

Minutes of the 909th Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, July 18, 2023

On Tuesday, July 18, 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
Ms. Adriana Caldarelli, Member
Mr. Mark Jinks, Member
Ms. Rebecca Hammer, Member

Staff: Mr. Justin Carl, General Manager/Chief Executive Officer
Ms. Caitlin Feehan, Chief Administrative Officer
Mr. Lake Akinkugbe, Director of Finance
Mr. Matt Robertson, Communications Manager
Ms. Lorna Huff, Secretary to the Board

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

Fairfax County
Representative: Mr. Shahram Mohsenin, Branch Chief (virtual via Zoom)
Wastewater Planning & Monitoring Division

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

Call to Order

The Chairman called the meeting to order at 6:02 p.m.

Approval of Agenda

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

New Board Member Welcome

The Chair welcomed AlexRenew’s newest Board member, Becky Hammer. Ms. Hammer is currently the Deputy Director of Federal Water Policy at the National Resources Defense Council and has over 10 years’ experience in the water field. She is knowledgeable of freshwater ecosystems and infrastructure funding which is relevant to business at AlexRenew.

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 that members review the Consent Agenda which contained the Minutes of the June 20 meeting. There being no questions or comments, the Chairman requested a motion to approve the Consent Agenda. Mr. Jinks moved and Ms. Caldarelli seconded. The Board unanimously approved.

Member and Committee Updates

Community Meetings

The Chair noted that Alexandria civic associations are becoming active post Covid-19 restrictions. Mr. Carl distributed an updated civic associations list with Ms. Hammer assigned to the Federation of Civic Associations. The Chair will introduce Ms. Hammer to key personnel in the Federation. Ms. Hammer reported that she had never attended a meeting but was looking forward to engaging with the organization. The Chair reported that the Rosemont Association was holding a field walk of the Hooffs Run bypass with engineers associated with the City stormwater project. The Chair will report out at the next meeting.

Finance and Audit Committee

Nothing to report.

Governance Committee

Mr. Beall reported that the Committee is scheduled to meet on Monday, September 18th. An agenda and self-assessment were enclosed with the Board package. The Committee Chair requested that members review the self-assessment and provide feedback to the CEO. The results will be discussed at the Governance Committee meeting. Ms. Hammer inquired on Board member attendance at Committee meetings. Mr. Hill reported that given the size of the Board, all members historically have attended committee meetings when possible.

Mr. Carl has requested that members complete the survey by the end of July and return to him. The Chair reported that the Policy on Board Roles and Responsibilities has not been updated for several years. He requested that members review the policy in BoardEffect and return comments to Mr. Beall, the Governance Committee Chair.

Mr. Carl reported that staff distributed an updated version of the Board Manual to all members. It has been re-worked and is divided into three sections. The Chairman thanked Mr. Carl and his team for putting the book together and reported it has proved very useful. Mr. Carl also reported that the AlexRenew Bylaws had been missed from the printed version but were distributed today to be placed with the Bylaws materials.

Mr. Beall reported that the onboarding he observed with Ms. Hammer was more robust than previous onboardings and commended staff. Ms. Hammer concurred. The Chairman inquired if Ms. Hammer was overwhelmed by the amount of material. Ms. Hammer reported that while the material was not overwhelming, the onboarding sessions should be spread out as opposed to having several sessions in a single afternoon or week. Staff did an excellent job.

There were no additional questions or comments, the Chair moved to New Business.

Unfinished Business

- A. None

New Business

- A. Election of Officers

Discussion

The Chair reported that he has received input from all members on the election of officers. Given the RiverRenew project being over 50% complete and the appointment of a new CEO, continuity on the Board is crucial. He nominated himself to continue as Chair if members concurred and maintain current leadership structure for the year. He opened the topic up for discussion among members. The Chair recognized Mr. Beall who reported that he would be happy to continue in his role as Vice Chair and has discussed with Ms. Caldarelli her becoming the Board Secretary-Treasurer to which she has agreed. The Chair noted that these positions are voted on annually. The highest priorities of the Board include supporting the CEO and his team in completing the RiverRenew program, review and discussion of AlexRenew's 2040 Vision and Mission Statement, and a succession plan as the Chair rotates off the Board in 2026.

There were no additional questions or comments, the Chairman and Mr. Beall moved to approve the slate of officers as presented: Chair, Mr. John Hill, Vice Chair, Mr. Jim Beall and Secretary-Treasurer, Ms. Adriana Caldarelli. Mr. Jinks seconded. The Board unanimously approved.

- B. Review and Approve Contract 23-004 for Job Order Contracts: Wastewater Facility Construction and Repair

Discussion

The Chair recognized Mr. Carl who reported that the team has completed the RFP process and are entering into negotiations with three teams. Staff is bringing this to the Board for review and approval. The three contractors (ACE Construction, PC Construction, and F.H. Paschen) are currently performing work at the plant. The contractors bring prior experience working on a wastewater treatment plant and their staff have the necessary qualifications. Members inquired about the multiplier coefficient, and variances in pricing. Mr. Carl reported that staff would keep the Board updated on costs as the projects move forward. There being no further discussion on the Job Order Contracts, the Chair requested a motion to approve. Mr. Beall moved and Mr. Jinks seconded, the Board unanimously approved.

- C. Presentation on AlexRenew's Brand Refresh (see attached)

Discussion

Mr. Carl reported on the history of Alexandria Sanitation Authority (ASA) noting that it is the legal name of AlexRenew. In 2012, ASA became Alexandria Renew Enterprises. The logo has served the organization well but has also served as a source of confusion. The organization's identity continues to evolve.

The new design and colors of the logo help to better illustrate AlexRenew's story. The deep navy remains a staple of the AlexRenew, RiverRenew brand. The vibrant blue represents clean water that AlexRenew returns to the waterways, and the Royal purple reinforces trust, safety and care while referencing AlexRenew's commitment to water reuse. The legal team is working with staff to go through trademarking and registering process. Mr. Carl reviewed the new tagline of "protecting the waterways that connect us."

Mr. Carl introduced AlexRenew's mascot to update and replace the current Moxie. He reviewed the timeline from the soft rollout in September through Spring 2024. Members provided positive feedback on the new logo and commended the clean lines, and link between the AlexRenew and RiverRenew logo, which will eventually be retired. Members discussed the new tagline and offered suggestions. Mr. Mohsenin inquired whether the work on the logo and tagline were done in house. Mr. Carl reported that most work was done in house but some was done by a consultant.

D. Draft Agenda for Board Retreat

The Chair recognized Mr. Carl who reported that the Retreat is scheduled for early January but the date is flexible. Mr. Carl reported that the agenda outlines the goals of the Retreat. With a new Board and new leadership at the organization it is time to discuss governance and future drivers for the organization. The session will include discussions on the vision and strategic outcomes to ensure they align with future goals, and an extension of the 2040 date. The Retreat will take place over two days. The first half day session will be a Board team building activity at Building Momentum. The second day will run from 8:00 a.m. to 3:30 p.m. and be facilitated by Ms. Sally Magee.

The Chair requested Board feedback on Mr. Carl's Agenda. Members agreed on the team building activity. The Chair reported that the second day's activities are the most important thing we can do. He is hoping it can be completed in one day but it might be a lot to cover. He requested that the facilitator accomplish as much as possible up front such as interviewing members.

CEO Monthly Outcome Reports

CEO Board Report

Mr. Carl noted that AlexRenew that June 30 marked the end of AlexRenew's fiscal year. He referenced page three, noting expenses by fund showing the budget and how much was expended. Most of the budget was 100 percent spend with the exception of our joint project fund at 44 percent spend for the year. Ms. Caldarelli inquired about the 44 percent spend. Mr. Carl reported that it could be a timing or design issue. Ms. Caldarelli inquired if this would roll into the next year so that staff would be expecting higher spends than normal. Mr. Carl reported the goal next year is to spend 75 percent on the project fund. He also noted the job has been behind schedule so it's also changed how we're spending with respect to Alex only and Joint Use. Mr. Jinks inquired if these actual numbers are cash or do they reflect obligations. Mr. Akinkugbe reported that it does include encumbrances and additional year end activities that usually happen during audit and post audit adjustment. Mr. Jinks inquired about debt service. Mr. Akinkugbe reported that it is a timing issue of when we got into some of our debt. Mr. Hill inquired if there is any operational impact to the underspent project. Mr. Carl reported there was none.

Mr. Hill referenced page 5 and the Board and staff discussed delinquencies. Mr. Carl reported that staff has been using door hangers, social media and social media ads for customer outreach. The outreach appears to be working as delinquencies are flatlining over the last month. Mr. Hill inquired about shut offs. Mr. Carl reported that customers in arrears would not be shut off during the customer service migration. Mr. Carl reported that staff's current outreach is to get customers on payment plans. Ms. Hammer inquired about over 1,000 delinquent accounts most of which are residential but that only 86 residential accounts are on payment plans and why is the number so low. Mr. Carl reported that he was not sure of the reason, staff has tried a few things in the past three months, to include the bill stuffer, social media boosting ads, and the door hangers. Mr. Hill inquired on the door hanger verbiage. Mr. Robertson reported that the door hanger language is soft "*sign up for a payment plan to avoid service interruption.*" Mr. Robertson reported that door hangers usually get a good initial response, however some customers fail to follow through on payment arrangements. Mr. Akinkugbe provided additional

information on the phases of customers restructuring debt. He reported that we could see the effort from Mr. Robertson and his team start to help customers pay down their bills. The door hangers are in both Spanish and English. Ms. Hammer inquired about Low Income Household Water Assistance Program (LIHWAP). Mr. Carl reported that \$55,00 has been spent on the program in Alexandria. Staff continues to promote it but has not seen a large spend in Alexandria that could be due to program requirements. Ms. Caldarelli inquired if staff had considered other languages for bill stuffers. Mr. Hill would like to continue to discuss this topic monthly at the meetings. Members discussed trends and reasons for the delinquencies that go beyond just affordability issues. Mr. Carl reported that initial payment plans during the pandemic were 48 months long. Newer plans will provide a shorter time period.

RiverRenew Dashboard

Mr. Carl referenced page 2 noting that delays continue in mining, which ties directly into the work at AlexRenew. Permanent concrete is being placed into the ground for the pumping shaft. Hazel recommenced mining late last week. The team is currently seeking a point to change the cutter head to accommodate the softer ground. Hazel is in Jones Point and will continue to mine through the park and to the river. There is still pile driving on Pendleton Street with 100 piles driven. Mr. Carl referenced page 5 showing program costs to date, noting local spending continues to be strong. When reviewing overall spend, the project is past the 50 percent point with total spend at \$330 million. Mr. Hill reported on the Council-Board Workgroup meeting tomorrow at 5:00 p.m. and the Stakeholder Advisory Group (SAG) meeting this Thursday at 7:00 p.m.

Mr. Carl also reported that there were several positive comments from the outreach piece in the Washington Post.

There being no additional business, the Chairman requested a motion to adjourn. Ms. Caldarelli moved and Mr. Beall seconded. The Board unanimously approved. The meeting adjourned at 7:16 p.m.

APPROVED:



Secretary-Treasurer