions or comments. Ms. Pallansch referenced page 4 noting the delinquency line is volatile depending on big or small accounts opening and closing as people make payments. She discussed the federal Low-income Housing Water Assistance Program (LIWHAP) being administered by the Virginia Department of Social Services (DSS) for Virginia residents with accounts in arrears. The State received \$22 million for distribution. The Virginia program has opened and AlexRenew has signed the agreement with the State to participate in the program. Promise, the organization that assisted AlexRenew with distribution of CARES Act funding, has been hired by the State to get the money out to water and wastewater utilities for approved customer accounts.

Members inquired about the percentage of eligible residents and debt collections. Ms. Pallansch did not have access to the percentages data and AlexRenew does not refer delinquent accounts to collection agencies. The Chairman asked if there were any additional questions or comments on the financial statement. There being none, Ms. Pallansch reported on AlexRenew's FY22 Annual Report. She referenced a copy in English and a copy in Spanish. She requested that members review the report and return their comments and edits by Friday Noon. Staff will make the changes and have the final version issued by the end of October. The Annual Report is distributed to City Council, Board, AlexRenew peers, libraries and other interested parties. The Annual Report is digitized once it is finalized and sent to HOAs.

There being no additional questions on the Annual Report, the Chairman inquired if there were additional items on the Agenda. Mr. Dickinson noted the EPA Alumni had a session on the Clean Water Act that included a discussion about workforce issues including hiring and retention of operators, engineers and executives and the challenges across the board. Deputy Administrator for Water, Nancy Stoner, was also in attendance discussing the Potomac River.

There being no other business, the Chairman requested a motion to adjourn. Mr. Beall moved and Ms. Caldarelli seconded. The Board unanimously approved. The meeting adjourned at 6:47 p.m.

APPROVED:

Secretary-Treasurer

Minutes Special Board of Directors Meeting
Alexandria Renew Enterprises
8:00 a.m., Saturday, October 22, 2022

On Saturday, October 22, 2022, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting in the Edward Semonian Board Room at 1800 Limerick Street, with the following present:

Members: Mr. John Hill, Chairman
Mr. James Beall, Vice Chairman
Mr. William Dickinson, Secretary-Treasurer
Ms. Adriana Caldarelli, Member
Mr. Mark Jinks, Member

Staff: Ms. Wendy Callahan, Director of Human Resources and Employee Experience

Counsel: Ms. Amanda Waters, General Counsel,
McGuireWoods LLP

Call to Order

The Chairman called the meeting to order at 8:00 a.m.

Approval of Agenda

The Chairman asked that members review and approve the agenda. Ms. Caldarelli moved, and Mr. Jinks seconded. The Board unanimously approved.

Public Comment Period

There were no members of the public in attendance and the Chairman closed the public comment period.

Closed Session

At 8:02 a.m. Pursuant to Section 2.2-3711 of the Code of Virginia, I move the Board enter into a closed meeting. The authority is found in Section 2.2-3711(A)(1).

The items to be discussed are: Discussion, consideration or interviews of prospective candidates for employment.

Second by: Mr. Dickinson. The Board unanimously approved.

Return to Open Session

At 11:21 a.m., Ms. Caldarelli moved that the Board of Directors of the Authority adjourn the Closed meeting and return to open meeting.

Second by: Mr. Beall. The Board unanimously approved.

Motion to Certify Closed Meeting

WHEREAS, The Board of Directors of AlexRenew hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law, and (ii) only public business matters were identified in the motion convening the closed

meeting were heard, discussed or considered.

Motion: Ms. Caldarelli

Second: Mr. Beall

The Board unanimously approved.

There being no other business, the Chairman requested a motion to adjourn. Mr. Beall moved and Ms. Caldarelli seconded. The Board unanimously approved. The meeting adjourned at 11:26 a.m.

APPROVED:

Secretary-Treasurer

CEO Board Report October 2022

Dear Members of the Board of Alexandria Renew Enterprises,

The Alexandria Renew Enterprises (AlexRenew) Board of Directors met on October 18, 2022. During the meeting, the Board accepted AlexRenew’s Annual Comprehensive Financial Report (ACFR). The fiscal year 2022 financial audit found no deficiencies or material weaknesses in the ACFR.

In October, AlexRenew had one (1) reported case of COVID-19. AlexRenew continues to adapt its policies to ensure that it follows the CDC guidance and complies with Virginia Department of Labor and Industry standards.

The proposed schedule for FY24 Budget and Rate Adjustments is attached. (Attachment 2)

Operational Excellence

Precipitation for October at the Reagan National Airport was 2.78 inches of rain which is below the Washington, D.C. historical average precipitation of 3.40 inches for the month.

Biosolids production for October was 1,503 wet tons, all of which was beneficially used through land application in the Virginia counties of Fauquier, King George, King William, Louisa, Dinwiddie, Frederick, Fluvanna and Buckingham. The biosolids were land applied as Class B biosolids.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for October 2022.

Treatment	Daily Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Dissolved Oxygen	Total Nitrogen ¹	Total Nitrogen LOAD	Total Phosphorus	Total Phosphorus LOAD
	MGD	(Monthly Average) mg/L	(Monthly Average) mg/L	(Monthly Average) mg/L	(Minimum) mg/L	(Annual Average) mg/L	(YTD) lb.	(Monthly Average) mg/L	(YTD) lb.
Permit	54.0	5.0	6.0	Seasonal ²	6.0	3.0	493,381	0.18	29,603
Reported	35.6	< QL	< QL	0.18	8.0	2.6	231,627	0.06	6,750

NOTES

1. Total Nitrogen expressed as year-to-date average.
2. Ammonia has seasonal limits: April – October: 1.0 mg/L

Public Engagement and Trust

Tours and Events

AlexRenew welcomed a total of 50 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center: Alexandria Chamber (30), and the Campagna Center (20). On Thursday, October 20, AlexRenew joined our One Water Alexandria partners (Virginia American Water and the City of

Alexandria Department of Transportation and Environmental Services) for an Imagine A Day Without Water pop-up event at Market Square.

Customer Service

Customer service received a total of 815 calls with 49 percent opting for self-service. The average call answer time was 16 seconds. Call center staff answered 67 emails.

Social Media and Website

During the month of October, we had more than 756 engagements on Facebook and 283 engagements on Twitter. We have 3,646 followers on Facebook, 3,311 on Twitter, 2,480 on LinkedIn, and 269 on Instagram. Alexrenew.com was visited 6,350 times and had 9,903 page views in October. We had 40 visitors click through to AlexRenew.com from social media.

Watershed Stewardship

See RiverRenew Dashboard. (Attachment 1)

Adaptive Culture

Since September 2022, AlexRenew has logged 34,666 hours without a lost time accident.

Thank you for your ongoing dedicated service to AlexRenew.

Regards,

Karen Pallansch
Chief Executive Officer

PROPOSED SCHEDULE FY2024 BUDGET AND RATE ADJUSTMENTS

ACTIVITY	FEB 2023	MAR 2023	APR 2023	MAY 2023	JUN 2023	JUL 2023
BOD Meeting March 21st		Present FY24 Preliminary Budget and Rate proposal				
Finance & Audit Committee Review		Between March 22 nd and April 10th	Between March 22 nd and April 4th			
BOD Meeting April 18th			Accept draft budget/rate proposal & Approve Resolution to hold public hearing			
First Posting of Public Hearing Public Notice			In Alex Gazette either 4/20 or 4/27			
Second Posting of Public Hearing Public Notice			In Alex Gazette on 4/27 (if first posting on 4/20)	In Alex Gazette on 5/4 (if first posting on 4/27)		
BOD Meeting May 16 th						
FY24 Draft Budget and Rate Proposal public hearings				Saturday, May 20 th at AlexRenew, 9 a.m. to Noon		
BOD Meeting June 20th					Approve FY24 Budget and Approve Rate Adjustments	

RiverRenew Board of Directors Dashboard



MONTH ENDING: OCTOBER 31, 2022

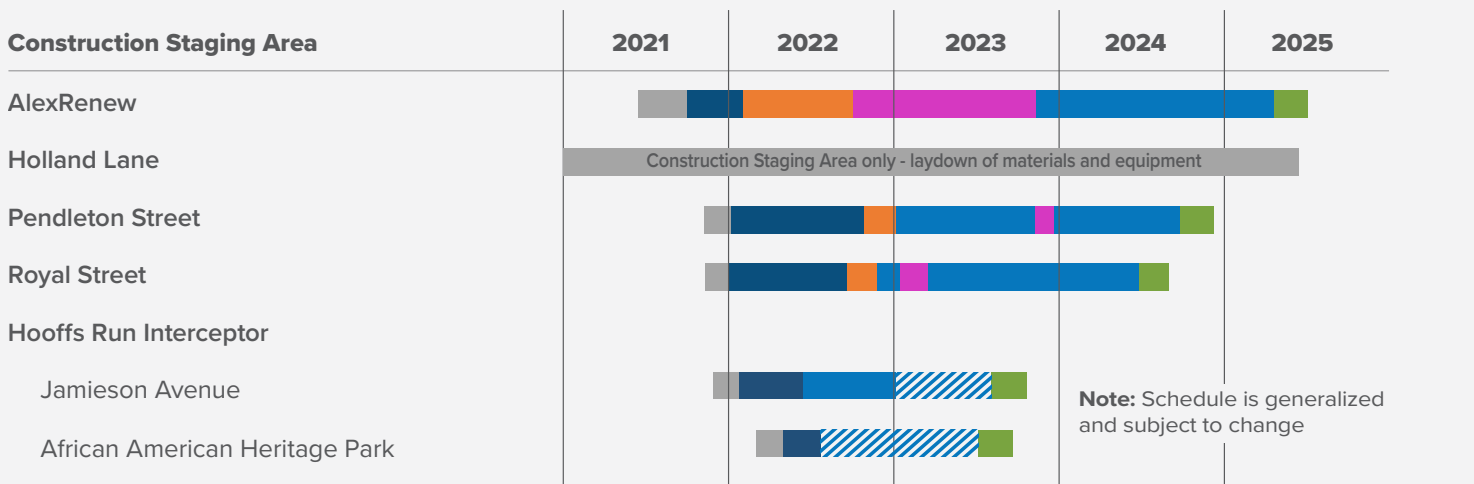
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

RiverRenew Overview

To improve the waterways that connect us, AlexRenew is implementing RiverRenew to prevent millions of gallons of combined sewage from polluting Alexandria's local rivers and streams each year. Three RiverRenew projects at AlexRenew's wastewater treatment plant are complete. The remaining project includes the construction of a new tunnel to connect AlexRenew's wastewater treatment plant to the four existing combined sewer outfalls in Alexandria.

The Tunnel Project is illustrated on Page 4 of this Dashboard. Construction associated with the Tunnel Project started in early 2021 and will continue through 2025 at five primary locations in Alexandria. The phases of construction at each location are illustrated in the schedule below.

RiverRenew Tunnel Project Schedule



■ Site Preparation ■ Support of Excavation ■ Excavation ■ Permanent Structures ■ Restoration ■ Tunneling ■ Cut and Cover

Summary of Major Tunnel Project Delays

Date:	Activity:
12/2021	Monitoring potential supply chain issues due to ongoing pandemic.
12/2021	COVID outbreak at tunnel segment mold plant in Slovenia. Manufacturing for tunnel segment molds relocated to Turkey. Anticipated one-month delay on tunnel segment molds.
1/2022	Concrete for shaft slurry walls delayed due to weather, COVID impacts, shortage of CDL drivers due to Omicron spike, and lack of concrete materials in the Greater Metro D.C. area. Monitoring schedule impacts to critical path.
2/2022	TBM fabrication and delivery delayed by three weeks. Monitoring schedule impacts to critical path.

RiverRenew Tunnel Project Design-Build Progress

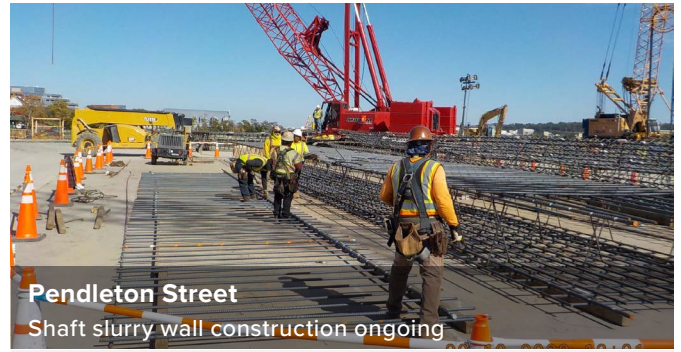
Overall Project Progress

(Design and Construction)



▲ DEC 2020

JUL 2025 ▲



Pendleton Street

Shaft slurry wall construction ongoing

Design Progress



JAN 2023 ▲

Construction Progress



NOV 2024 ▲



Royal Street

Shaft excavation ongoing

Design Progress

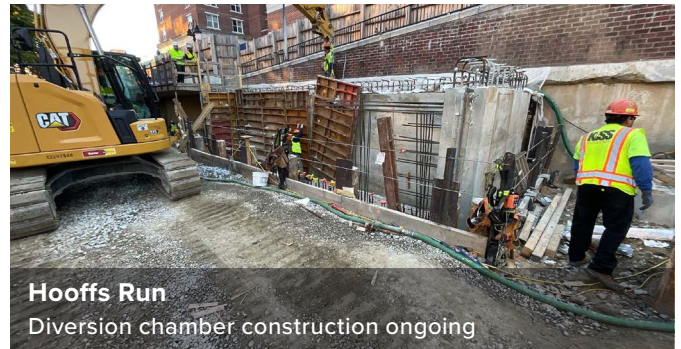


OCT 2022 ▲

Construction Progress



JUL 2024 ▲



Hooffs Run

Diversion chamber construction ongoing

Design Progress



NOV 2022 ▲

Construction Progress*



Aug 2023 ▲



Waterfront Tunnel

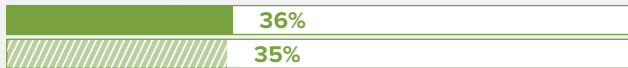
Preparing TBM for launch

Design Progress



OCT 2022 ▲

Construction Progress



SEP 2023 ▲



AlexRenew

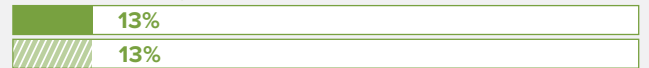
Near surface structures support of excavation ongoing

Design Progress



NOV 2022 ▲

Construction Progress



JUL 2025 ▲

LEGEND: ■ Actual Progress ■ Planned Progress ▲ Planned Completion Date

Actual Progress as of October 31, 2022. Planned Progress bars are representative of updates to Baseline Schedule.
*The planned progress for each construction staging area reflects the Design-Builder's schedule as of October 2022.

RiverRenew Tunnel Project Six-Month Look-Ahead

Pendleton Street

MAJOR WORK ACTIVITIES

Activity	Date
Shaft support of excavation	Ongoing through Nov 2022
Near surface structures deep foundations (pile driving)	Nov 2022
Shaft excavation	Dec 2022
Shaft liner and base slab construction	Apr 2023

PERMITS

Permit	Date
Building Permit - Permanent Seawall	Dec 2022
DSUP Final Site Plan Approval	Jan 2023
Building Permit - Shaft Liner and Base Slab	Jan 2023

Royal Street

MAJOR WORK ACTIVITIES

Activity	Date
Shaft excavation	Ongoing through Nov 2022
Near surface structures support of excavation	Jan 2023
Near surface structures deep foundations	Mar 2023
Near surface structures construction	May 2023

PERMITS

Permit	Date
DSUP Final Site Plan Approval	Nov 2022
Building Permit - Shaft Liner and Base Slab	Jan 2023
Building Permit - Near Surface Structure and SOE	Jan 2023

Waterfront Tunnel

MAJOR WORK ACTIVITIES

Activity	Date
Tunnel boring machine (TBM)	
Assembly	Ongoing through Nov 2022
Begin mining	Nov 2022

Community Outreach

Event	Date
2022-2023 RiverRenew SAG Meeting No. 5	Nov 17, 2022
Council-Board Workgroup Meeting No. 16	Jan 18, 2023
Community Listening Sessions	Mar 2023

Hooffs Run

MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Diversion chamber construction	Ongoing through May 2023
Open cut construction	Ongoing through May 2023
Junction chamber excavation	Dec 2022
Junction chamber base construction	Jan 2023
African American Heritage Park	
Manholes and open-cut construction	Nov 2022
Sheeting installation	Nov 2022
Jamieson Avenue full closure	Mar 2023

AlexRenew

MAJOR WORK ACTIVITIES

Activity	Date
Near surface structures support of excavation	Ongoing through Dec 2022
Pumping Shaft base slab construction	Dec 2022
Hooffs Run Interceptor (portion at AlexRenew)	Jan 2023
Near surface structures deep foundations installation	Jan 2023
Pumping Shaft liner construction	Feb 2023

PERMITS

Permit	Date
DSUP Final Site Plan Approval	Nov 2022
Building Permit - Superstructure Architectural	Jan 2023

Work Hours

NORMAL WORK HOURS

Pendleton Street	5 a.m. – 11 p.m.
Royal Street	5 a.m. – 11 p.m.
Hooffs Run	7 a.m. – 6 p.m.

EXTENDED WORK HOURS

Pendleton Street	Intermittent through Dec 2022
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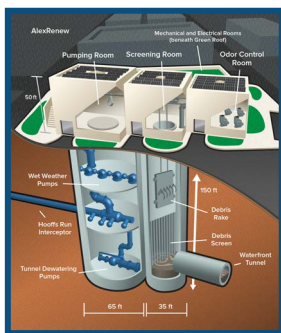
RiverRenew Tunnel Project Snapshot

The Tunnel Project includes the following major components: a two-mile-long, 12-foot-wide, 100-foot-deep tunnel; a six-foot-wide sanitary sewer interceptor; diversion facilities to capture combined sewer discharges; and two pumping stations.



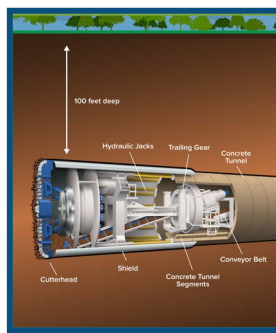
Hooffs Run Interceptor

Click [here](#) to learn more about upcoming activity at our Hooffs Run site.



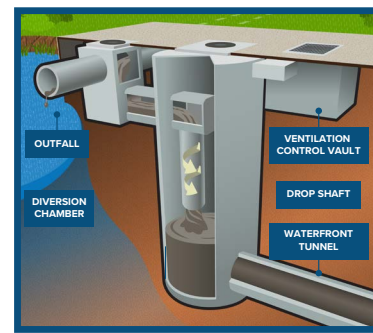
Pumping Station

Click [here](#) to take a 3D tour of RiverRenew's future pumping station.



Waterfront Tunnel

Click [here](#) to watch an animated video about RiverRenew and learn how the Waterfront Tunnel will be constructed.

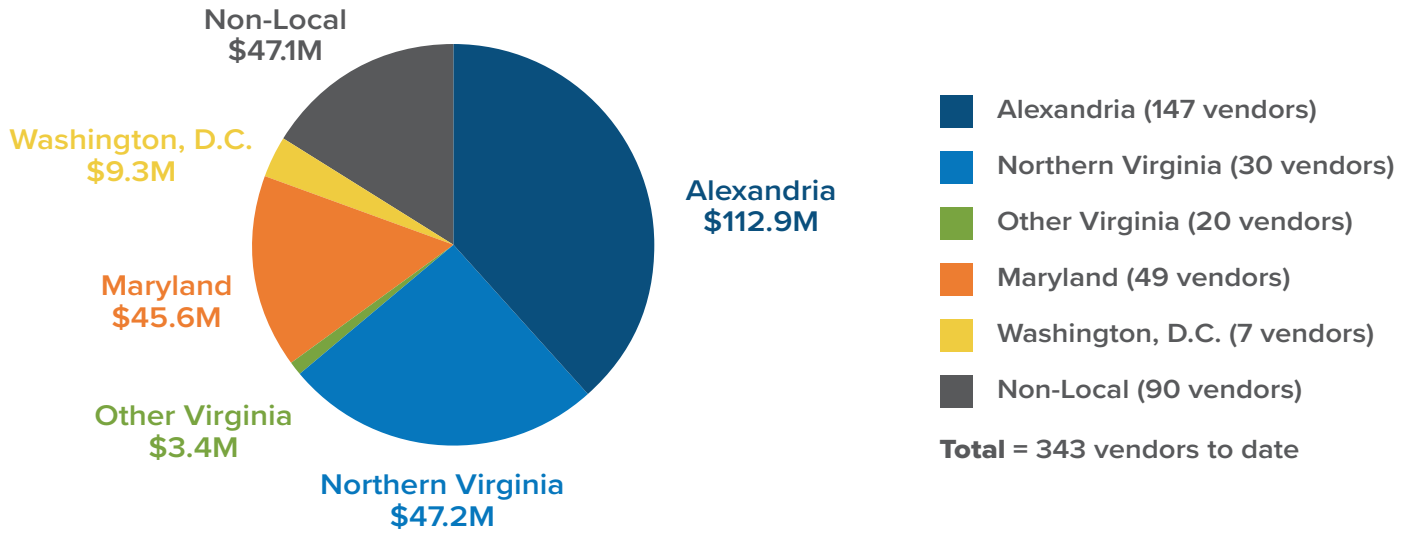


Diversion Facility

Click [here](#) for an introduction to diversion facilities from two RiverRenew engineers.

RiverRenew Program Costs to Date

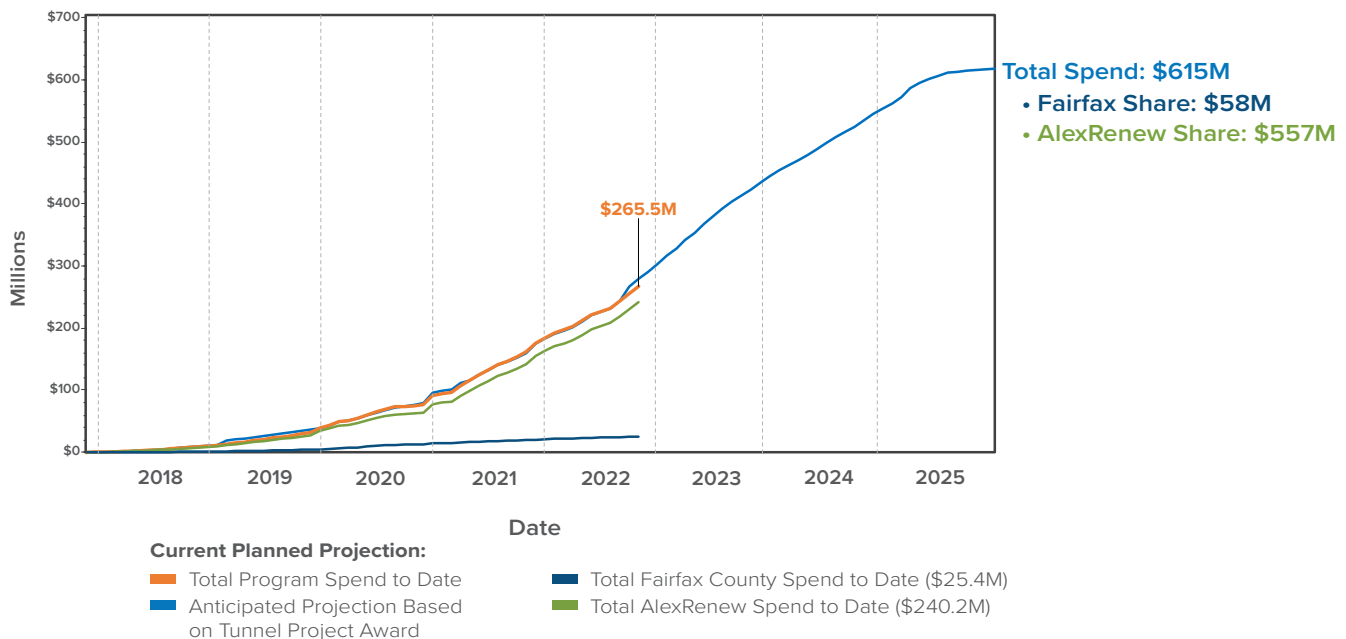
RiverRenew Spend to Date by Locality



RiverRenew Tunnel Project Contracts

Vendor	Role	Contract Type	Contract No.	Contract Date	Spent to Date (\$ millions)
Traylor-Shea Joint Venture	Design-Builder Tunnel System Project	Design-Build	19-079	Dec 2020	\$144.0
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$62.3
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$8.9
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$50.3

RiverRenew Cash Flow Analysis



Note: As of October 31, 2022.

RiverRenew Community Outreach



Community Meetings

Community meetings are presentations given to various stakeholder groups, including the SAG, and community listening sessions. These presentations can be delivered in person or virtually.

Looking Ahead:

- 2022-2023 RiverRenew SAG Meeting No. 5: **November 17**
- 2022-2023 RiverRenew SAG Meeting No. 6: **January 19, 2023**



Community Events

Participating in or co-sponsoring **community events** strengthens AlexRenew's relationship with its water and community partners.

Highlights:

- Sip 'n See events ongoing

Looking Ahead:

- Sip 'n See event at Hooffs Run: Tuesdays between 11 a.m. and 1 p.m.
- Sip 'n See event at Royal Street: Wednesdays from 11 a.m. to 1 p.m.
- Sip 'n See event at Pendleton Street: Thursdays between 11 a.m. and 1 p.m.
- Community Listening Sessions: **March 2023**



Community Days

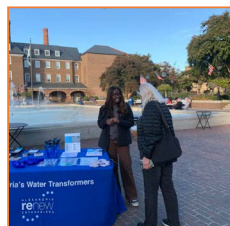
Community days feature project-specific events to celebrate construction progress on the Tunnel Project and engage the community along the way.

Highlights:

- Imagine a Day Without Water: **October 20**

Looking Ahead:

- Waterfront Tunnel Tours: **Spring 2023**



Digital Programming

Digital programming keeps the community connected to RiverRenew with regular program updates on RiverRenew.com, content on AlexRenew's social media pages, and distribution of *The River Renewer*, a quarterly newsletter promoting updates and milestones to more than 500 contacts.

Highlights:

- A festive **social post** celebrating energizing the TBM
- An **inside look** at Hazel's first cutterhead rotations in Alexandria
- A special **Halloween wish** from Cloe and her friends



Education

Education initiatives are intended to engage audiences of all ages and help them learn more about RiverRenew and its technical components.

Highlights:

- **Behind-the-scenes** banner at Pendleton Street showing shaft slurry wall construction
- New **learning activity** about multi-service vehicles featuring Mark the Multi-Service Vehicle (MSV)



Council-Board Workgroup

The **Council-Board Workgroup** comprises two members from AlexRenew's Board of Directors and two members from the Alexandria City Council.

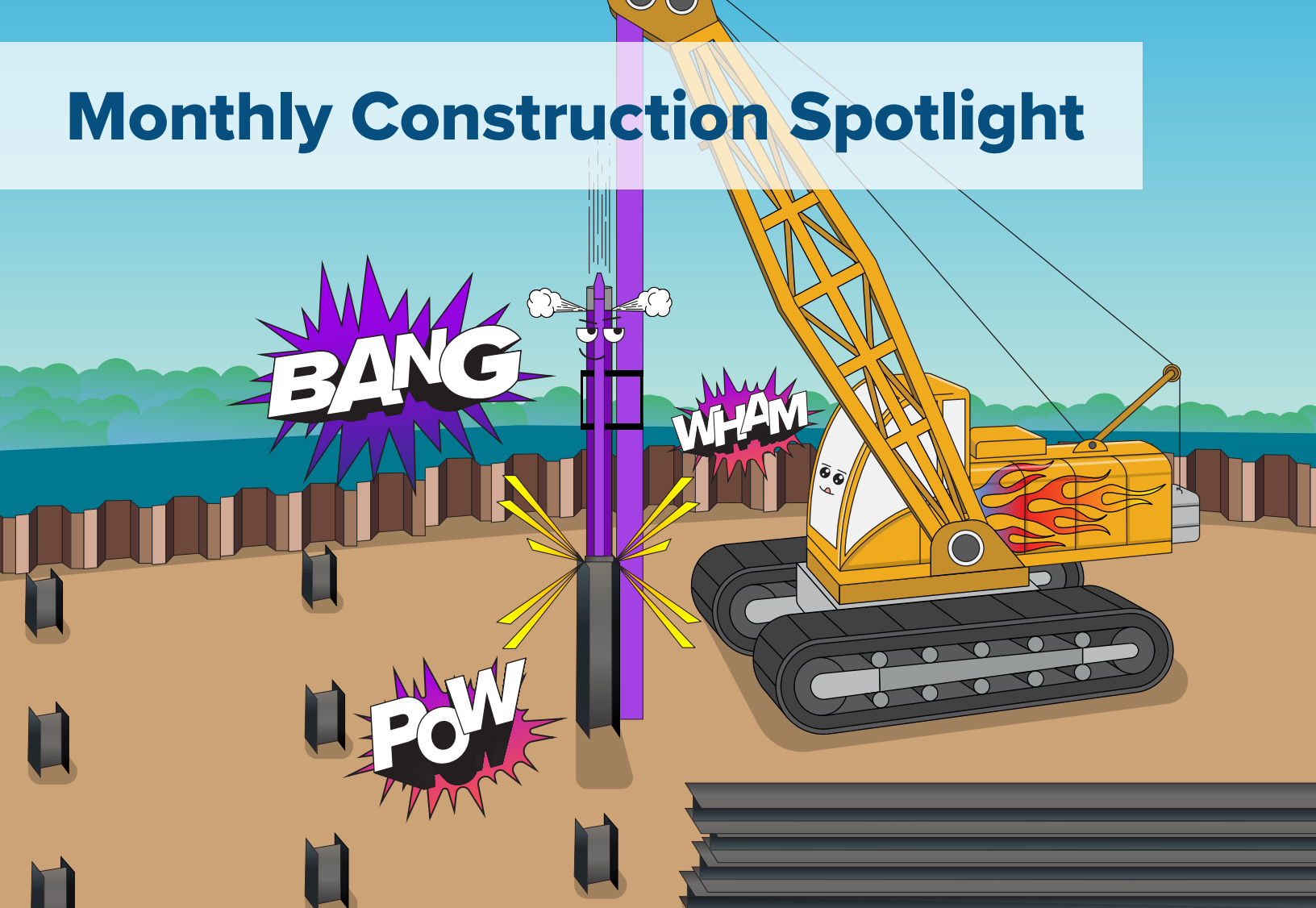
Highlights:

- Council-Board Workgroup Meeting No. 16: **October 19**

Looking Ahead:

- Council-Board Workgroup Meeting No. 17: **January 18**

Monthly Construction Spotlight



Some machines are so excited for a cleaner Potomac they can get a little loud...

...that includes Wayne the Crawler Crane's impact hammer, who will help RiverRenew crews install piles at the Pendleton Street Site beginning in late November 2022.

This critical work will help keep RiverRenew on schedule and provide a sturdy foundation to support the future diversion facility and promenade connecting the community to a healthier Potomac River.

Pile driving uses an impact hammer, which forces steel piles to depths of 100 feet into the soil. Unavoidably, this process emits a repeated hammering sound and may be disruptive to those sensitive to noise.

This work will last through March 2023 and occur between the hours of 9 a.m. and 6 p.m. ET, Monday through Friday.

Building for the Future of Alexandria's Waterways

To learn more, visit www.RiverRenew.com



Monthly Financial Report



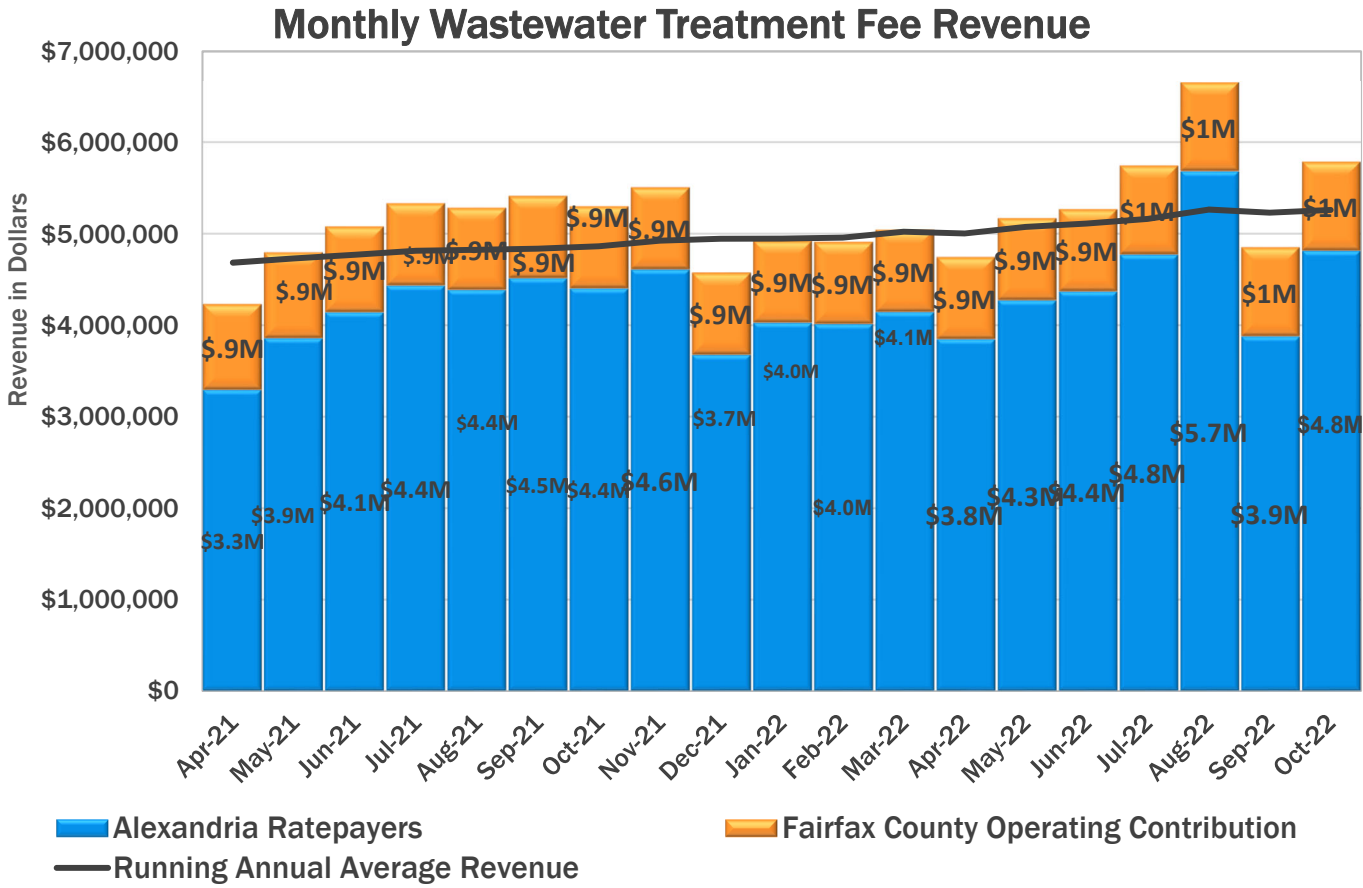
Month: October 2022

Overview

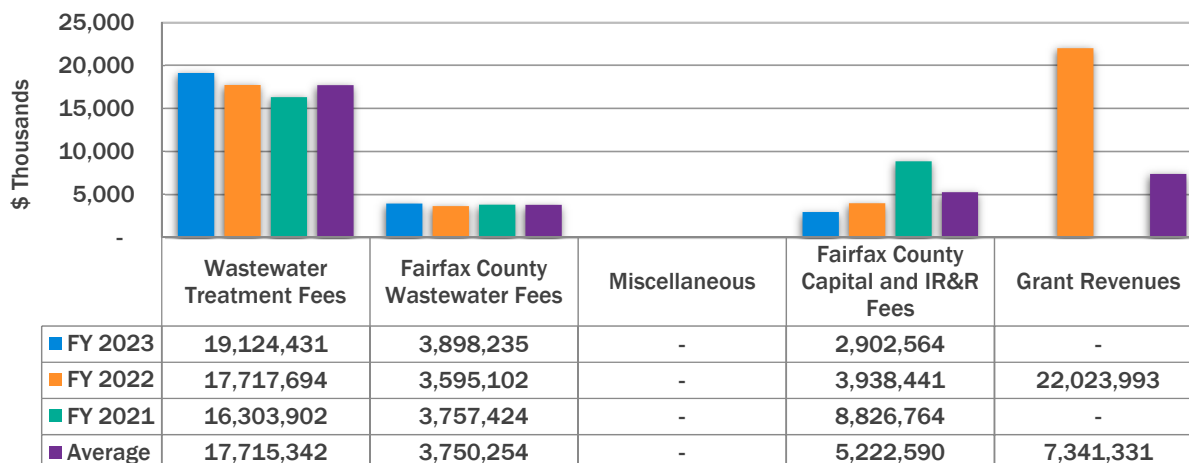
Performance of AlexRenew’s annual approved budget is reviewed and evaluated monthly to ensure overall organizational financial stability. Audit of FY (fiscal year) 2022 finances has been completed and reviewed by the external auditors and received an unqualified opinion.

Revenues

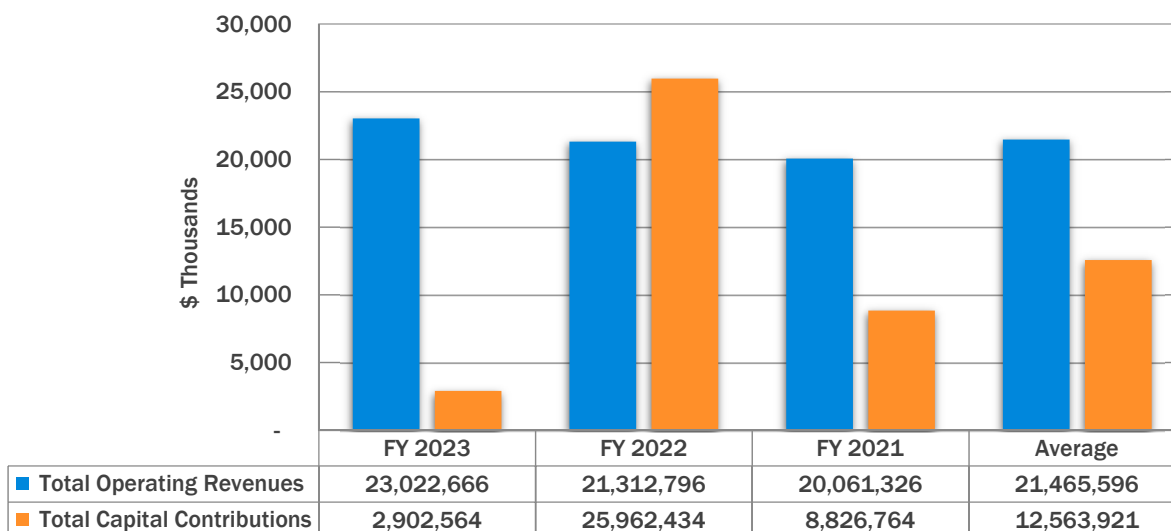
- FY23 operating revenues totaled \$23.0 million through the end of October with approximately \$19.1 million in Wastewater Treatment Charge revenue and \$3.9 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$1.4 million (7.9%) more compared to the same time period in FY22, and \$2.2 million (12.67%) above the Fiscal 2023 YTD budget. Data indicates an increase month-over-month in customer revenue due to a combination of seasonal trends and the rate adjustment that went into effect on July 1 for FY23. Finance staff will continue to monitor the trend in coming months.
- Revenue performance is primarily driven by billed flows that may be impacted by seasonality and by the Virginia American Water meter reading process, which can vary month-to-month.
- The Fairfax County operating expense charge and IR&R contribution YTD are on budget respectively. Fairfax County capital outlay contributions are also in-line with capital expenditures.



Annual Revenue and Capital Contributions 3 Year Comparison



Operating Revenue vs. Capital Contributions



Expenses

FY23 operating and maintenance expenses are \$1.2 million below the year-to-date budget, representing a spend rate of 29.5%. While maintenance costs decreased slightly, chemicals, personnel, utilities, sewage and sludge disposal costs continue to rise mostly due to inflationary pressures.

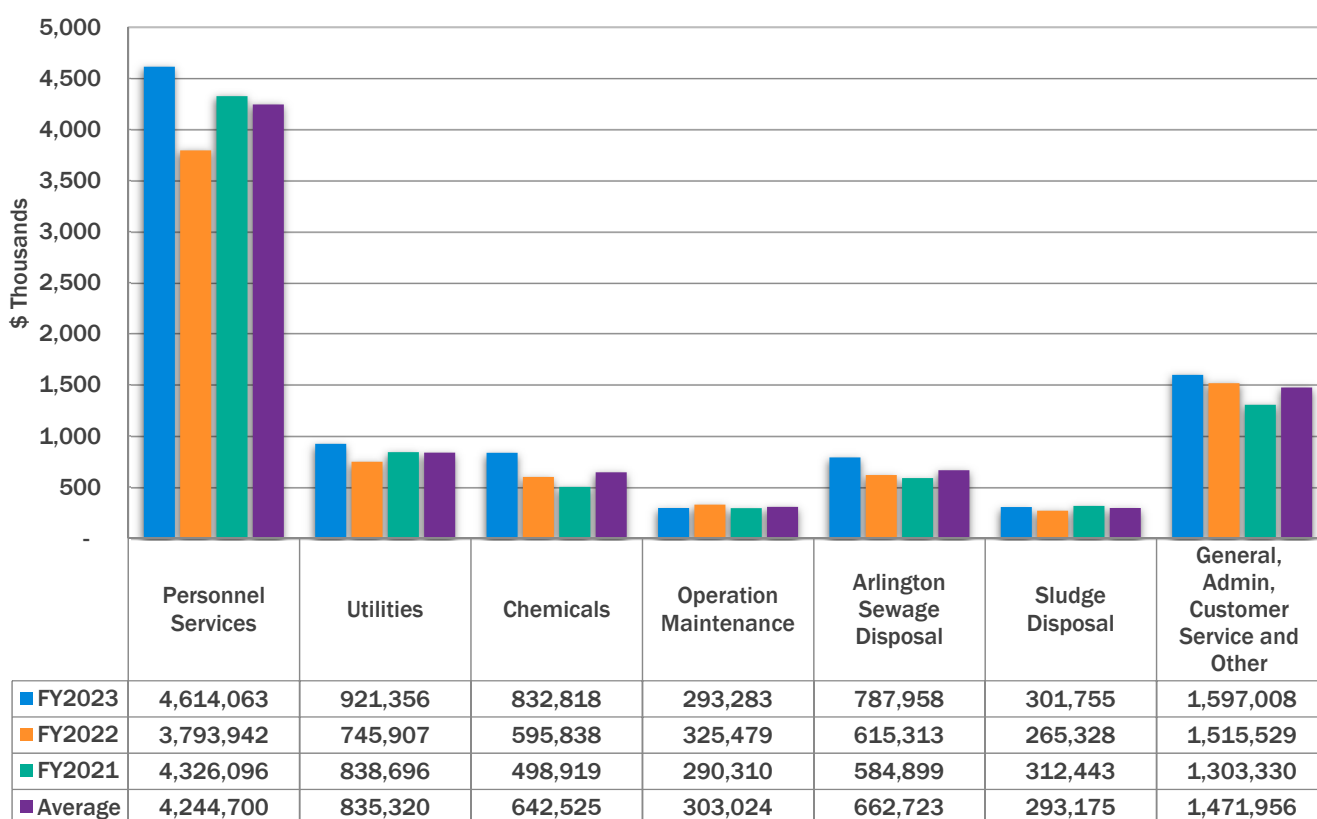
Capital outlay expenses are \$9.8 million year-to-date, representing a spend rate of 6.6%.

At four (4) months into the fiscal year, the overall spend rate is 22.8% of the total budget.

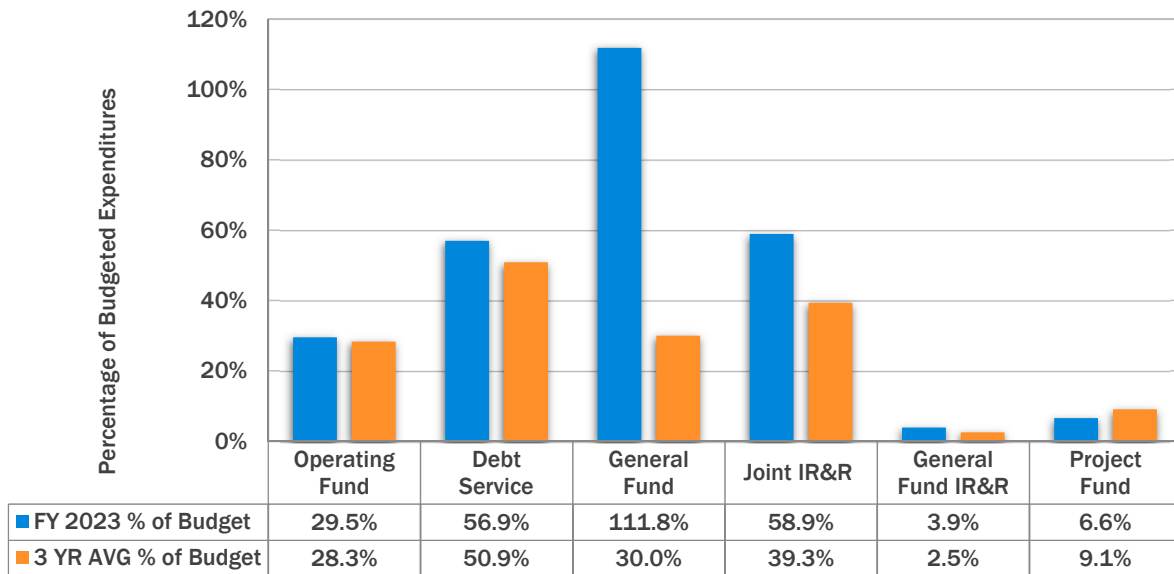
Expenses by Fund

ACTUAL VS. BUDGET Through October 2022					SPEND RATE		
(\$ Millions)	FY 2023	FYTD 2023	3 YR AVG	FYTD 2023	FY 2023	3 YR AVG	Variance FY23
Expenses (By Fund)	BUDGET	ACTUAL	ACTUAL	BUDGET	% of Budget	% of Budget	to 3 YR AVG
Operating Fund	\$ 30.44	\$ 8.98	\$ 8.22	\$ 10.15	29.5%	28.3%	1.2%
Debt Service	14.74	8.39	7.25	4.91	56.9%	50.9%	6.1%
General Fund	15.37	17.18	9.00	5.12	111.8%	30.0%	81.8%
Joint IR&R	10.30	6.06	2.83	3.43	58.9%	39.3%	19.6%
General Fund IR&R	0.69	0.03	0.01	0.23	3.9%	2.5%	1.4%
Project Fund	149.50	9.80	9.61	49.83	6.6%	9.1%	-2.5%
Total	\$ 221.04	\$ 50.44	\$ 36.92	\$ 73.68	22.8%	19.8%	3.1%

Annual Operating Expenses 3 Year Comparison



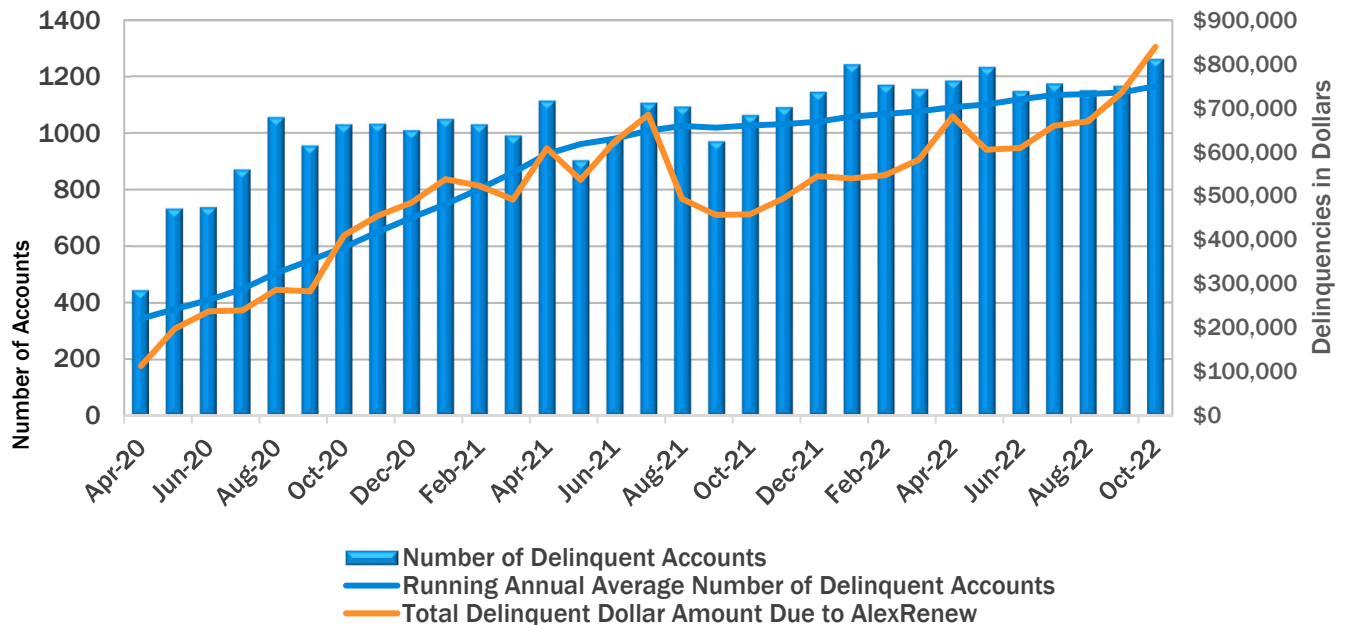
Expenditure Budget Comparison By Fund FY 23 vs. 3 Year Average



Delinquencies

The number of accounts delinquent by more than 60 days was 1,260 in October, an increase of 96 accounts month-over-month. The total dollar amount owed to AlexRenew from these accounts totaled \$838,836 at the end of October, an increase of \$103,600 month-over-month. AlexRenew continues to work with customers with unpaid bills to assist them in bringing their accounts current.

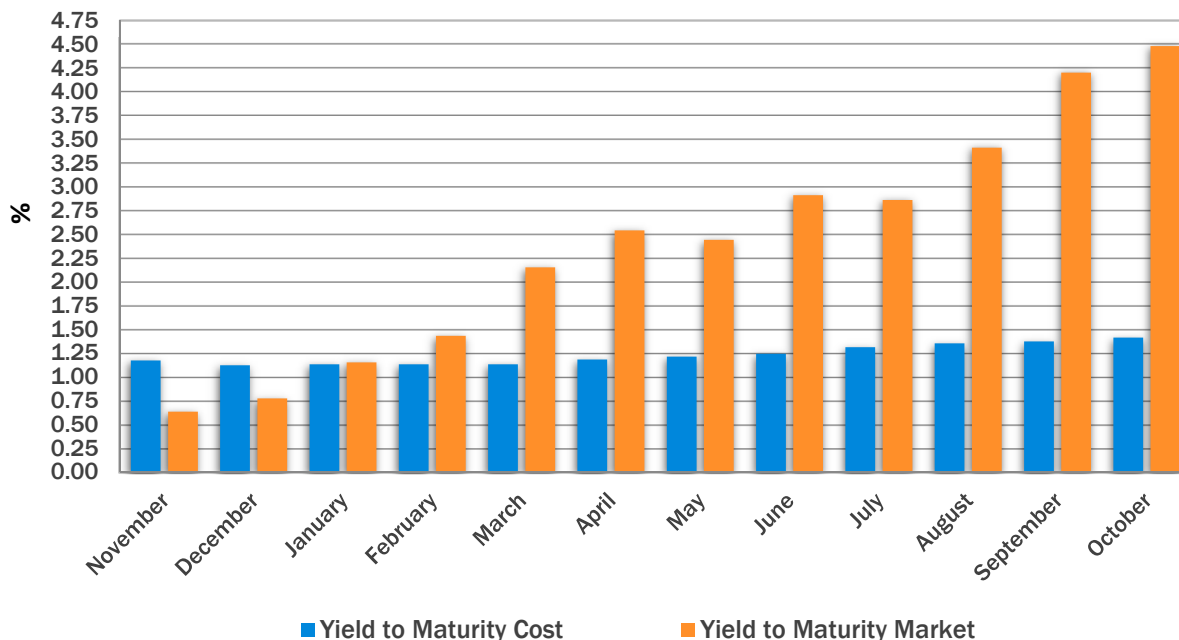
Active Accounts 60+ Days Delinquent



Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew’s \$25 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.41%; a level higher than general bank deposit earnings rates.

**Investment Yield Percentage to Maturity
(Investments managed by PFM)
Through October 2022**



Cash Reserves

AlexRenew’s Master Indenture of Trust requires that it maintain a balance on deposit in the Operating Fund equal to not less than 60 days of budgeted operating expenses. AlexRenew’s Financial Policy requires a balance on deposit in the General Reserve sub-Fund, also equal to not less than 60 days of budgeted operating expenses. In total, these combined compliance conditions require AlexRenew to maintain at least 120 days cash on hand, and for FY23 this equals a minimum of \$10,008,654. The chart and graph below demonstrate that AlexRenew currently exceeds this requirement.

Board Policy 120 Days Cash Reserves	Actual	Percentage of Goal
As of October 25, 2022		
Total Operating Cash	\$ 5,994,168	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,867,783	
CARE ACT COVID19 Funding Balance	\$ -	
Total Operating Cash	<u>\$ 8,861,951</u>	
Total General Reserve Sub-Fund Cash	<u>5,004,327</u>	
Total Operating and General Reserve Sub-Fund Cash	<u>13,866,278</u>	139%

Cash Reserve Policy



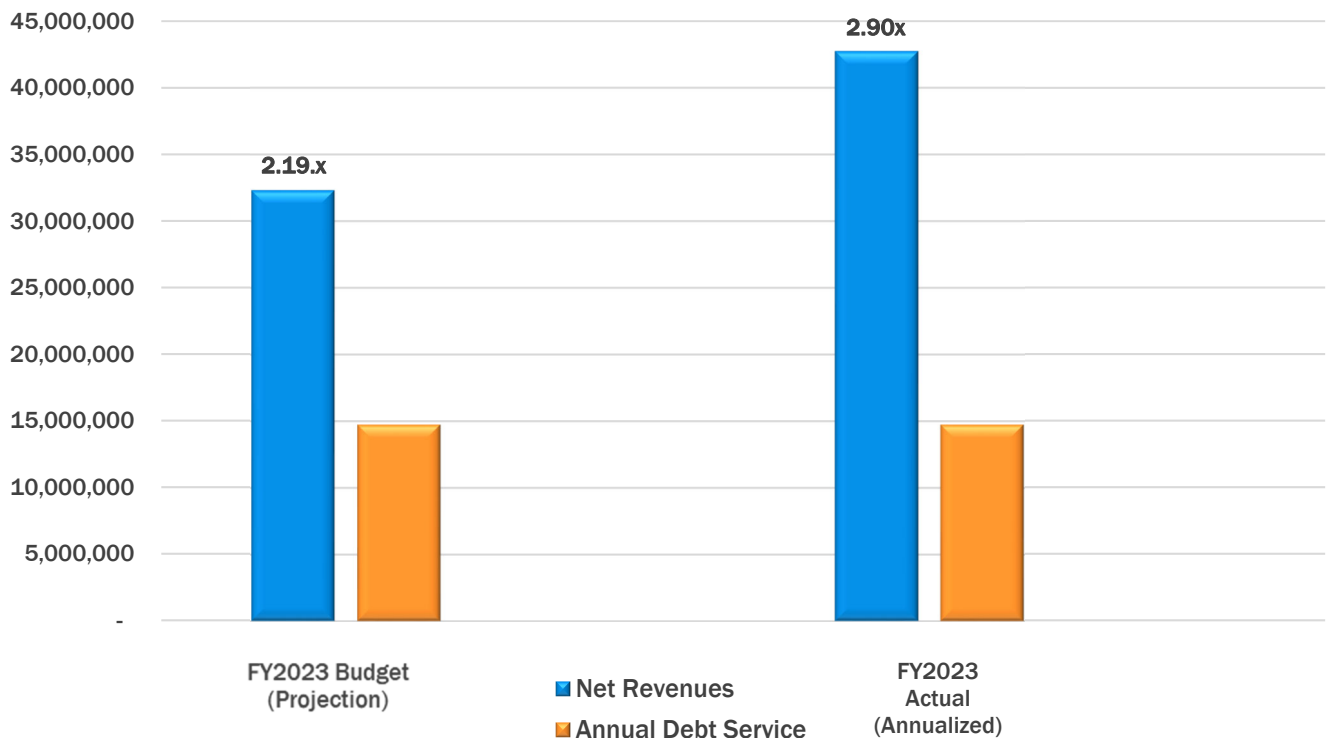
Debt Service Coverage

The Indenture also requires AlexRenew to maintain minimum debt service coverage such that Revenues less Operating Expenses or Net Revenues (each term as defined in the Indenture) is at least 1.10x the parity debt service due in any fiscal year. Compliance with Board-approved financial policies require AlexRenew to maintain a higher minimum debt service coverage of at least 1.50x applying the same criteria as defined above.

In both cases, AlexRenew currently exceeds its compliance standard as indicated below. The 2.19x designated in the graph below represents projected coverage for FY23 based on original FY23 budget expectations. At four months into the fiscal year, annualized results would indicate coverage of 2.90x, ahead of the budgeted projection of 2.19x.

Financial Policy Compliance - All-In Debt Service Coverage	FY 2023 Actual	FY 2023 Budget
Gross Revenues Available for Debt Service Coverage:		
Wastewater Treatment Charges - Alexandria Ratepayers	57,373,292	50,922,485
Fairfax County Operating Expense Charge	11,694,706	11,694,706
Reimbursement from other systems	-	-
Investment Income	587,632	115,000
Less Restricted Investment Income	-	-
Total	69,655,630	62,732,191
LESS Operating Expenses	(26,930,940)	(30,442,988)
Net Revenues [a]	42,724,689	32,289,203
Annual Debt Service [b]	14,739,509	14,739,509
Calculated All-In Debt Coverage [a/b]	2.90x	2.19x
Financial Policy Target	≥1.50x	≥1.50x

All-in Debt Service Coverage Net Revenues to Annual Debt Service



Glossary:

Revenue Fund

All revenue receipts of Alexandria Renew are deposited in the Revenue Fund.

The Operating Fund

The Operating Fund accounts for the administration and maintenance of the wastewater treatment system. By Board policy, the Operating Fund shall maintain 120 days of cash in reserve.

Parity Debt Service Fund

The Parity Debt Service Fund shall have deposited in it one-twelfth (1/12th) of the annual required debt payment due within the budget year. Deposits are restricted funds for use to make semiannual payments in accordance with the Alexandria Renew Trust Agreements.

Joint Improvement, Renewal & Replacement (IRR) Fund

The IR&R Fund receives deposits directly from Fairfax County (60% of IR&R budget) and from AlexRenew customer revenue (40% of IR&R budget) for asset renewal of joint use facilities. The contribution to the IRR Fund is 0.7% of the total amount of capital expenditures made subsequent to October 1, 1997, for the joint portion of the system, as set forth by the service agreement with Fairfax County.

Project Fund

The Project Fund records the cost of each joint use capital project included in the AlexRenew Capital Improvement Plans (CIP). The plans for current and future capital projects, both joint and City only, is summarized in a Ten-Year CIP. City use only CIP are accounted for within the General Fund.

General Fund

The General Fund serves as reserve fund to be used for any lawful purpose of the Authority. Deposits to the General Fund are made from the Revenue Fund after all other fund expenditures and requirements have been satisfied. Alexandria Renew principally uses the General Fund to finance specific capital improvements and to provide sufficient reserves in accordance with policy.