

Minutes of the 906th Meeting
"Celebrating Over 60 Years of Continuous Environmental Excellence"
Alexandria Renew Enterprises
6:00 p.m., Tuesday, April 18, 2023

On Tuesday, March 21, 2023, 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: Mr. Justin Carl, General Manager/Chief Executive Officer
Ms. Allison Deines, Chief Water Quality Officer
Ms. Caitlin Feehan, Chief Administrative Officer
Mr. Lake Akinkugbe, Director of Finance
Ms. Lorna Huff, Secretary to the Board

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

Fairfax County
Representative: Mr. William Barrack,
Wastewater Planning & Monitoring Division

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

Call to Order

The Chairman called the meeting to order at 6:03 p.m.

Approval of Agenda

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

Public Comment Period

There being no members of the public in attendance and wishing to speak, the Chairman closed the public comment period.

Consent Agenda

The Chairman requested members review the Consent Agenda which contained the Minutes of the March 21, 2023, meeting. There being no changes to the Minutes, Mr. Jinks moved approval and Mr. Dickinson seconded. The Board unanimously approved

Unfinished Business

A. Consideration of FY2024 Draft Operating and Capital Budget for Public Notice and Set Public Hearing for Saturday, May 20, at 9:00 a.m.

Discussion

The Chairman recognized Mr. Carl who reported that staff received comments from the Board and Finance and Audit Committee members. Members requested changes to Table 931, the AlexRenew Org chart, and re-wording of the Commonwealth Interceptor project page which were incorporated into the current version of the Budget. There being no questions or comments from the Board, the Chairman recognized Mr. Jinks, Chairman of the Finance and Audit Committee.

Mr. Jinks reported that staff presented the FY2024 Operating and Capital Budget preliminary draft on March 21. The Operating Budget is 8.5% or \$2.6 million above FY2023. He reported on the impacts to the current budget including inflation, the increased price of chemicals, sludge hauling, debt service and merit increases. He noted the edits requested at the Finance and Audit Committee regarding the work on the Commonwealth Interceptor, noting that the language regarding this program still needs work and wants to ensure that staff has explored alternatives to the project. As a result of the CIP, infrastructure investments, the operating budget and debt service illustrates the need for a rate increase of 5.4% for FY2024 and 5.1% for FY2025 equating to approximately \$2.70 increase per month per year for rate payers. He commended staff for their responsiveness to the Board's requests.

The Chairman commended Mr. Jinks on his summarization and inquired if members had additional questions or comments. After a brief discussion on the Resolution of Intent, the Chairman requested a motion from Mr. Jinks. Mr. Jinks moved that the Board authorize the CEO to issue the appropriate public notices for a public hearing on the FY2024 Operating and Capital Budget on Saturday, May 20, at 9:00 a.m. Mr. Beall seconded. The Board unanimously approved.

B. Consideration of a Resolution of Intent to Adopt and Change Certain Rates, Fees and Charges for Saturday, May 20, at 9:00 a.m.

Discussion

The Chairman recognized Mr. Jinks who reported that a public hearing on the Resolution of Intent to Adopt and Change Certain Rates, Fees and Charges will be held at the same time as the FY2024 Operating and Capital Budget hearing. Mr. Hill inquired whether the Resolution indicates the effective date of the new rates. Ms. Waters reported that the effective date is listed in the Resolution. Mr. Jinks moved and Ms. Caldarelli seconded. The Board unanimously approved.

Be it Resolved that the Board authorizes the CEO to public notice the Resolution of Intent and set the public hearing for Saturday, May 20, at 9:00 a.m.

Mr. Carl reported that staff would update the AlexRenew and RiverRenew websites as well as the AlexRenew Facebook page and other social media for public outreach.

There was no additional questions or comments and the Chairman moved to New Business.

New Business

Update on Administration of RiverRenew Tunnel Project Contract

The Chairman recognized Mr. Carl who updated the Board on the Administration of the RiverRenew

Tunnel Project contract.

Mr. Carl reviewed the components of the RiverRenew tunnel project, noting the 11,500-foot waterfront tunnel, 35- and 37-foot drop shafts, 2,500 foot Hooffs Run Interceptor, a 20 mgd tunnel dewatering pumping station, 180 mgd wet weather pumping station housed in a 65 foot diameter shaft, 35 foot diameter screening shaft and 4-story pumping station superstructure with a construction cost of approximately \$450 million. The construction schedule runs from December 2020 through July 2025.

The Board considered different delivery methods for the project before settling on a Fixed Price Design Build contract with Traylor-Shea Joint Venture (TSJV) due to the project complexity and collaborative method of Fixed Price Design Build. The contract was executed in November 2020 with a notice to proceed on December 1.

Quarterly meetings are held with the owner, owner's advisor, resident engineer and design build team to work through issues and manage risk. Partnership comes from the highest level with the Traylor Shea president, RiverRenew Directors, and a partnering facilitator involved.

In addition to partnering, a Dispute Resolution Board (DRB) made up of industry experts was engaged to manage disputes not resolved at the project level. To date, there have been no issues to raise to the DRB.

Mr. Carl noted a Different Site Condition clause (DSC) in the event a physical site condition differs materially from those indicated in the contract documents. Mr. Carl explained the claims process reporting that accepted claims are paid out of the contingency that was established as part of our risk management process.

He then reviewed the RiverRenew spend as of March of approximately \$300 million. He additionally reported that staff has accessed \$185 million of the clean water revolving loan fund and would be going forward with the WIFIA loan. Staff has not received the \$90 million grant from the State and is working through the process.

There being no additional questions, the Chairman moved to AlexRenew Monthly Outcomes Report and recognized Mr. Carl.

CEO Monthly Outcome Reports

CEO Board Report

Mr. Carl reported that Mr. Dickinson will be stepping down from the Board and his position as Secretary-Treasurer on June 21. Staff will be working with Council seek a new Board member. Mr. Carl suggested postponing the August Board Retreat until early January. Council will appoint a new member in early September allowing the new Board member the opportunity to participate in the Board Retreat and help set Strategic Outcomes.

Mr. Dickinson reported that he has been on the Board for almost 11 years and recounted the many changes that have taken place during this tenure, including this building, the SANUP facility and the first hearing on the Pumping station. The community talked and we listened. They were interested in what we are doing here. He further reported during his years as member of the Alexandria Civic Association reported the organization has complimented AlexRenew. He reported that AlexRenew's community engagement was key to AlexRenew's accomplishments.

Mr. Carl reported on Sunday, April 23, Mr. Dickinson, in conjunction with the City, will be awarding the 2023 Ellen Pickering Award winner.

RiverRenew Dashboard

Mr. Carl reported on a 60-day delay on the job that staff does not anticipate recovering. Twenty-three notification letters were sent to the General Assembly on April 3. Staff has further invited the Northern Virginia delegation and Senator Stewart to visit the facility. A similar letter was shared with DEQ, the Chesapeake Bay Foundation, City Council, the City Manager and the City's Legislative Director. To date, feedback has been positive from the General Assembly. Staff will meet virtually with Senator Surovell on April 22.

Pile driving on Outfall 001 has commenced with no complaints received to date. Mr. Jinks inquired about site restoration. Mr. Carl reported that site restoration begins after work is completed. Work on Outfall 001 will be complete in November 2024.

Mr. Carl reported that the Jamieson Avenue closure is coming up in the Fall. He reported that Hazel is operational and has begun full production mining. Yesterday Hazel mined 110 feet. Eighty feet per day is the average. Staff originally scheduled for 40 feet per day but that progress is not enough to make up the 60-day delay.

He reported on the upcoming Council Board Workgroup and noted that tunnel tours for the community are beginning on May 6. Staff is going to propose a few dates for the Council Board and SAG tunnel tours.

Financial Report

Mr. Carl referred to page 2 of the Financial Report he reviewed attachment A and the map indicating the concentration of delinquent accounts in the City. Staff has sent 500+ letters to delinquent account holders. Since the last Board meeting, the number of delinquent accounts decreased by 51. The current amount overdue is \$959 thousand. Letters will be followed up by customer service calls to delinquent accounts. PromisePay is sending out text messages for payment plan options through LIHWAP. Mr. Carl reported that for outreach for small accounts is GCWW or PromisePay. AlexRenew staff performs outreach on larger accounts.

The Chairman commended Mr. Carl and staff for their work.

Closed Session

At 7:31 p.m., the Chairman, Pursuant to Section 2.2-3711 of the Code of Virginia, moved the Board into a closed session to discuss a personnel matter and to discuss consultation with legal counsel. Mr. Dickinson seconded. The Board unanimously approved.

At 8:06 p.m. the meeting returned to open session, and the following certification was unanimously adopted by the members: "Pursuant to 2.2-3712(D) of the Virginia Freedom of Information Act, it is hereby certified that to the best of each Member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Act, and (2) only public business matters identified in the motion by which this closed meeting was convened were heard, discussed, or considered by Alexandria Renew Enterprises."

Ms. Caldarelli moved, and Mr. Jinks seconded. All Members present voted via roll call:

Mr. Hill	Aye
Mr. Beall	Aye

Mr. Dickinson	Aye
Mr. Jinks	Aye
Ms. Caldarelli	Aye

There being no additional business, the Chairman moved to adjourn and Mr. Beall seconded. The Board unanimously approved. The meeting adjourned at 8:06 p.m.

APPROVED:



Secretary-Treasurer