



1800 Limerick Street
Alexandria, VA 22314
alexrenew.com

Board of Directors
John Hill, Chair
James Beall, Vice Chair
Adriana Caldarelli, Sec'y-Treas
Mark Jinks
Rebecca Hammer
Chief Executive Officer
Justin Carl, PE
General Counsel
McGuireWoods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors
FROM: Secretary-Treasurer
DATE: September 12, 2023
SUBJECT: Regular Board of Directors Meeting

The Regular Meeting of the Board of Directors will be held Tuesday, September 19, 2023, at 6:00 p.m. at Alexandria Renew Enterprises.

The following items of business require Board Action:

- ◆ Review and Approve Updates to Board Roles and Responsibilities, Committees, Ethics, Financial and Write-Off Policies
- ◆ Review and Approve New Board Member Orientation and Environmental Justice Policies



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Tuesday, September 19, 2023 – 6:00 p.m.

Regular Board of Directors Meeting Agenda

In-person: AlexRenew Environmental Center (1800 Limerick St)
Ed Semonian Boardroom, Room 600

Virtual: [Microsoft Virtual Events Powered by Teams](#)

Public comments will be received at the meeting. If you wish to speak during public comment, please contact the Board Secretary at (703) 721-3500 ext. 2260 or lorna.huff@alexrenew.com in advance so you can be added to the speakers list. Submission of written statements is encouraged and may be emailed to the Board Secretary.

A recording of the meeting will be posted on alexrenew.com after the meeting.

No.	Item	Presenter	Action
1.	Call to Order (6:00 p.m.)	Chair	
2.	Approval of Agenda (6:02 p.m.)	Chair	Approval
3.	Public Comment Period (6:05 p.m.)	Chair	
4.	Consent Agenda (6:15 p.m.) a. Minutes from July 18, 2023 meeting (Tab 1)	Chair	Approval
5.	Member and Committee Updates (6:20 p.m.) a. Community Meetings (as needed) b. Finance & Audit Committee (as needed) c. Governance Committee	Chair	Information
	i. Update from September 18, 2023 meeting	Vice Chair	Information
	ii. Review and Approve Updates to Board Roles and Responsibilities, Committees, Ethics, Financial, and Write Off Policies (Tab 2)		Approval
	iii. Review and Approve New Board Member Orientation and Environmental Justice Policies (Tab 3)		
6.	Unfinished Business (6:50 p.m.) a. None	Chair	
7.	New Business (6:50 p.m.) a. Affordability Presentation and Discussion	Chair Mr. Carl	Information
8.	AlexRenew Monthly Outcomes Update (7:15 p.m.) (Tab 4)	Mr. Carl	Information
9.	Adjourn (7:30 p.m.)	Chair	

Times shown in parentheses () are approximate start times 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.

The Board Finance and Audit Committee meeting is scheduled for Monday, October 16, 2023 @ 5:30 p.m. The next Regular Board of Directors meeting is scheduled for Tuesday, October 17, 2023 @ 6:00 p.m.

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



Board Policy – Roles and Responsibilities

Alexandria Renew Enterprises Board Adopted Policy



Title: Board Roles and Responsibilities

Date of
Adoption: 2010

Date of
Revision: May 16, 2016
April 19, 2022

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The AlexRenew Board of Directors have five key areas of responsibility:

Establishing the organization's mission, vision, and direction through strategic planning and the review and evaluation of programs and services.

Ensuring the financial health of the organization to continue successful operations of the organization while maintaining fiscal responsibility.

Ensuring the organization has sufficient and adequate human resources to perform AlexRenew's core business of treating wastewater, operating and maintaining CSO's, and providing a safe working environment.

Ensuring that Alexandria Renew Enterprises board members remain in compliance with their legal requirements and work effectively to represent the organization in all aspects of Authority business.

Ensuring effective community relations by monitoring and responding to the changing needs and pressures of the community, while implementing new ways to meet those needs, and using marketing and public relations tools to educate and foster community engagement.

Alexandria Renew Enterprises Board Adopted Policy



Title: Board Roles and Responsibilities

Date of Adoption: 2010

Date of Revision: May 16, 2016
April 19, 2022

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AlexRenew Board Member Job Description

1. Current City resident that regularly attends and participates in Board meetings and important related meetings.
2. Makes a serious commitment to participate actively in committee work.
3. Volunteers for and willingly accepts assignments; completing them thoroughly and on time.
4. Stays informed about committee matters, prepares well for meetings, and reviews and comments on minutes and reports.
5. Gets to know other Board and committee members and builds a collegial working relationship.
6. Attends Board and organizational events.
7. Is conversant on key strategic issues facing the organization.
8. Advocates for the organization in the community
9. Participates in the organization's strategic planning process.
10. Is a partner with the Chief Executive in achieving the organization's mission.

AlexRenew Board Chair Job Description

The AlexRenew Board Chair job description includes the board member job description in addition to the following duties:

1. Provides leadership to the Board of Directors, who sets policy and to whom the Chief Executive is accountable.
2. Chairs meetings of the Board after developing the agenda with the Chief Executive.
3. Ensures Board's role in strategic planning.
4. Serves ex officio as a member of committees and attends their meetings when invited.
5. Discusses issues confronting the organization with the Chief Executive.
6. Helps guide and mediate Board actions with respect to organizational priorities and governance concerns.
7. Reviews with the Chief Executive any issues of concern to the Board.
8. Monitors financial planning and financial reports.
9. Formally evaluates the performance of the Chief Executive and reports out to the Board.

Alexandria Renew Enterprises Board Adopted Policy



Title: Board Roles and Responsibilities

Date of Adoption: 2010

Date of Revision: May 16, 2016
April 19, 2022

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10. Informally evaluates the effectiveness of the Board members.
11. Evaluates annually the performance of the organization in achieving its mission and reports outcomes to the Board.
12. Works in partnership with the Chief Executive to make sure Board resolutions are executed.
13. Calls special meetings when necessary.
14. Assists Chief Executive in conducting new Board Member orientation.
15. Oversees searches for a new Chief Executive.
16. Works with the governance committee to recruit candidates for new Board Members.
17. Acts as a spokesperson for the organization.
18. In concert with the Chief Executive, provides reports and other appropriate information to inter jurisdictional partners, regulators or other parties as requested.
19. Periodically consults with Board Members on their roles and helps them assess their performance.
20. Performs other responsibilities assigned by the Board.

AlexRenew Board Vice Chair Job Description

The AlexRenew Board Vice Chair Job Description includes the board member job descriptions in addition to the following duties:

1. Understands and performs Chair responsibilities when the Chair cannot be available (see Chair Job Description).
2. Reports to the Board's Chair.
3. Works closely with the Chair and other Board members.
4. Participates closely with the Chair to develop and implement officer transition plans.
5. Carries out special assignments as requested by the Board Chair.
6. Performs other responsibilities as assigned by the Board.

AlexRenew Board Secretary-Treasurer Job Description

The AlexRenew Board Secretary-Treasurer Job Description includes the board member job descriptions in addition to the following duties:

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1. Ensures effective management, safety, and accuracy of Board's records.
2. Reviews minutes of Board meetings.
3. Ensures timely distribution of the minutes to members.
4. Is sufficiently familiar with legal documents (articles, by-laws, IRS letters, etc.) to note applicability during meetings.
5. Understands fiscal matters and finances of the organization.
6. Ensures development and Board review of financial policies and procedures.
7. Works with CEO and CFO to ensure that appropriate financial reports are provided to the Board in a timely manner.
8. Reviews annual audit and answers Board Members' questions about audit.
9. Reviews annual budget, prior to distribution, to the Board for members' approval.
10. Assume responsibilities of the Chair in the absence of Board Chair and Vice Chair.

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Board Roles and Responsibilities

Date of Adoption: 2010

Date of Revision(s): May 16, 2016; April 19, 2022, September 18, 2022

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The AlexRenew Board of Directors has eight (8) key areas of responsibility:

- Establish and oversee the organization's mission and vision through strategic planning.
- Select the Chief Executive Officer (CEO) through a careful search to find the most qualified individual for the position.
- Provide strategic oversight of the CEO to ensure that the CEO has the moral and professional support necessary to further the goals of the organization, and evaluate the CEO's performance at least annually.
- Ensure the organization's financial health through the review and approval of the annual budget and 10-year capital improvement program, while maintaining fiscal responsibility.
- Hire and oversee external financial auditor and accept the annual audit.
- Practice governance through orientation of new members and conducting regular performance evaluations.
- Maintain compliance with legal requirements and embody high ethical standards.
- Enhance the organization's public standing by effectively articulating the organization's mission, accomplishments, and goals to the community.

AlexRenew Board Member Job Description:

The AlexRenew Board member job description includes the following duties:

- Actively participate in the organization's strategic planning process.
- Partner with the CEO in achieving the organization's mission.
- Prepare for, attend, and participate in Board meetings, organizational events, and related meetings.
- Stay informed about committee matters and participate actively in committee work.
- Volunteer, accept, and complete assignments thoroughly and on time.
- Build and maintain a respectful working relationship with other Board members and the CEO.
- Be conversant on key issues facing the organization.
- Advocate for the organization in the community.

AlexRenew Board Chair Job Description

The AlexRenew Board Chair job description includes the Board member job description in addition to the following duties:

- Provide Board leadership.
- Oversee Board and committee meetings.
- Ensure the Board's role in strategic planning.
- Guide and mediate Board actions.

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Board Roles and Responsibilities

Date of Adoption: 2010

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- Provide feedback on the effectiveness of Board members.
- Appoint committee chairs.
- Work with the CEO to execute resolutions.
- Assist the CEO in conducting new Board member orientation.
- Oversee search and hiring of the CEO.
- Conduct the CEO's annual performance evaluation.
- Act as an alternate spokesperson for the organization.

AlexRenew Board Vice Chair Job Description

The AlexRenew Board Vice Chair Job Description includes the board member job descriptions in addition to the following duties:

- Participate as a vital part of Board leadership.
- Understand and perform Chair responsibilities in Chair's absence (see Chair job description).
- Chair the Governance Committee.
- Execute special assignments requested by the Board Chair.

AlexRenew Board Secretary-Treasurer Job Description

The AlexRenew Board Secretary-Treasurer Job Description includes the board member job descriptions in addition to the following duties:

- Ensure effective management, safety, and accuracy of Board records.
- Review Board meeting minutes and ensure timely distribution to Board members.
- Understand the Board's legal framework (articles of incorporation, by-laws) and financial accounting for the organization.
- Ensure development and Board review of financial policies and procedures.
- Review annual budget and audit in conjunction with the Finance & Audit Committee.
- Assume responsibilities of Chair in the absence of Chair and Vice Chair.

Legal Duties of Board Members

Board members have the legal responsibility to meet the duty of care, the duty of loyalty, and the duty of obedience.

- **Duty of Care:** Exercise reasonable care, due diligence, and skill in making decisions on behalf of the organization.
- **Duty of Loyalty:** Act in the best interest of the organization at all times.
- **Duty of Obedience:** Be faithful to the organization's legally prescribed mission.



Board Policy – Committees

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy

Title: Overview of Board Committees

Date of

Adoption: October 2010

Date of

Revision: April 19,2022

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Overview of Board Committees

Committees are often considered the workhorses of the board because they do the majority of the board's work between meetings, thereby allowing the full board to focus on the big picture and critical decisions. Committee work engages board members in regular activities that extend their responsibilities far beyond participation in board meetings. Committees allow the organization to tap into an individual board member's full experience, talents, interests, and enthusiasm. They can also expand the board member's understanding of the organization, and they are often the training ground for prospective board members and future board officers.

Board Committee Protocols

1. The board will decide what committees will be formed and appoint a board member to chair each committee.
2. A committee meeting can be called by the chair of the committee or by the chair of the full board.
3. Each committee will be made up of a minimum of two and maximum of three members approved by the board chair. A majority of the committee members shall constitute a quorum for any decision of the committee.
4. The board will set the goals of the committee, while the committee will set its own strategies for reaching those goals.
5. Prior to the first meeting of the committee, the board chair, the Chief Executive Officer and the committee chair will meet to review the goals and expectations set by the board and this protocol.
6. Committees will meet at least twice per year. The chair of the committee will report in writing at the following board meeting the progress and activities of the committee.
7. The board chair and the Chief Executive Officer can sit on any committee ex officio. They will be copied on all committee correspondence.
8. Staff persons present at a committee meeting will be present to assist because of knowledge of the actual day-to-day operations. An important job of the head of the committee is to protect the staff from being assigned tasks inappropriate to the committee.
9. The Chief Executive Officer is responsible for communicating to staff members their role in committee deliberations.
10. A Committee will not enter into any contractual obligations on behalf of the board.

Governance Committee

Key Elements

- The governance committee is the board's mechanism for looking after itself. As such, its work is vital to the health of the board and the entire organization. It should ensure that the board is doing its job to provide leadership and oversight to the organization and that individual board members are carrying out their duties.
- The committee has a role in board recruitment and development of board policies and procedures related to composition.
- Other aspects of board education that fall into the governance committee's purview should be included, such as officer job descriptions, orientation, educational items on board meeting agendas, and board retreats.
- Many governance committees have the difficult task of deciding how to handle the poor performance of individual board members. This will occur naturally when their terms come up, and

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it may also happen along the way. Because these are often sensitive issues, they are best handled in this kind of smaller work group setting and with active involvement of the board chair and Chief Executive Officer.

- The committee may also be charged with addressing board structure and performance, such as reviewing the current committee structure, leading the board self-assessment process, and updating the bylaws.

GOVERNANCE COMMITTEE JOB DESCRIPTION

The governance committee is responsible for ongoing review and recommendations to enhance the quality and future viability of the board. The governance committee shall be composed of 2 to 3 members of the board, appointed by the chair, and serve one-year terms. The chair serves as an ex officio member. The Vice Chair of the Board shall serve as the governance committee chair. The focus of the committee revolves around the following five major areas:

1. Board Role and Responsibilities
 - a. Leads the board in regularly reviewing and updating the board's statement of its role and areas of responsibility, and the expectations of individual board members
 - b. Assists the board in periodically updating and clarifying the primary areas of focus for the board - the board's agenda for the next year or two, based on the strategic plan
2. Board Composition
 - a. Leads in assessing current and anticipated needs for board composition, determining the board's knowledge, attributes, skills, abilities, influence, and access the board will need to consider to accomplish future work of the board
 - b. Develops a profile of the board as it should evolve over time
 - c. Identifies and presents potential board member candidates and explores with each candidate his or her interest and availability for board service
 - d. Nominates individuals to be elected as directors of the board
 - e. In cooperation with the board chair, meets annually with each board member to assess his or her continuing interest in board membership and term of service. Works with each board member to identify the appropriate role he or she might assume on behalf of the organization
3. Board Knowledge
 - a. Designs and oversees a process of board orientation, including information prior to election as a board member and information needed during the first cycle of board activity for new board members
 - b. Designs and implements an ongoing program of board information and education for all board members
4. Board Effectiveness
 - a. Leads the periodic assessment of the board's performance; proposes, as appropriate, changes in board structure, roles, and responsibility
 - b. Provides ongoing counsel to the board chair and other board leaders on steps they might take to enhance board effectiveness
 - c. Regularly reviews the board's practices regarding member participation, conflict of interest, confidentiality, etc., and suggests improvements as needed
 - d. Periodically reviews and updates the board's policy guidelines and practices
5. Board Leadership
 - a. Takes the lead in succession planning, taking steps to recruit and prepare for future board leadership



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- b. Nominates board members for election as board officers

FINANCE AND AUDIT COMMITTEE

Introduction

The financial committees of a governmental organization are truly at the heart of the public's trust. The full board has the ultimate responsibility for and fiduciary obligation to the organization.

Key Elements

- The Finance and Audit committee is responsible for monitoring the organization's overall financial health. Its core duties include overseeing budgeting and financial planning, safeguarding the organization's assets and reviewing its insurance coverage, reviewing and proposing fiscal policies, anticipating financial problems, and ensuring that the board receives accurate and timely financial reports. The principal responsibilities for the audit portion are to hire an independent auditor, review the audit report with the auditor, and ensure that appropriate internal controls are in place. This is not a policy-making body; rather, its role is to help the board carry out its fiduciary duties.
- When recruiting board members, keep in mind the need for financial proficiency. Not every board member needs to be a financial expert, but each board needs some members with specialized skills and knowledge - such as accounting, taxes, investing, and financial planning - to guide the board's oversight and to communicate complicated financial issues to the rest of the board.
- Committee members need to understand when they are wearing the financial oversight, and audit hats.

FINANCE AND AUDIT COMMITTEE JOB DESCRIPTION

The finance and audit committee coordinates the board's financial oversight responsibilities by recommending policy to the board, interpreting it for the staff, and monitoring its implementation. The committee also provides board oversight of the organization's financial audit.

The finance and audit committee monitors the organization's financial records; reviews and oversees the creating of accurate, timely, and meaningful financial statements to be presented to the board; reviews the annual budget and recommends it to the full board for approval; monitors budget implementation and financial procedures; monitors budget assets; monitors compliance with federal, state, and other reporting requirements; reviews the organization's insurance coverage; and helps the full board understand the organization's finances.

The finance and audit committee also ensures that the organization has an independent audit of its financial statements annually, recommends the independent auditors for full board approval, receives the audit report, and periodically reports the auditor's findings and recommendations to the board.

The finance and audit committee shall consist of not fewer than 2 board members. The members of the finance and audit committee shall be elected for one- year terms by the board at the annual meeting. Committee members should have a strong background in accounting, finance, or business. The board treasurer should chair this committee.

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Title: Board Committees

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Committees serve as a practical way to structure and manage the Board's workload so that the full Board can use meetings to focus on the big picture and critical decisions. Committees are more effective when their charter and scope of work is clearly defined by the Board.

Committee Protocols

- Serve in an advisory role and make recommendations to the Board
- Will not take any official action on behalf of the Board
- Formed only if there is an ongoing role or function
- Members:
 - Appointed by the Board Chair
 - Two (2) members total
 - Will meet independence requirements as governed by Virginia's Conflict of Interest Act
- Meetings:
 - A quorum is required for any recommendation to the Board
 - May be called by the Committee Chair or Board Chair
 - Held annually, at a minimum
- The Committee Chair will provide an update on the progress and activities of the committee Board meetings
- Prior to the first meeting of a newly formed committee, the Board Chair, Chief Executive Officer (CEO), and Committee Chair will meet to review the goals and expectations set by the Board
- The Board Chair may sit on any committee ex officio
- The Board Chair and CEO will be copied on all committee correspondence

Governance Committee

The Governance Committee is the Board's mechanism for looking after itself. It ensures that the Board is doing its job to provide oversight to the organization and that individual Board members are fulfilling their duties.

The Governance Committee's roles and responsibilities include:

- Reviewing and recommending updates to Board policies;
- Developing new Board policies;
- Meeting annually with each Board member to assess their continuing interest in Board membership;
- Proposing changes in Board or committee structure;
- Assisting with management and oversight of Board orientation;
- Leading periodic assessments of the Board's performance; and

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- Assisting the Board Chair with disciplinary action against a member, as necessary.

Finance and Audit Committee

The Finance and Audit Committee serves a vital role in ensuring that the Board can fulfill the responsibility for and fiduciary obligation to the organization. The committee is also responsible for monitoring the organization's overall financial health.

The Finance and Audit Committee's roles and responsibilities include:

- Reviewing, updating, and recommending updates to Board financial policies;
- Overseeing the annual budget process and rate recommendation;
- Recommending the annual budget and rate recommendation to the Board for approval;
- Monitoring implementation of the budget and rate recommendation;
- Annual Audit:
 - Ensuring that the organization has an annual independent audit of its financial statements;
 - Accepting and reviewing the Annual Comprehensive Financial Report; and
 - Accepting and reviewing the independent auditor's annual report and reporting the findings and recommendations to the Board.



Board Policy – Ethics

Alexandria Renew Enterprises Board Adopted Policy

Title: Ethics Policy

Date of
Adoption: December 2010

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1.0 Purpose and Scope

The proper operation of Alexandria Renew Enterprises (AlexRenew), formerly Alexandria Sanitation Authority requires that Board members remain objective and responsive to the needs of the public they serve, make decisions within the proper channels of governmental structure, and not use public office for personal gain. To further these objectives, certain ethical principles govern the conduct of each member of the AlexRenew Board of Directors.

This policy promotes awareness of ethics, integrity and fidelity as critical elements in Board members' conduct and in achievement of the AlexRenew mission. It references relevant policies, practices, and procedures that provide a legal framework and operational guidelines for addressing ethical issues.

2.0 Responsibilities of Public Office

AlexRenew Board members are dedicated to the concepts of effective and democratic government by responsible public officials. They:

- Uphold the Constitution of the United States and the Constitution of Virginia, and carry out the laws of the nation, the state and City of Alexandria;
- Comply with applicable laws regulating their conduct, including the Virginia Freedom of Information Act (FOIA), conflict of interest, and financial disclosure laws;
- Work in full cooperation with other public officials, unless they are legally prohibited from doing so.

3.0 Fair and Open Processes Involving the Public

AlexRenew Board members promote fair and open public processes. Board members fully comply with Virginia's FOIA law.

[Reference Virginia Code Section 2.2-3700]

4.0 Fair and Equal Treatment

AlexRenew Board members promote diversity and equality in personnel matters and in contracting, consistent with state and federal laws.

- Board members, in performance of their official duties and responsibilities, will not discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition or disability.
- Board members will not grant any special consideration, treatment, or advantage to any person or group beyond that available to every other person or group in similar circumstances.
- Board members will cooperate in achieving the equal opportunity objectives of AlexRenew.

5.0 Proper Use and Safeguarding of AlexRenew Property and Resources

AlexRenew Board members exercise responsible financial management in the conduct of AlexRenew business.

- Board members will safeguard AlexRenew property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

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- A Board member will not ask or require an AlexRenew employee to perform services for the personal benefit or profit of a Board member or employee.
- Each Board member will protect and properly use any AlexRenew asset within his or her control, including information recorded on paper or in electronic format.

6.0 Use of Confidential Information

Board members will safeguard confidential information.

Board members will not disclose information that legally qualifies as confidential to unauthorized persons without approval of the Board of Directors. This includes information that (1) has been received for, or during, a closed session Board meeting, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not disclosable under the Freedom of Information Act.

7.0 Conflict of Interest

Board members shall avoid both actual conflicts of interest and the appearance of conflicts of interest with AlexRenew.

- A Board member will not have a financial interest in a contract with AlexRenew, or be a purchaser at a sale at AlexRenew or a vendor of a purchase made by AlexRenew, unless his or her participation is legally authorized.
- A Board member may not participate in the discussion, deliberation or vote on a matter before the Board, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a conflict of interest.
- A Board member will not accept gifts that are prohibited under Virginia's Conflict of Interest Law. Board members will report all gifts, campaign contributions, income and financial information as required under the City's financial disclosure ordinance.
- A Board member will not recommend the employment of a relative to AlexRenew or to any person known by the Board member to be bidding or negotiating a contract with AlexRenew.

[Reference Virginia Code Section 2.2-3100 and Section 2.2-4367; City Code Section 2-4-7 (g)]

8.0 Soliciting Contributions

Board members will not solicit funds or contributions of in-kind services at AlexRenew facilities for political candidates or organizations, or for non-profit, charitable or advocacy organizations.

- A Board member will not solicit or direct a political contribution or in-kind services for political candidates or organizations, or for non-profit, charitable or advocacy organizations from AlexRenew officers, employees, consultants or contractors, or from vendors or consultants that have a material financial interest in a contract or other matter while that matter is pending before AlexRenew.
- A Board member will not use AlexRenew's seal, trademark, stationary, or other indicia of AlexRenew's identity or facsimile thereof in any solicitation for political contributions or for non-profit, charitable or advocacy organizations.

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9.0 Board Member – CEO Relationship

The Board sets AlexRenew policy and the CEO is responsible for the execution of that policy.

- The Board provides policy direction and instructions to the CEO on matters within the authority of the Board by majority vote of the Board during duly convened Board and Board committee meetings.
- Members of the Board deal with matters within the authority of the CEO, through the CEO, except as it pertain to the functions of the General Counsel.

[Reference Virginia Code Section 25.2-5113(E)]

10.0 Exercise Responsible Financial Management

The Board ensures that AlexRenew exercises responsible financial management.

- The Board ensures that AlexRenew maintains a system of auditing and accounting that completely and at all times shows the financial condition of AlexRenew in accordance with generally accepted accounting principles and legal requirements.
- The Board retains an independent auditor who conducts an annual audit of AlexRenew's books, records and financial affairs. The auditor will meet with the Board at the conclusion of the audit each year to review the audit results and recommendations.

11.0 Improper Activities and the Reporting of Such Activities; Protection of Whistleblowers

The Board ensures that AlexRenew maintains a healthy work environment.

- The CEO has primary responsibility for ensuring compliance with AlexRenew's personnel policies and procedures, and ensuring that AlexRenew employees do not engage in improper activities, for investigating allegations of improper activities, and for taking appropriate corrective and disciplinary actions. The Board ensures that the CEO is operating AlexRenew according to law and the policies approved by the Board.
- Board members will disclose to the CEO, to the extent not expressly prohibited by law, improper activities within their knowledge. Board members will not interfere with the CEO's responsibilities in identifying, investigating and correcting improper activities, unless the Board determines the CEO is not properly carrying out these responsibilities.
- A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position to intimidate, threaten, coerce, command or influence any other person for the purpose of preventing such person from acting in good faith to bring to the attention of the CEO or the Board any information, that if true, would constitute a work-related violation by a Board member or AlexRenew employee of any law or regulation, gross waste of AlexRenew funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of an AlexRenew official or employee, use of an AlexRenew office or position of AlexRenew resources for personal gain, or a conflict of interest of an AlexRenew Board member or AlexRenew employee.

12.0 Directors' Compensation and Expense Reimbursement

AlexRenew Board members receive compensation as determined by the City Council. AlexRenew

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reimburses Board members for actual reasonable and necessary expenses incurred in the performance of duties authorized or requested by the Board.

[Reference Virginia Code Section 15.2-5113 (c)]

13.0 Meeting Attendance

Board members attend at least 75% of the meetings of the Board.

[Reference City Code Section 2-4-7-(i)(1)]

14.0 Violations of Ethics Policy

A perceived violation of AlexRenew's ethics policy by a Board member should be referred to the Board Chairman for investigation and consideration of any appropriate action warranted. In the case of a perceived violation by the Board Chairman, the matter should be referred to the Board Vice Chairman. A violation of this policy may be addressed by remedies available by law, including but not limited to:

- Adopting a resolution expressing disapproval of the conduct of the Board member who has violated this policy,
- Injunctive relief, or
- Referral of the violation to the AlexRenew Attorney and/or the Grand Jury.

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The proper operation of ~~Alexandria Renew Enterprises (AlexRenew), formerly Alexandria Sanitation Authority~~ requires that Board members remain objective and responsive to the needs of the public they serve, make decisions within the proper channels of governmental structure, and not use public office for personal gain. To further these objectives, certain ethical principles govern the conduct of each member of the AlexRenew Board of Directors.

This policy promotes awareness of ethics, integrity and fidelity as critical elements in Board members' conduct and in achievement of the AlexRenew mission. It references relevant policies, practices, and procedures that provide a legal framework and operational guidelines for addressing ethical issues.

Responsibilities of Public Office

AlexRenew Board members are dedicated to the concepts of effective and democratic government by responsible public officials. They:

- Uphold the Constitution of the United States and the Constitution of Virginia, and carry out the laws of the nation, the state and City of Alexandria;
- Promote transparency and open government;
- Comply with applicable laws regulating their conduct, including the Virginia Freedom of Information Act (FOIA), conflict of interest, and financial disclosure laws;
- Work in full cooperation with other public officials, unless they are legally prohibited from doing so.

Fair and Open Processes Involving the Public

~~AlexRenew Board members promote fair and open public processes. Board members fully comply with Virginia's FOIA law.~~

~~[Reference Virginia Code Section 2.2-3700]~~

Fair and Equal Treatment

AlexRenew Board members promote diversity and equality in personnel matters and in contracting, consistent with state and federal laws.

- Board members, in performance of their official duties and responsibilities, will not discriminate against or harass any person on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, gender, sexual orientation, medical condition or disability.
- Board members will not grant any special consideration, treatment, or advantage to any person or group beyond that available to every other person or group in similar circumstances.
- Board members will cooperate in achieving the equal opportunity objectives of AlexRenew.

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Proper Use and Safeguarding of AlexRenew Property and Resources

AlexRenew Board members exercise responsible financial management in the conduct of AlexRenew business.

- Board members will safeguard AlexRenew property, equipment, moneys, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.
- A Board member will not ask or require an AlexRenew employee to perform services for the personal benefit or profit of a Board member or employee.
- Each Board member will protect and properly use any AlexRenew asset within his or her control, including information recorded on paper or in electronic format.

Use of Confidential Information

Board members will safeguard confidential information.

Board members will not disclose information that legally qualifies as confidential to unauthorized persons without approval of the Board of Directors. This includes information that (1) has been received for, or during, a closed session Board meeting, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not disclosable under the Freedom of Information Act.

Conflict of Interest

Board members shall avoid both actual conflicts of interest and the appearance of conflicts of interest with AlexRenew.

- A Board member will not have a financial interest in a contract with AlexRenew, or be a purchaser at a sale at AlexRenew or a vendor of a purchase made by AlexRenew, unless his or her participation is legally authorized.
- A Board member may not participate in the discussion, deliberation or vote on a matter before the Board, or in any way attempt to use his or her official position to influence a decision of the Board, if he or she has a conflict of interest.
- A Board member will not accept gifts that are prohibited under Virginia's Conflict of Interest Law. Board members will report all gifts, campaign contributions, income and financial information as required under the City's financial disclosure ordinance.
- A Board member will not recommend the employment of a relative to AlexRenew or to any person known by the Board member to be bidding or negotiating a contract with AlexRenew.

[Reference Virginia Code Section 2.2-3100 and Section 2.2-4367; City Code Section 2-4-7 (g)]

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Soliciting Contributions Political Activity

Board members will not use their official authority or influence or use AlexRenew's seal, trademarks, stationary, or other indicia of AlexRenew's identity to solicit funds or contributions of in-kind services at AlexRenew facilities for political candidates or organizations, or for non-profit, charitable or advocacy organizations.

- A Board member will not solicit or direct a political contributions or in-kind services for political candidates or organizations, or for non-profit, charitable or advocacy organizations from AlexRenew officers Board members, or employees, consultants or contractors, or from contractors, consultants, or vendors or consultants that have a material financial interest in an AlexRenew contract or other matter while that matter is pending before AlexRenew or effective.
- Interfere with or affect the result of an election or a nomination for office.
- Directly or indirectly coerce, attempt to coerce, command, or advise a State or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency, or person for political purposes.
- Run as a candidate for public office in a partisan election.
- A Board member will not use AlexRenew's seal, trademark, stationary, or other indicia of AlexRenew's identity or facsimile thereof in any solicitation for political contributions or for non-profit, charitable or advocacy organizations.

Other political contributions and activity are not limited by this policy.

Board Member – CEO Relationship

The Board sets AlexRenew policy and the CEO is responsible for the execution of that policy.

- The Board provides policy direction and instructions to the CEO on matters within the authority of the Board by majority vote of the Board during duly convened Board and Board committee meetings.
- Members of the Board deal with matters within the authority of the CEO, through the CEO, except as it pertain to the functions of the General Counsel.

[Reference Virginia Code Section 25.2-5113(E)]

Exercise Responsible Financial Management

The Board ensures that AlexRenew exercises responsible financial management.

- The Board ensures that AlexRenew maintains a system of auditing and accounting that

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completely and at all times shows the financial condition of AlexRenew in accordance with generally accepted accounting principles and legal requirements.

- The Board ~~oversees~~ ~~retains~~— an independent auditor who conducts an annual audit of AlexRenew’s books, records and financial affairs. The auditor will meet with the Board at the conclusion of the audit each year to review the audit results and recommendations.

~~Improper Activities and the Reporting of Such Activities~~ and Addressing Disclosures of Wrongdoing; Protection of Whistleblowers

~~The Board ensures that AlexRenew maintains a healthy work environment.~~

- ~~The CEO has primary responsibility for ensuring compliance with AlexRenew’s personnel policies and procedures, and ensuring that AlexRenew employees do not engage in improper activities, for investigating allegations of improper activities, and for taking appropriate corrective and disciplinary actions. The Board ensures that the CEO is operating AlexRenew according to law and the policies approved by the Board.~~
- ~~A protected whistleblower disclosure must be based on a reasonable belief that wrongdoing has occurred and must be made to a person or entity that is authorized to receive it. Wrongdoing includes work-related violations by a Board member or AlexRenew employee of any law or regulation, gross waste of AlexRenew funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of an AlexRenew official or employee, use of an AlexRenew office or position of AlexRenew resources for personal gain, or a conflict of interest of an AlexRenew Board member or AlexRenew employee.~~
- Board members will disclose to the CEO, to the extent not expressly prohibited by law, ~~wrongdoing~~ ~~improper activities~~ within their knowledge. Board members will not interfere with the CEO’s responsibilities in identifying, investigating and correcting ~~the alleged wrongdoing~~ ~~improper activities~~, unless the Board determines the CEO is not properly carrying out these responsibilities ~~or the CEO is the whistle blower or directly implicated in the disclosure.~~
- ~~A Board member will not directly or indirectly use or attempt to use the authority or influence of his or her position to intimidate, threaten, coerce, command or influence any other person for the purpose of preventing such person from acting in good faith to~~ ~~make a protected disclosure~~ ~~bring to the attention of the CEO or the Board any information, that if true, would constitute a work-related violation by a Board member or AlexRenew employee of any law or regulation, gross waste of AlexRenew funds, gross abuse of authority, a specified and substantial danger to public health or safety due to an act or omission of an AlexRenew official or employee, use of an AlexRenew office or position of AlexRenew resources for personal gain, or a conflict of interest of an AlexRenew Board member or AlexRenew employee.~~
- ~~A Board member will not retaliate against a whistleblower who makes a protected disclosure.~~

Directors’ Compensation and Expense Reimbursement

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AlexRenew Board members receive compensation as determined by the City Council. AlexRenew reimburses Board members for actual reasonable and necessary expenses incurred in the performance of duties authorized or requested by the Board.

[Reference Virginia Code Section 15.2-5113 (c)]

Meeting Attendance

Board members attend at least 75% of the meetings of the Board. [Reference City Code Section 2-4-7-(i)(1)]

Violations of Ethics Policy

A perceived violation of AlexRenew's ethics policy by a Board member should be referred to the Board Chairman for investigation and consideration of any appropriate action warranted. In the case of a perceived violation by the Board Chairman, the matter should be referred to the Board Vice Chairman. A violation of this policy may be addressed by remedies available by law, including but not limited to:

- Adopting a resolution expressing disapproval of the conduct of the Board member who has violated this policy,
- Injunctive relief, or
- Referral of the violation to the AlexRenew Attorney and/or the Grand Jury.



Board Policy – Financial

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1.0 Purpose and Need

Alexandria Renew Enterprises (AlexRenew) formerly Alexandria Sanitation Authority is a special purpose governmental unit created by the City Council of Alexandria, Virginia (City Council) in 1952 for the purpose of constructing, operating and maintaining a wastewater treatment System (System) for the City of Alexandria, Virginia (City). AlexRenew is governed and administered by a Board of Directors (Board) with five members who serve staggered terms and are appointed by the City Council. The Chief Executive Officer (CEO) oversees AlexRenew's operations and plans for the construction, maintenance, repair and financing of the System. AlexRenew operates as an enterprise fund, has no taxing power and receives no financial assistance from the City.

AlexRenew recognizes that one of the keys to sound financial management is the development of a formal financial policy. This view is confirmed by bond rating agencies, investors and the Government Finance Officers Association. Establishing formal financial policies is also a common practice among comparable water and wastewater authorities throughout the Commonwealth and the United States.

The financial policy is designed to help protect AlexRenew's financial resources by:

1. Promoting sound financial management;
2. Guiding AlexRenew and its managers in policy and debt issuance decisions;
3. Establishing appropriate levels of operating cash reserves;
4. Developing a system to efficiently finance necessary capital improvements;
5. Ensuring the legal and prudent use of AlexRenew's debt issuance authority;
6. Providing a framework for AlexRenew to achieve a strong credit rating, and
7. Maintaining reasonable and well justified levels of rates and fees in accordance with the financial policy.

In general, these financial policies are more restrictive and require higher standards than the legal requirements contained in the Master Indenture of Trust (Bond Indenture), which is the agreement between AlexRenew and debt holders. These financial policies will be reviewed periodically and updated as appropriate.

The following are the financial policies that will guide AlexRenew's financial management, capital planning and debt financing.

1. Debt Service Coverage
 - a. For FY2011 through and including FY2013, AlexRenew will adopt budgets that it projects will enable AlexRenew to maintain annual debt service coverage (Coverage) of 1.40 times Net Revenues, as defined in the Bond Indenture, on all senior and parity debt. Beginning in FY2014 and thereafter, AlexRenew will maintain Coverage of at least 1.50 times on all senior and parity debt.
2. Reserves
 - a. An important metric of AlexRenew's financial flexibility is its liquidity as measured by available cash and reserves. These reserve policies identify amounts available for known risks and obligations and set minimum funding goals that may be used in emergency or other unexpected situations as they arise. The reserves represent an

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earmarking for budgetary and financial policy purposes. These reserves are in addition to existing legal reserves required by the Master Indenture of Trust (Bond Indenture) and any funds earmarked for capital improvements.

- b. AlexRenew will maintain a balance equal to at least 120 days of the current years budgeted amount for operating and maintenance expenses. As required by the Bond Indenture, one sixth of the current year's budgeted amount for operating expenses (60 days) will be held in the Operating Fund. The remainder of the reserves will be held in the General Reserve Fund, a subfund of the General Fund. In the event the General Reserve Fund is used to provide funding for unanticipated expenses or otherwise drops below the policy level, the CEO will submit a plan in writing to the Board that will restore the General Reserve Fund to the policy level over a period not to exceed four years.
- c. All other funds will be funded as required by the Bond Indenture, with a summary as follows:
 - i. Senior Debt Service Fund: An amount that will cause the balance on deposit to be sufficient to pay the principal and interest on the respective payment dates.
 - ii. Improvement, Renewal and Replacement Fund (IRR): An amount equal to the Alexandria portion (40%) of the annual calculation of the required contribution to the IRR Fund.
 - iii. General Fund: Any remaining amounts after the requirement deposits.
- d. Debt Service Reserve Fund: An amount equal to the Debt Service Reserve Fund requirement as defined in the Bond Indenture. When necessary and prudent, AlexRenew may create additional accounts within the General Fund for specific purposes. These accounts could include accounts for capital projects, risk management and revenue stabilization, among others.

3. Budgetary Principles

a. Annual Operating Budget Proposals

- i. Per Section 9.3 of the Bond Indenture, AlexRenew is required to adopt a budget for the System for the ensuing fiscal year before the beginning of each fiscal year. The annual budget is required to be prepared in such a manner as to show in reasonable detail the estimated revenues, operating expenses, IRR amounts, debt service amounts, other costs and expenses and the amount of Net Revenues available to meet the Revenue Covenant per the Bond Indenture.
- ii. In conjunction with the budget requirements of the Bond Indenture, the Board will strive to adopt an operating budget that:
 1. Is structurally balanced whereby current budgetary revenues are sufficient to meet current budgetary expenses (those that are ongoing in nature);
 2. Has fees and user charges at levels intended to support the direct and indirect cost of the activity.
 3. Sets fees and user charges with the intent to provide the lowest reasonable fees and user charges over time, not necessarily the lowest fees and user charges right now.
 4. Is at a level necessary to ensure the adequate maintenance and operations of the wastewater system;

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5. Includes amounts necessary to maintain the required reserve balances as defined in these policies;
 6. Enables AlexRenew to meet the debt service coverage policy defined herein; and
 7. Funds at least 15 percent of its capital improvement program in cash.
- iii. Capital Improvement Program (CIP)
 1. Each year AlexRenew will adopt a ten-year CIP that identifies projects to be undertaken over the next ten years to meet projected needs for infrastructure renewal, expansion, and replacing old or new facilities.
 2. Projects included in the CIP will have aggregate useful lives that do not exceed any related debt financing.
 3. The CIP will identify anticipated capital improvement costs and associated operating costs.
 - b. Long Range Financial Forecast
 - i. Beginning with planning for the FY2012 budget and in each fiscal year thereafter, the CEO will submit to the Board at least a three year financial forecast of anticipated revenues and expenses.
- 4. Debt Management**
- a. AlexRenew may issue long-term debt per the guidelines in this financial policy. Long-term borrowing will not be used to finance current operations. Long-term debt will be structured such that financial obligations do not exceed the aggregate expected useful lives of the assets financed.
 - b. Short-term borrowing may be utilized for the temporary funding of operational cash flow deficits or interim construction requirements.
 - c. Permitted Debt by Type: AlexRenew may issue the debt instruments described below. The most appropriate instrument for a proposed sale of debt shall be determined by financing needs and expected market conditions at the time of sale.
 - i. Lease Financing – AlexRenew may use lease financing for facilities or equipment if (i) it can be demonstrated that this is the most cost effective or appropriate way to secure financing or (ii) on projects that do not warrant entry into the bond market.
 - ii. Bond Anticipation Notes (BANs) – which include Commercial Paper, are typically an interim means of financing and, by their very nature, expose AlexRenew to interest rate risk upon renewal. BANs may be used to (i) finance projects until such time as the project or projects can be incorporated into a long-term bond sale, (ii) during times of high interest rates and when the expectation is that interest rates will stabilize in the future or trending downward, (iii) when market conditions are such that a BAN may be more readily received in the market than long-term debt, or (iv) on an interim basis during the construction period for a project until such time as the project is placed into service.
 - iii. Long-Term Revenue Bonds – AlexRenew may issue long-term revenue bonds to fund capital projects. These bonds may be issued by AlexRenew in a number of ways, including, but not limited to, those listed below. AlexRenew

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will evaluate multiple methods for issuing long-term revenue bonds and use the method that is most advantageous to AlexRenew.

1. AlexRenew may issue the bonds through a public sale under its own name in the capital markets.
 2. AlexRenew may issue the bonds through a private placement under its own name.
 3. AlexRenew may issue the bonds to the Virginia Resources Authority (VRA) under one of VRA's loan programs.
- iv. Revenue Anticipation Notes (RANs) – may be issued to meet AlexRenew's operational cash flow needs.
 - v. Lines of Credit – may be considered as an alternative to other short-term borrowing options.
- d. Guidelines on Debt Issuance
- i. Bond Indenture – AlexRenew will abide by the covenants contained in the Bond Indenture. AlexRenew considers these covenants to be minimum requirements, and generally expects to exceed the requirements of each covenant.
 - ii. Authorization – Prior to issuance of debt, the Board will pass a resolution authorizing the financing arrangements and setting appropriate limits and parameters for the anticipated financing in accordance with applicable laws.
 - iii. Lowest Cost Financing – AlexRenew intends to pursue the lowest cost of financing within the parameters of these financial policies, the Bond Indenture and AlexRenew's enabling legislation.
 - iv. Method of Issuance – Prior to each debt issuance, AlexRenew will evaluate the available methods of issuance and pursue the method of issuance that is most advantageous to AlexRenew, whether a stand-alone issue by AlexRenew or use of a third party financing approach such as Revolving Fund Loans or pooled borrowing programs available through the VRA. Some considerations for evaluating the method of issuance, particularly when determining whether to issue debt through VRA or under AlexRenew's name, include:
 1. Financing Cost. This analysis should evaluate the overall cost of the financing, including borrowing rates, upfront fees, (such as the cost of obtaining a credit rating), whether a Debt Service Reserve Fund is required, ongoing costs and any other costs of financing.
 2. Permitted Uses of Funds. Some project costs are not eligible to be funded through certain financing programs. For example, land purchase costs are not eligible to be funded through the Department of Environmental Quality's Revolving Loan Fund program that AlexRenew has used in the past.
 3. Structural Flexibility. When selecting a financing program, AlexRenew will consider the flexibility of debt features available under each program. For example, AlexRenew will consider how flexible repayment features, call provisions, and borrowing terms are under each program.
 - v. Project Costs Prior to Debt Issue – If project costs are incurred prior to the

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- issuance of debt, the Board will pass a resolution documenting its intent to be reimbursed from bond proceeds as appropriate.
- vi. Variable Rate Debt (VRD) – VRD carries inherent interest rate risk. Such securities historically have interest rates lower than long-term fixed rate securities and offer the potential for lower debt service costs over the term of the bond issue. AlexRenew will consider using VRD when it: (i) improves matching of assets and liabilities, (ii) potentially lowers debt service costs, (iii) adds flexibility to AlexRenew’s capital structure, or (iv) diversifies AlexRenew’s investor base.
 - 1. Debt service on VRD will be budgeted at a conservative rate based on historical fluctuations in interest activity and current market assumptions. Before issuing VRD, AlexRenew will determine how potential spikes in the debt service will be funded and consider the impact of various debt ratios.
 - 2. AlexRenew will not issue VRD in excess of 20 percent of its total debt portfolio. This limitation does not apply to other VRD which AlexRenew has endeavored to offset with an operating investment portfolio intended to act as an economic hedge to interest rate fluctuations associated with the VRD. This limitation also excludes any VRD that may be hedged through an appropriate derivative agreement, if such technique is approved by the AlexRenew Board.
- e. Method of Sale
- i. AlexRenew will select a method of sale (competitive, negotiated, or private placement) it believes is the most appropriate in light of financial, market, transaction-specific and AlexRenew-related conditions.
- f. Term of Debt
- i. AlexRenew will not issue debt for a period longer than the aggregate useful lives of the projects being financed. AlexRenew does not expect to issue debt with a final maturity more than 40 years from the date of issuance. Factors to be considered when determining the final maturity of debt include: the average life of the assets being financed, relative level of interest rates, and the year-to-year differential in interest rates.
- g. Debt Structure
- i. Interest Rate Structure – AlexRenew may use both variable and fixed rate debt in accordance with limitations set forth in this policy.
 - ii. Maturity Structure – AlexRenew’s long-term debt may include serial and term bonds. Other maturity structures may also be considered when demonstrated to be advantageous to AlexRenew.
 - iii. Coupon Structure – Fixed rate debt may include par, discount, premium and capital appreciation bonds.
 - iv. Redemption Features – In order to preserve flexibility and refinancing opportunities, AlexRenew debt shall generally be issued with call provisions. AlexRenew may consider call provisions that are shorter than traditional and/or no-callable debt when warranted by market conditions and opportunities. For each transaction, various call option scenarios will be evaluated so that the most beneficial can be utilized.
 - v. Credit Enhancement – AlexRenew may use bond insurance and/or line and

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- letters of credit for credit enhancement when it is economically advantageous to do so.
- vi. Debt Service Reserve Fund – AlexRenew will fund a Debt Service Reserve Fund (DSRF) if required by the Bond Indenture.
 - vii. Capitalized Interest – By definition, capitalization of interest increases the amount of debt that is issued. AlexRenew will capitalize interest for a period not longer than 12 months after the project being financed is expected to be placed in service.
 - viii. Refinancing of Debt – AlexRenew will refinance debt from time to time to achieve debt service savings as market opportunities arise. Since federal regulations limit a tax-exempt issue to one advance refunding (a refinancing more than 90 days prior to a bond’s call date), AlexRenew will ensure that the advance refunding results in a significant present value savings. A proposed refinancing must achieve a minimum cumulative, net present value savings of 3 percent of the amount refinanced. An exception to this minimum refinancing savings policy will be if the refinancing is being done for debt restructuring purposes and the Board determines that it is in the best interests of AlexRenew to complete the refinancing without achieving the refinancing savings policy. In addition, AlexRenew will consider the efficiency of a proposed refinancing transaction. The efficiency evaluation will consider the value realized by AlexRenew when exercising its option to redeem its bonds early calculated under a variety of different interest rate environments, versus the savings garnered. In general, AlexRenew will consider refinancing bonds when the aggregate efficiency is equal to or greater than 70 percent.
 - ix. In any refinancing transaction, AlexRenew maintains a bias to not extend maturities.
- h. Escrow Structuring
- i. AlexRenew will utilize the least costly securities available in structuring refinancing escrows. Unless state and local government securities (SLGS) are used, a certificate will be provided by a third party agent stating that the securities were procured through an arms-length, competitive bid process (in the case of the open market securities), and that the price paid for the securities was reasonable within federal guidelines. Under no circumstances will an underwriter, agent or financial advisor sell escrow securities to AlexRenew from its own account.
- i. Hiring of Professionals – All members of the financial advisory team including underwriter, financial advisor, bond counsel, and other professionals will be selected in a manner consistent with AlexRenew’s procurement policy for professional services.
- i. Underwriter Selection
 - 1. Senior Manager Selection – AlexRenew will select a senior manager for any proposed negotiated sale. The selection criteria will include but not be limited to the following:
 - a. The firm’s ability and experience in managing transactions similar to that contemplated by AlexRenew.
 - b. Prior knowledge and experience with AlexRenew.

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- c. The firm's ability and willingness to risk capital and demonstration of the firm's capital availability and underwriting of unsold balances.
- d. Quality and experience of personnel assigned to AlexRenew's engagement.
- e. Financing plan presented.
- f. Cost including underwriting fees and anticipated pricing.
- 2. Co-Manager Selection – Co-manager may be selected on the same bases as the senior manager with the exception of underwriting fees, which are determined by the senior manager. In addition to their qualifications, co-managers appointed to specific transactions will be a function of transaction size and the necessity to ensure maximum distribution of AlexRenew's bonds.
- 3. Underwriter's Counsel – In any negotiated sale of AlexRenew debt in which legal counsel is required to represent the underwriter, the appointment will be made by the Senior Manager with final approval from AlexRenew.
- 4. Underwriter's Discount – AlexRenew will evaluate the proposed underwriter's discount against comparable issues in the market. If there are multiple underwriters in the transaction, AlexRenew will determine the allocation of underwriting liability and management fees. The allocation of fees will be determined prior to the sale date. A cap on management fees, expenses and underwriter's counsel fee will be established and communicated to all parties by AlexRenew. The senior manager shall submit an itemized list of expenses.
- 5. Evaluation of Underwriter Performance – AlexRenew will evaluate each bond sale after completion to assess the following: costs of issuance including underwriters' compensation, pricing of the bonds in terms of the overall interest costs and on a maturity-by-maturity basis, and the distribution of bonds.
- 6. Syndicate Policies – For each negotiated transaction, AlexRenew will establish syndicate policies that will describe the priority of orders and designation policies government the upcoming sale. AlexRenew shall require the senior manager to:
 - a. Fairly allocate bonds to other managers and the selling group.
 - b. Comply with the Municipal Securities Rulemaking Board's (MSRB) regulations governing the priority of orders and allocations.
 - c. Within 10 working days after the sale date, submit to AlexRenew a detail of orders, allocations and other relevant information pertaining to AlexRenew's sale.
- ii. Consultants
 - 1. Financial Advisor – AlexRenew will select a financial advisor to assist in its debt issuance and debt administration processes. Selection of the AlexRenew's financial advisor will be based on , but

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not limited to, the following criteria:

- a. Experience in providing consulting services to entities similar to AlexRenew.
 - b. Knowledge and experience in structuring and analyzing bond issues.
 - c. Experience and reputation of assigned personnel.
 - d. Fees and expenses.
2. Bond Counsel – AlexRenew will include a written opinion by legal counsel affirming that AlexRenew is authorized to issue the proposed debt, that AlexRenew has met all legal requirements necessary for issuance, and a determination of the proposed debt's federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by Counsel with extensive experience in public finance and tax issues. The Bond Counsel will be selected by AlexRenew.
 3. Conflicts of Interest – AlexRenew requires that its consultants and advisors provide objective advice and analysis, maintain the confidentiality of AlexRenew financial plans, and be free from any conflict of interest. In no case will AlexRenew's financial advisor be permitted to underwrite any portion of AlexRenew's bond issues, whether sold competitively or negotiated.
 4. Disclosure by Financing Team Members – all financing team members will be required to provide full and complete disclosure, relative to agreements with other financing team members or outside parties. The extent of disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted which could compromise the firm's ability to provide independent advice which is solely in AlexRenew's best interests or which could reasonably be perceived as a conflict of interest.
 - j. Communication and Disclosure
 - i. Continuing Disclosure – AlexRenew recognizes that accurate and complete disclosure is imperative. AlexRenew will comply with all state and federal disclosure obligations and will meet its disclosure requirements in a timely and thorough manner.
 - k. Arbitrage Compliance
 - i. AlexRenew will maintain a system of recordkeeping and reporting in order to comply with the Arbitrage Rebate Compliance Requirements of the Internal Revenue Code of 1986, as amended.
5. Derivatives
 - a. Derivatives such as interest rate swaps and options are financial tools that can help AlexRenew meet important financial objectives, however they introduce multiple risks which must be understood and managed. Properly used, these instruments may increase AlexRenew's financial flexibility, provide opportunities for interest rate savings or enhanced investment yields, and help AlexRenew manage its balance sheet through matching assets and liabilities.
 - b. AlexRenew will not enter into any financial derivative or swap until the following

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have occurred:

- i. The Board has adopted a comprehensive derivatives/swaps policy outlining the following related to the use of derivatives/swaps:
 1. Approach and Objectives
 - a. Specific objectives for utilizing swaps
 - b. Prohibited swap features
 2. Legal Authority
 3. Permitted Instruments
 4. Procedure for Submission and Execution
 5. Swap Analysis and Participant Requirements
 - a. Swap risks
 - b. Notional amount
 - c. Benefit expectation
 6. Legal and Contractual Requirements
 - a. Legal terms of swaps
 - b. Notional amount
 - c. Final maturity
 - d. Termination provisions
 - e. Collateral
 7. Ongoing Management
 8. Ongoing Reporting Requirements
 9. Acceptable Collateral
- ii. The Board has approved the execution of the specific financial derivative or swap transaction.

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2.0 Definitions

Bond Anticipation Note (BANs): Notes which are paid from the proceeds of the issuance of long-term bonds typically used for capital projects.

Call Provisions: The terms of bond giving the issuer the right to redeem all or a portion of a bond prior to its stated date of maturity at a specific price, usually at or above par.

Capital Improvement Program (CIP): Plan for major non-recurring facility, infrastructure, or acquisition expenditures that expand or improve the system and/or community assets. Projects included in the CIP include physical descriptions, implementation schedules, year of expenditure cost and funding sources estimates, and an indication of priorities and community benefits.

Capitalized Interest: A portion of the proceeds of a bond issue which is set aside to pay interest on the same bond issue for a specific period of time. Interest is commonly capitalized for the construction period of the project.

Commercial Paper: Short-term, unsecured promissory notes issued by corporations to finance receivables for a maturity specified by the purchaser that ranges from three days to 270 days. Notes are generally sold at a discount, and carry credit ratings issued by an NRSRO.

Competitive Sale: A sale/auction of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities. Contrast to a negotiated sale.

Continuing Disclosure: The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

Credit Enhancement: Credit support purchased by the issuer to raise the credit rating of a debt issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

Debt Service Reserve Fund: The fund in which moneys are placed which may be used to pay debt service if pledged revenue is insufficient to satisfy the debt service requirements.

Derivatives: A financial product whose value is derived from some underlying asset value.

Designation Policies: Outline how an investor's order is filled when a maturity is oversubscribed when there is an underwriting syndicate. The senior managing underwriter and issuer decide how the bonds will be allocated among the syndicate. There are three primary classifications of orders which form the designation policy: Group Net orders; Net Designated orders and Member orders.

Escrow: A fund established to hold moneys pledged and to be used to pay debt service on an outstanding issue.

Expenses: Compensates senior managers for out-of-pocket expenses including: underwriters counsel, DTC charges, travel, syndicate expenses, dealer fees, overtime expenses, communication

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expenses, computer time and postage.

Letters of Credit: A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

LIBOR: The London InterBank Offered Rate is the rate on the U.S. dollar denominated deposits with maturities from 1 day to 12 months transacted between banks in London. LIBOR is the benchmark swap floating index in the taxable or corporate swap market.

Liquidity: The ability of ease with which an asset can be converted into cash without a substantial loss of value.

Management Fee: The fixed percentage of the gross spread, which is paid to the managing underwriter for the structuring phase of a transaction.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Members: Underwriters in a syndicate other than the senior underwriter.

Nationally Recognized Statistical Rating Organization (NSRO): A credit rating agency which issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. Examples include Moody's Investor Service, Standard & Poor's and Fitch Ratings.

Negotiated Sale: A method of sale in which the issuer chooses an underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

Original Issue Discount: The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

Portfolio: Collection of securities held by an investor.

Present Value: The current value of a future cash flow.

Private Placement: The original placement of an issue with one or more investors versus being publicly offered or sold.

Revenue Bonds: Bonds secured by a specific revenue pledge of rates, rents or fees.

Securities and Exchange Commission (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Selling Groups: The group of securities dealers who participate in an offering not as underwriters but rather who receive securities less the selling concession from the managing underwriter for distribution at the public offering price.

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SIFMA: The Securities Industry and Financial Markets Association is a high grade market index of 7-day variable rate demand notes that is produced by Municipal Market Data. SIFMA is the benchmark swap floating in the tax-exempt swap market.

Syndicate Policies: The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

Underwriter: A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

Underwriter's Discount: The difference between the price at which bonds are bought by the Underwriter from the Issuer and the price at which they are offered to investors, representing the compensation earned by the Underwriter for placing the bonds with investors.

Variable Rate Debt: An interest rate on a security which changes at intervals according to an index or a formula or other standard of measurement as stated in the bond contract.

Yield: The rate of annual income return.

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Purpose and Need

~~Alexandria Renew Enterprises (AlexRenew) formerly Alexandria Sanitation Authority is a special purpose governmental unit created by the City Council of Alexandria, Virginia (City Council) in 1952 for the purpose of constructing, operating and maintaining a wastewater treatment system (System) for the City of Alexandria, Virginia (City). AlexRenew is governed and administered by a Board of Directors (Board) with five members who serve staggered terms and are appointed by the City Council. The Chief Executive Officer (CEO) oversees AlexRenew's operations and plans for the construction, maintenance, repair and financing of the System. AlexRenew operates as an enterprise fund, has no taxing power and receives no financial assistance from the City.~~

AlexRenew recognizes that one of the keys to sound financial management is the development of a formal financial policy. This view is confirmed by bond rating agencies, investors and the Government Finance Officers Association. Establishing formal financial policies is also a common practice among comparable water and wastewater authorities throughout the Commonwealth and the United States.

The financial policy is designed to help protect AlexRenew's financial resources by:

- Promoting sound financial management;
- Guiding AlexRenew and its managers in policy and debt issuance decisions;
- Establishing appropriate levels of operating cash reserves;
- Developing a system to efficiently finance necessary capital improvements;
- Ensuring the legal and prudent use of AlexRenew's debt issuance authority;
- Providing a framework for AlexRenew to achieve a strong credit rating, and
- Maintaining reasonable and well justified levels of rates and fees in accordance with the financial policy.

In general, these financial policies are more restrictive and require higher standards than the legal requirements contained in the Master Indenture of Trust (Bond Indenture), which is the agreement between AlexRenew and debt holders. These financial policies will be reviewed periodically and updated as appropriate.

The following are the financial policies that will guide AlexRenew's financial management, capital planning and debt financing.

A. Debt Service Coverage

1. For FY2011 through and including FY2013, AlexRenew will adopt budgets that it projects will enable AlexRenew to maintain annual debt service coverage (Coverage) of 1.40 times Net Revenues, as defined in the Bond Indenture, on all senior and parity debt. Beginning in FY2014 and thereafter, AlexRenew will maintain Coverage of at least 1.50 times on all senior and parity debt.

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B. Reserves

1. An important metric of AlexRenew's financial flexibility is its liquidity as measured by available cash and reserves. These reserve policies identify amounts available for known risks and obligations and set minimum funding goals that may be used in emergency or other unexpected situations as they arise. The reserves represent an earmarking for budgetary and financial policy purposes. These reserves are in addition to existing legal reserves required by the Master Indenture of Trust (Bond Indenture) and any funds earmarked for capital improvements.
2. AlexRenew will maintain a balance equal to at least 120 days of the current years budgeted amount for operating and maintenance expenses. As required by the Bond Indenture, one sixth of the current year's budgeted amount for operating expenses (60 days) will be held in the Operating Fund. The remainder of the reserves will be held in the General Reserve Fund, a subfund of the General Fund. In the event the General Reserve Fund is used to provide funding for unanticipated expenses or otherwise drops below the policy level, the CEO will submit a plan in writing to the Board that will restore the General Reserve Fund to the policy level over a period not to exceed four years.
3. All other funds will be funded as required by the Bond Indenture, with a summary as follows:
 - a. Senior Debt Service Fund: An amount that will cause the balance on deposit to be sufficient to pay the principal and interest on the respective payment dates.
 - b. Improvement, Renewal and Replacement Fund (IRR): An amount equal to the Alexandria portion (40%) of the annual calculation of the required contribution to the IRR Fund.
 - c. General Fund: Any remaining amounts after the requirement deposits.
4. Debt Service Reserve Fund: An amount equal to the Debt Service Reserve Fund requirement as defined in the Bond Indenture. When necessary and prudent, AlexRenew may create additional accounts within the General Fund for specific purposes. These accounts could include accounts for capital projects, risk management and revenue stabilization, among others.

C. Budgetary Principles

1. Annual Operating Budget Proposals
 - a. Per Section 9.3 of the Bond Indenture, AlexRenew is required to adopt a budget for the System for the ensuing fiscal year before the beginning of each fiscal year. The annual budget is required to be prepared in such a manner as to show in reasonable detail the estimated revenues, operating expenses, IRR amounts, debt service amounts, other costs and expenses and the amount of Net Revenues available to meet the Revenue Covenant per the Bond Indenture.
 - b. In conjunction with the budget requirements of the Bond Indenture, the Board will strive to adopt an operating budget that:
 - i. Is structurally balanced whereby current budgetary revenues are sufficient to meet

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current budgetary expenses (those that are ongoing in nature);

- ii. Has fees and user charges at levels intended to support the direct and indirect cost of the activity.
 - iii. Sets fees and user charges with the intent to provide the lowest reasonable fees and user charges over time, not necessarily the lowest fees and user charges right now.
 - iv. Is at a level necessary to ensure the adequate maintenance and operations of the wastewater system
 - v. Includes amounts necessary to maintain the required reserve balances as defined in these policies;
 - vi. Enables AlexRenew to meet the debt service coverage policy defined herein; and
 - vii. Funds at least 15 percent of its capital improvement program in cash.
- c. Capital Improvement Program (CIP)
- i. Each year AlexRenew will adopt a ten-year CIP that identifies projects to be undertaken over the next ten years to meet projected needs for infrastructure renewal, expansion, and replacing old or new facilities.
 - ii. Projects included in the CIP will have aggregate useful lives that do not exceed any related debt financing.
 - iii. The CIP will identify anticipated capital improvement costs and associated operating costs.
2. Long Range Financial Forecast
- a. Beginning with planning for the FY2012 budget and in each fiscal year thereafter, the CEO will submit to the Board at least a three year financial forecast of anticipated revenues and expenses.

D. Annual Audit

1. AlexRenew will comply with all Generally Accepted Accounting Principles (GAAP) and AlexRenew's Master Indenture of Trust.
2. AlexRenew will maintain a current comprehensive framework of internal financial controls, policies, and procedures.
3. Over a period of not more than five (5) years, AlexRenew will seek proposals from qualified certified public accountant firms, including current -auditors, if their performance has been satisfactory, to perform an annual independent audit of AlexRenew's financial statements.-
 - a. The proposal process will be delegated to the CEO and follow AlexRenew's Procurement Policy and appropriate Virginia Public Procurement Act guidelines for procurement of professional services.

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b. An independent auditor may be contracted to serve for a maximum of two (2) concurrent five (5) year periods.

4. Annual Audit Process

a. The CEO will designate appropriate staff to manage the annual audit process and coordinate with the independent auditor to provide financial statements, an Annual Comprehensive Financial Report (ACFR), and other appropriate information.

b. Based on the information provided by staff (and as appropriate, the Board Chair and Finance and Audit Committee Chair), the independent auditor will submit a Report of Audit Results (Report) outlining their findings and recommendations.

c. The independent auditor will present the Report to the Finance and Audit Committee.

d. The Finance and Audit Committee will oversee the audit process, review the ACFR and Report, and accept the Report to be presented to the Board for approval.

a-e. The Finance and Audit Committee will report the findings and recommendations of the annual audit to the Board for approval to close out the process.

D.E. Debt Management

1. AlexRenew may issue long-term debt per the guidelines in this financial policy. Long-term borrowing will not be used to finance current operations. Long-term debt will be structured such that financial obligations do not exceed the aggregate expected useful lives of the assets financed.
2. Short-term borrowing may be utilized for the temporary funding of operational cash flow deficits or interim construction requirements.
3. Permitted Debt by Type: AlexRenew may issue the debt instruments described below. The most appropriate instrument for a proposed sale of debt shall be determined by financing needs and expected market conditions at the time of sale.
 - a. Lease Financing – AlexRenew may use lease financing for facilities or equipment if (i) it can be demonstrated that this is the most cost effective or appropriate way to secure financing or (ii) on projects that do not warrant entry into the bond market.
 - b. Bond Anticipation Notes (BANs) – which include Commercial Paper, are typically an interim means of financing and, by their very nature, expose AlexRenew to interest rate risk upon renewal. BANs may be used to (i) finance projects until such time as the project or projects can be incorporated into a long-term bond sale, (ii) during times of high interest rates and when the expectation is that interest rates will stabilize in the future or trending downward, (iii) when market conditions are such that a BAN may be more readily received in the market than long-term debt, or (iv) on an interim basis during the construction period for a project until such time as the project is placed into service.
 - c. Long-Term Revenue Bonds – AlexRenew may issue long-term revenue bonds to fund capital

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projects. These bonds may be issued by AlexRenew in a number of ways, including, but not limited to, those listed below. AlexRenew will evaluate multiple methods for issuing long-term revenue bonds and use the method that is most advantageous to AlexRenew.

- i. AlexRenew may issue the bonds through a public sale under its own name in the capital markets.
 - ii. AlexRenew may issue the bonds through a private placement under its own name.
 - iii. AlexRenew may issue the bonds to the Virginia Resources Authority (VRA) under one of VRA's loan programs.
- d. Revenue Anticipation Notes (RANs) – may be issued to meet AlexRenew's operational cash flow needs.
- e. Lines of Credit – may be considered as an alternative to other short-term borrowing options.
4. Guidelines on Debt Issuance
- a. Bond Indenture – AlexRenew will abide by the covenants contained in the Bond Indenture. AlexRenew considers these covenants to be minimum requirements, and generally expects to exceed the requirements of each covenant.
 - b. Authorization – Prior to issuance of debt, the Board will pass a resolution authorizing the financing arrangements and setting appropriate limits and parameters for the anticipated financing in accordance with applicable laws.
 - c. Lowest Cost Financing – AlexRenew intends to pursue the lowest cost of financing within the parameters of these financial policies, the Bond Indenture and AlexRenew's enabling legislation.
 - d. Method of Issuance – Prior to each debt issuance, AlexRenew will evaluate the available methods of issuance and pursue the method of issuance that is most advantageous to AlexRenew, whether a stand-alone issue by AlexRenew or use of a third party financing approach such as Revolving Fund Loans or pooled borrowing programs available through the VRA. Some considerations for evaluating the method of issuance, particularly when determining whether to issue debt through VRA or under AlexRenew's name, include:
 - i. Financing Cost. This analysis should evaluate the overall cost of the financing, including borrowing rates, upfront fees, (such as the cost of obtaining a credit rating), whether a Debt Service Reserve Fund is required, ongoing costs and any other costs of financing.
 - ii. Permitted Uses of Funds. Some project costs are not eligible to be funded through certain financing programs. For example, land purchase costs are not eligible to be funded through the Department of Environmental Quality's Revolving Loan Fund

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program that AlexRenew has used in the past.

- iii. Structural Flexibility. When selecting a financing program, AlexRenew will consider the flexibility of debt features available under each program. For example, AlexRenew will consider how flexible repayment features, call provisions, and borrowing terms are under each program.
 - e. Project Costs Prior to Debt Issue – If project costs are incurred prior to the issuance of debt, the Board will pass a resolution documenting its intent to be reimbursed from bond proceeds as appropriate.
 - f. Variable Rate Debt (VRD) – VRD carries inherent interest rate risk. Such securities historically have interest rates lower than long-term fixed rate securities and offer the potential for lower debt service costs over the term of the bond issue. AlexRenew will consider using VRD when it: (i) improves matching of assets and liabilities, (ii) potentially lowers debt service costs, (iii) adds flexibility to AlexRenew’s capital structure, or (iv) diversifies AlexRenew’s investor base.
 - i. Debt service on VRD will be budgeted at a conservative rate based on historical fluctuations in interest activity and current market assumptions. Before issuing VRD, AlexRenew will determine how potential spikes in the debt service will be funded and consider the impact of various debt ratios.
 - ii. AlexRenew will not issue VRD in excess of 20 percent of its total debt portfolio. This limitation does not apply to other VRD which AlexRenew has endeavored to offset with an operating investment portfolio intended to act as an economic hedge to interest rate fluctuations associated with the VRD. This limitation also excludes any VRD that may be hedged through an appropriate derivative agreement, if such technique is approved by the AlexRenew Board.
- 5. Method of Sale
 - a. AlexRenew will select a method of sale (competitive, negotiated, or private placement) it believes is the most appropriate in light of financial, market, transaction-specific and AlexRenew-related conditions.
- 6. Term of Debt
 - a. AlexRenew will not issue debt for a period longer than the aggregate useful lives of the projects being financed. AlexRenew does not expect to issue debt with a final maturity more than 40 years from the date of issuance. Factors to be considered when determining the final maturity of debt include: the average life of the assets being financed, relative level of interest rates, and the year-to-year differential in interest rates.
- 7. Debt Structure
 - a. Interest Rate Structure – AlexRenew may use both variable and fixed rate debt in

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- accordance with limitations set forth in this policy.
- b. Maturity Structure – AlexRenew’s long-term debt may include serial and term bonds. Other maturity structures may also be considered when demonstrated to be advantageous to AlexRenew.
 - c. Coupon Structure – Fixed rate debt may include par, discount, premium and capital appreciation bonds.
 - d. Redemption Features – In order to preserve flexibility and refinancing opportunities, AlexRenew debt shall generally be issued with call provisions. AlexRenew may consider call provisions that are shorter than traditional and/or no-callable debt when warranted by market conditions and opportunities. For each transaction, various call option scenarios will be evaluated so that the most beneficial can be utilized.
 - e. Credit Enhancement – AlexRenew may use bond insurance and/or line and letters of credit for credit enhancement when it is economically advantageous to do so.
 - f. Debt Service Reserve Fund – AlexRenew will fund a Debt Service Reserve Fund (DSRF) if required by the Bond Indenture.
 - g. Capitalized Interest – By definition, capitalization of interest increases the amount of debt that is issued. AlexRenew will capitalize interest for a period not longer than 12 months after the project being financed is expected to be placed in service.
 - h. Refinancing of Debt – AlexRenew will refinance debt from time to time to achieve debt service savings as market opportunities arise. Since federal regulations limit a tax-exempt issue to one advance refunding (a refinancing more than 90 days prior to a bond’s call date), AlexRenew will ensure that the advance refunding results in a significant present value savings. A proposed refinancing must achieve a minimum cumulative, net present value savings of 3 percent of the amount refinanced. An exception to this minimum refinancing savings policy will be if the refinancing is being done for debt restructuring purposes and the Board determines that it is in the best interests of AlexRenew to complete the refinancing without achieving the refinancing savings policy. In addition, AlexRenew will consider the efficiency of a proposed refinancing transaction. The efficiency evaluation will consider the value realized by AlexRenew when exercising its option to redeem its bonds early calculated under a variety of different interest rate environments, versus the savings garnered. In general, AlexRenew will consider refinancing bonds when the aggregate efficiency is equal to or greater than 70 percent.
 - i. In any refinancing transaction, AlexRenew maintains a bias to not extend maturities.
8. Escrow Structuring
- a. AlexRenew will utilize the least costly securities available in structuring refinancing escrows. Unless state and local government securities (SLGS) are used, a certificate will be provided by a third party agent stating that the securities were procured through an

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arms-length, competitive bid process (in the case of the open market securities), and that the price paid for the securities was reasonable within federal guidelines. Under no circumstances will an underwriter, agent or financial advisor sell escrow securities to AlexRenew from its own account.

9. Hiring of Professionals – All members of the financial advisory team including underwriter, financial advisor, bond counsel, and other professionals will be selected in a manner consistent with AlexRenew’s procurement policy for professional services.
 - a. Underwriter Selection
 - i. Senior Manager Selection – AlexRenew will select a senior manager for any proposed negotiated sale. The selection criteria will include but not be limited to the following:
 - (1). The firm’s ability and experience in managing transactions similar to that contemplated by AlexRenew.
 - (2). Prior knowledge and experience with AlexRenew
 - (3). The firm’s ability and willingness to risk capital and demonstration of the firm’s capital availability and underwriting of unsold balances.
 - (4). Quality and experience of personnel assigned to AlexRenew’s engagement.
 - (5). Financing plan presented.
 - (6). Cost including underwriting fees and anticipated pricing.
 - ii. Co-Manager Selection – Co-manager may be selected on the same bases as the senior manager with the exception of underwriting fees, which are determined by the senior manager. In addition to their qualifications, co-managers appointed to specific transactions will be a function of transaction size and the necessity to ensure maximum distribution of AlexRenew’s bonds.
 - iii. Underwriter’s Counsel – In any negotiated sale of AlexRenew debt in which legal counsel is required to represent the underwriter, the appointment will be made by the Senior Manager with final approval from AlexRenew.
 - iv. Underwriter’s Discount – AlexRenew will evaluate the proposed underwriter’s discount against comparable issues in the market. If there are multiple underwriters in the transaction, AlexRenew will determine the allocation of underwriting liability and management fees. The allocation of fees will be determined prior to the sale date. A cap on management fees, expenses and underwriter’s counsel fee will be established and communicated to all parties by AlexRenew. The senior manager shall submit an itemized list of expenses.
 - v. Evaluation of Underwriter Performance – AlexRenew will evaluate each bond sale after completion to assess the following: costs of issuance including underwriters’

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compensation, pricing of the bonds in terms of the overall interest costs and on a maturity-by-maturity basis, and the distribution of bonds.

- vi. **Syndicate Policies** – For each negotiated transaction, AlexRenew will establish syndicate policies that will describe the priority of orders and designation policies government the upcoming sale. AlexRenew shall require the senior manager to:
 - (1). Fairly allocate bonds to other managers and the selling group.
 - (2). Comply with the Municipal Securities Rulemaking Board’s (MRSB) regulations governing the priority of orders and allocations.
 - (3). Within 10 working after the sale date, submit to AlexRenew a detail of orders, allocations and other relevant information pertaining to AlexRenew’s sale days

b. Consultants

- i. **Financial Advisor** – AlexRenew will select a financial advisor to assist in its debt issuance and debt administration processes. Selection of the AlexRenew’s financial advisor will be based on, but not limited to, the following criteria:
 - (1). Experience in providing consulting services to entities similar to AlexRenew.
 - (2). Knowledge and experience in structuring and analyzing bond issues.
 - (3). Experience and reputation of assigned personnel.
 - (4). Fees and expenses.
- ii. **Bond Counsel** – AlexRenew will include a written opinion by legal counsel affirming that AlexRenew is authorized to issue the proposed debt, that AlexRenew has met all legal requirements necessary for issuance, and a determination of the proposed debt’s federal income tax status. The approving opinion and other documents relating to the issuance of debt will be prepared by Counsel with extensive experience in public finance and tax issues. The Bond Counsel will be selected by AlexRenew.
- iii. **Conflicts of Interest** – AlexRenew requires that its consultants and advisors provide objective advice and analysis, maintain the confidentiality of AlexRenew financial plans, and be free from any conflict of interest. In no case will AlexRenew’s financial advisor be permitted to underwrite any portion of AlexRenew’s bond issues, whether sold competitively or negotiated.
- iv. **Disclosure by Financing Team Members** – all financing team members will be required to provide full and complete disclosure, relative to agreements with other financing team members or outside parties. The extent of disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted which could compromise the firm’s ability to provide independent advice which is solely in AlexRenew’s best interests or which could reasonably be perceived as a conflict of

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interest.

10. Communication and Disclosure

- a. Continuing Disclosure – AlexRenew recognizes that accurate and complete disclosure is imperative. AlexRenew will comply with all state and federal disclosure obligations and will meet its disclosure requirements in a timely and thorough manner.

11. Arbitrage Compliance

- a. AlexRenew will maintain a system of recordkeeping and reporting in order to comply with the Arbitrage Rebate Compliance Requirements of the Internal Revenue Code of 1986, as amended.

F. Write Offs

The Government Finance Officers Association’s “Best Practices” recommends that management of accounts receivable should include periodic write-offs to ensure that accounts receivable and allowance balances are not overstated.

1. Authority Levels for Write-Offs

- a. The Chief Executive Officer (CEO) may approve write-off amounts up to \$1,500 per account or may, at his discretion, refer a lesser amount per account to the Board of Directors for approval.
- b. The Board of Directors will annually approve amounts to be written off greater than \$1,500 per account.

2. Active Account Write-off Criteria

- a. An active account’s past due balance for services rendered by AlexRenew will not be written off unless an exception is made by the CEO, or designated representative, or the debt is discharged through legal action (bankruptcy or court judgment).

3. Inactive Account Write-Off Criteria

- a. An inactive account’s past due balance for services rendered by AlexRenew will be considered uncollectible, and written off, after the appropriate collection procedures have been followed and one or more of the following criteria are met:
 - v. The account remains unpaid after 60 days and the amount is under \$200;
 - vi. The account remains unpaid after 180 days and the amount is under \$600;
 - vii. The account remains unpaid after 365 days and the amount is under \$1,200;
 - viii. Regardless of balance, the account remains unpaid after the lesser of 730 days or the applicable period for commencement of a recovery action (statute of limitations is three years);

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- ix. The debtor has died and there is no known estate or guarantor;
- x. The debt is discharged through legal action (bankruptcy or court judgment);
- xi. The debtor is a company which is no longer in business;
- xii. The debtor cannot be located, nor any of the debtor's assets, by the external collection agency after 180 days;
- xiii. The external collection agency determines after a period of 365 days that the debtor has no assets and there is no expectation that they will have any in the future; and/or;
- xiv. The debt has been forgiven by action of the CEO or designated representative.

E.G. Derivatives

1. Derivatives such as interest rate swaps and options are financial tools that can help AlexRenew meet important financial objectives, however they introduce multiple risks which must be understood and managed. Properly used, these instruments may increase AlexRenew's financial flexibility, provide opportunities for interest rate savings or enhanced investment yields, and help AlexRenew manage its balance sheet through matching assets and liabilities.
2. AlexRenew will not enter into any financial derivative or swap until the following have occurred:
 - a. The Board has adopted a comprehensive derivatives/swaps policy outlining the following related to the use of derivatives/swaps:
 - i. Approach and Objectives
 - (1). Specific objectives for utilizing swaps
 - (2). Prohibited swap features
 - ii. Legal Authority
 - iii. Permitted Instruments
 - iv. Procedure for Submission and Execution
 - v. Swap Analysis and Participant Requirements
 - (1). Swap risks
 - (2). Notional amount
 - (3). Benefit expectation
 - vi. Legal and Contractual Requirements
 - (1). Legal terms of swaps
 - (2). Notional amount
 - (3). Final maturity
 - (4). Termination provisions

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- (5). Collateral
 - vii. Ongoing Management
 - viii. Ongoing Reporting Requirements
 - ix. Acceptable Collateral
- b. The Board has approved the execution of the specific financial derivative or swap transaction.

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Definitions

Bond Anticipation Note (BANs): Notes which are paid from the proceeds of the issuance of long-term bonds typically used for capital projects.

Call Provisions: The terms of bond giving the issuer the right to redeem all or a portion of a bond prior to its stated date of maturity at a specific price, usually at or above par.

Capital Improvement Program (CIP): Plan for major non-recurring facility, infrastructure, or acquisition expenditures that expand or improve the system and/or community assets. Projects included in the CIP include physical descriptions, implementation schedules, year of expenditure cost and funding sources estimates, and an indication of priorities and community benefits.

Capitalized Interest: A portion of the proceeds of a bond issue which is set aside to pay interest on the same bond issue for a specific period of time. Interest is commonly capitalized for the construction period of the project.

Commercial Paper: Short-term, unsecured promissory notes issued by corporations to finance receivables for a maturity specified by the purchaser that ranges from three days to 270 days. Notes are generally sold at a discount, and carry credit ratings issued by an NRSRO.

Competitive Sale: A sale/auction of securities by an issuer in which underwriters or syndicates of underwriters submit sealed bids to purchase the securities. Contrast to a negotiated sale.

Continuing Disclosure: The principle that accurate and complete information material to the transaction which potential investors would be likely to consider material in making investment decisions with respect to the securities be made available on an ongoing basis.

Credit Enhancement: Credit support purchased by the issuer to raise the credit rating of a debt issue. The most common credit enhancements consist of bond insurance, direct or standby letters of credit, and lines of credit.

Debt Service Reserve Fund: The fund in which moneys are placed which may be used to pay debt service if pledged revenue is insufficient to satisfy the debt service requirements.

Derivatives: A financial product whose value is derived from some underlying asset value.

Designation Policies: Outline how an investor's order is filled when a maturity is oversubscribed when there is an underwriting syndicate. The senior managing underwriter and issuer decide how the bonds will be allocated among the syndicate. There are three primary classifications of orders which form the designation policy: Group Net orders; Net Designated orders and Member orders.

Escrow: A fund established to hold moneys pledged and to be used to pay debt service on an

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outstanding issue.

Expenses: Compensates senior managers for out-of-pocket expenses including: underwriters counsel, DTC charges, travel, syndicate expenses, dealer fees, overtime expenses, communication expenses, computer time and postage.

Letters of Credit: A bank credit facility wherein the bank agrees to lend a specified amount of funds for a limited term.

LIBOR: The London InterBank Offered Rate is the rate on the U.S. dollar denominated deposits with maturities from 1 day to 12 months transacted between banks in London. LIBOR is the benchmark swap floating index in the taxable or corporate swap market.

Liquidity: The ability of ease with which an asset can be converted into cash without a substantial loss of value.

Management Fee: The fixed percentage of the gross spread, which is paid to the managing underwriter for the structuring phase of a transaction.

Maturity: The date upon which the principal or stated value of an investment becomes due and payable.

Members: Underwriters in a syndicate other than the senior underwriter.

Nationally Recognized Statistical Rating Organization (NSRO): A credit rating agency which issues credit ratings that the U.S. Securities and Exchange Commission (SEC) permits other financial firms to use for certain regulatory purposes. Examples include Moody's Investor Service, Standard & Poor's and Fitch Ratings.

Negotiated Sale: A method of sale in which the issuer chooses an underwriter to negotiate terms pursuant to which such underwriter will purchase and market the bonds.

Original Issue Discount: The amount by which the original par amount of an issue exceeds its public offering price at the time it is originally offered to an investor.

Portfolio: Collection of securities held by an investor. **Present Value:** The current value of a future cash flow.

Private Placement: The original placement of an issue with one or more investors versus being publicly offered or sold.

Revenue Bonds: Bonds secured by a specific revenue pledge of rates, rents or fees.

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Securities and Exchange Commission (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

Selling Groups: The group of securities dealers who participate in an offering not as underwriters but rather who receive securities less the selling concession from the managing underwriter for distribution at the public offering price

SIFMA: The Securities Industry and Financial Markets Association is a high grade market index of 7-day variable rate demand notes that is produced by Municipal Market Data. SIFMA is the benchmark swap floating in the tax-exempt swap market.

Syndicate Policies: The contractual obligations placed on the underwriting group relating to distribution, price limitations and market transactions.

Underwriter: A dealer that purchases new issues of municipal securities from the Issuer and resells them to investors.

Underwriter's Discount: The difference between the price at which bonds are bought by the Underwriter from the Issuer and the price at which they are offered to investors, representing the compensation earned by the Underwriter for placing the bonds with investors.

Variable Rate Debt: An interest rate on a security which changes at intervals according to an index or a formula or other standard of measurement as stated in the bond contract.

Yield: The rate of annual income return.



**City of Alexandria, Virginia Sanitation Authority dba Alexandria Renew
Enterprises Board Adopted Policy**

Title: WRITE-OFF POLICY

Date of

Adoption: 10/26/2016

Date of

Revision:10/26/2016

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An active account's past due balance for services rendered by Alexandria Renew Enterprises will not be written off unless an exception is made by the Chief Executive Officer or the following criteria is met:

- The debt is discharged through legal action (bankruptcy or court judgment)

An inactive account's past due balance for services rendered by Alexandria Renew Enterprises will be considered uncollectible, and written off, after the appropriate collection procedures have been followed and if it meets one or more of the following criteria:

- The account remains unpaid after six months (180 days) and the amount is under \$50.00;
- The account remains unpaid after one year (365 days) and the amount is under \$100.00;
- The debtor has died and there is no known estate or guarantor;
- The debt is discharged through legal action (bankruptcy or court judgment);
- The debtor is a company which is no longer in business;
- The debtor cannot be located, nor any of the debtor's assets, by the external collection agency after six months (180 days);
- The external collection agency determines after a period of one year (365 days) that the debtor has no assets and there is no expectation they will have any in the future;
- The account remains unpaid after the lesser of two years (730 days) or the applicable period for commencement of a recovery action (statute of limitations [three (3) years]); and/or
- The debt has been forgiven by action of the Chief Executive Officer or designated representative.



Board Policy – Orientation

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Board Member Orientation

Date of Adoption: September 19, 2023

Date of Revision:

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It is the policy of AlexRenew Board that new Board members will participate in a board orientation process shortly after being appointed to the Board of Directors. This ensures that all members have the critical information and resources they need to fulfill their roles and responsibilities. The orientation process is led by the Chief Executive Officer (CEO) and supported by the Board Chair, Board Vice Chair, and General Counsel.

The Board onboarding process includes: orientation meetings, provision of a Board Manual, and additional orientation checklist items. If feasible, orientation will be conducted prior to the member's first Board meeting.

Board Orientation Meetings

After a new member has joined the Board, the orientation process will include a series of meetings and presentations to share organizational information and answer questions. The meetings will be conducted in the following order:

- **Meeting with the Board Chair:** Informal meeting with the Board Chair to generally discuss the organization and the Board's role within the organization.
- **AlexRenew Overview:** Presentation by the CEO to discuss the organization's vision, mission, and strategic outcomes; programs and initiatives; and other background information. Includes a tour of the AlexRenew Environmental Center. Approximately 1.5-hours.
- **AlexRenew Water Resource Recovery Facility Overview:** Presentation by the CEO and staff to provide an overview of WRRF liquids and solids processes to effectively manage the community's wastewater. Includes a tour of the WRRF. Approximately 2-hours.
- **Board Governance Overview:** Presentation by the Board Vice Chair and General Counsel to discuss the legal framework of the organization; Board roles, responsibilities, and policies; committee involvement; Board meetings and other events; and Virginia Freedom of Information Act requirements. Approximately 1-hour.
- Additionally, the CEO and Board Chair may provide an overview of any major organizational initiative(s) that are ongoing at the time of Board orientation.

Hardcopies of presentations will be provided at each meeting and may be included in the Board Manual.

Board Manual

The CEO will provide each board member a Board Manual including, but not limited to, the documents listed below. The manual clearly describes the organization and outlines the roles and responsibilities of the Board.

- Legal
 - Articles of Incorporation

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Title: Board Member Orientation

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- Service Agreements
- Board Member General Liability Insurance
- By-Laws
 - Mission, Vision, Values
 - Board By-Laws
 - CEO Delegation of Authority
 - City of Alexandria Term Limits and Attendance Ordinance
 - Adopted Board Policies
- Board Operations
 - Board Member Contact List
 - Board Calendar
 - HOA/Civic Association Assignments
 - Closed Session Sheet
- Finance
 - Master Indenture of Trust
 - Resolution of Rate Adjustment Principles
 - Current Year Budget
 - Current Year Rates, Rules, and Regulations
 - Current Annual Comprehensive Report

Additional Board Orientation Checklist Items

In addition to the orientation meetings and Board Manual, the following items must also be accommodated as part of overall orientation.

- Folder containing current Annual Report, outreach materials, flyers, and other public-facing documents
- AlexRenew identification badge and garage clicker
- Business cards
- Headshot scheduling
- Clothing
- Computer, email address, and IT Welcome Letter
- BoardEffect login and instructions
- W9 and Direct Deposit Forms
- Staff updates to the website, letterhead and agenda



Board Policy – Environmental Justice

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Environmental Justice

Date of Adoption: September 19, 2023

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AlexRenew affirms and commits to pursuing the goals of environmental justice to prevent and mitigate disproportionate environmental impacts of its activities on the community it serves. AlexRenew firmly believes that no group should bear a disproportionate share of negative environmental consequences, and that all groups should benefit equitably from the environmental improvements resulting from AlexRenew's programs and initiatives.

Environmental justice is the equitable treatment and meaningful engagement of our residents— inclusive of all races, cultures, lifestyles, neighborhoods, and incomes—so we may advance our mission in managing the community's wastewater without placing disproportionate environmental or financial burdens on those we serve. Our work for environmental justice should be intentional and impactful.

As a single-purpose utility established to manage wastewater, AlexRenew operates and maintains infrastructure that is designed to protect public health and improve the environment. Despite our limited footprint, AlexRenew's environmental justice commitment will be guided by meaningful engagement, informed actions, and equitable treatment to best serve our community. As such, AlexRenew commits to the following actions to promote the goals of environmental justice:

- Conduct environmental justice training to ensure staff are equipped with the appropriate resources to understand the importance, issues, and impacts of the organization's programs and initiatives.
- Develop and implement guidance on the inclusion of environmental justice in appropriate AlexRenew programs and initiatives.
- Meaningfully engage stakeholders and community groups during all phases of programs and initiatives.
- Practice active listening to understand community impacts associated with the organization's programs and initiatives.
- Develop diverse and culturally appropriate communication strategies to ensure that stakeholders can participate in decisions and actions that may impact constituent communities.
- Create engaging and intentional educational programs to ensure that residents understand the value of their investments in clean water.
- Make decisions with an understanding of the community's residents, history, and economy.
- Develop funding strategies to support equitable sewer rates, while advocating for and promoting programs and initiatives that offer financial assistance to those in need.
- Coordinate with the City of Alexandria to provide community benefit as part of major programs to help tell the history of disadvantaged populations, where appropriate and practicable.
- Support the City of Alexandria as they establish, strengthen, and maintain key partnerships with community-based, non-profit, faith-based organizations, and businesses in Alexandria.
- Continuously improve upon the organization's programs and initiatives using best available information as new knowledge becomes available.



1800 Limerick Street
 Alexandria, VA 22314
 alexrenew.com

Board of Directors
 John Hill, Chair
 James Beall, Vice Chair
 Adriana Caldarelli, Sec'y-Treas
 Mark Jinks
 Rebecca Hammer

Chief Executive Officer
 Justin Carl, PE

General Counsel
 McGuireWoods, LLP

August 2023
CEO Report

This report represents a summary of AlexRenew’s operational excellence, financial resilience, and public engagement and trust for August 2023.

1 Operational Excellence

1.1 Water Resource Recovery Facility (WRRF) Performance

Performance of AlexRenew’s operations is reviewed and evaluated monthly to oversee operational excellence.

Precipitation for the month was 3.71 inches, which is above the historical average precipitation of 3.25 inches for the month.

Biosolids production was 2,039 wet tons. Biosolids were beneficially used through land application in the Virginia counties of Fauquier, Louisa, and King George. AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for August 2023 as outlined in Table 1.1.1.

Table 1.1. Summary of VPDES Permit VA0025160 Effluent Parameters

	Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Total Phosphorus	Dissolved Oxygen	Total Nitrogen	Total Nitrogen Load	Total Phosphorus Load
	MGD	Monthly Average (mg/L)	Monthly Average (mg/L)	Monthly Average (mg/L)	Monthly Average (mg/L)	Minimum (mg/L)	Annual Average (mg/L)	Year-to-Date (lb)	Year-to-Date (lb)
Permit	54.0	5.0	6.0	Seasonal (1)	0.18	6.0	3.0	493,381	29,603
Reported	34.4	Non detect	1.7	Non detect	0.06	7.3	2.7	192,404	8,059

Notes: (1) Ammonia has seasonal limits – April - October: 1.0 mg/L

1.2 Capital Improvement Program

Specific projects within AlexRenew’s Capital Improvement Program (CIP) are highlighted monthly to support operational excellence.

In July 2023, the Board approved three Job Order Contracts (JOC) with American Contracting & Environmental Services, F.H. Paschen, and PC Construction to support AlexRenew’s ongoing construction and maintenance needs. Table 1.2.1 summarizes task orders issued or pending to the JOC contractors.

Table 1.2. Summary of JOC Task Orders

Task Order	Value
Gravity Thickener No. 3 Assessment and Cleaning	\$87,576
Gravity Thickener No. 3 Repair	TBD
Gravity Thickener 2 and 4 Repair	TBD
Four Mile Run Pumping Station Valve Modifications	TBD
Tertiary Settling Tank Valve Replacement	TBD
WRRF General Housekeeping	TBD

AlexRenew will be procuring a Construction-Manager-At-Risk (CMAR) contract to execute necessary upgrades to the solids processes at the WRRF. The Request for Qualifications (RFQ) was published September 11, 2023. Additionally, a CMAR contract will also be issued to execute identified upgrades to the preliminary and primary processes at the WRRF. The RFQ is anticipated to be released in October 2023. These procurements follow the Board adopted *Procedures for the Procurement of Construction Management and Design-Build* policy.

Updates on the RiverRenew Program are in the RiverRenew Dashboard, provided as Attachment A.

1.3 Safety

Since August 3, 2023, AlexRenew has logged 15,312 hours without a lost time accident.

2 Financial Resilience

Performance of AlexRenew’s annual approved budget is reviewed and evaluated monthly to ensure overall organizational financial stability.

2.1 Revenues and Expenditures

Table 2.1 summarizes AlexRenew revenues and expenditures for this period. Major takeaways for this period include:

- Operating Revenues from the AlexRenew Wastewater Treatment Charge and Fairfax County Operating Expense Charge totaled \$12.5 million, an increase of \$1.4 million from the FY2024 Budget (budget) due to higher customer usage.
- Fairfax Improvement, Renewal, and Replacement (IRR) & Capital Contributions totaled \$1.8 million, a decrease of \$4.3 million from the Budget due to current timing and execution capital projects.
- Debt Proceeds and Other Sources totaled \$5.7 million, a decrease of \$21.0 million from the Budget due to current timing and execution of capital projects.
- FY2024 Total Expenditures totaled \$19.9 million, a decrease of \$23.9 million from Budget.

Table 2.1. Revenues and Expenditures for this Period

Revenues and Expenditures	Total FY2024 Budget	FY2024 Year-to-Date			
		Actual	Budget	Variance (\$)	Variance (%)
Revenues					
AlexRenew Wastewater Treatment Charge	53,672,299	10,343,174	8,945,383	1,391,791	15.6
Fairfax County Operating Expense Charge	12,796,021	2,132,670	2,132,670	0	0.0
Fairfax County IRR and Capital Contributions	36,419,800	1,753,433	6,069,967	(4,316,534)	(71.1)
Debt Proceeds and Other Sources	159,923,187	5,694,299	26,653,864	(20,959,565)	(78.6)
Total Revenues	262,811,307	19,923,576	43,801,884	(23,878,308)	(54.5)
Expenditures					
Operating and Maintenance Expenses	33,023,593	4,089,776	5,503,932	1,414,156	25.7
Parity Debt Service	16,448,494	465,757	2,741,415	(2,275,658)	(83.0)
IRR	10,818,748	2,264,283	2,449,223	(184,940)	(7.6)
Capital	202,520,472	13,103,760	33,107,614	20,003,854	60.4
Total Expenditures	262,811,307	19,923,576	43,801,884	23,878,608	54.5

2.2. Delinquencies

Figure 2.2 illustrates active AlexRenew accounts 60 or more days delinquent and total delinquent dollar amount owed over the last three (3) years. Major takeaways for this period include:

- The number of accounts delinquent by more than 60 days was 1,220, a decrease of 138 from the previous period.
- The delinquent dollar amount totaled \$1,146,484, a decrease of \$62,172 from the previous period.
- Approximately 60 percent of the delinquency value is from residential accounts.
- 91 residential and 10 commercial accounts are on active payment plans.

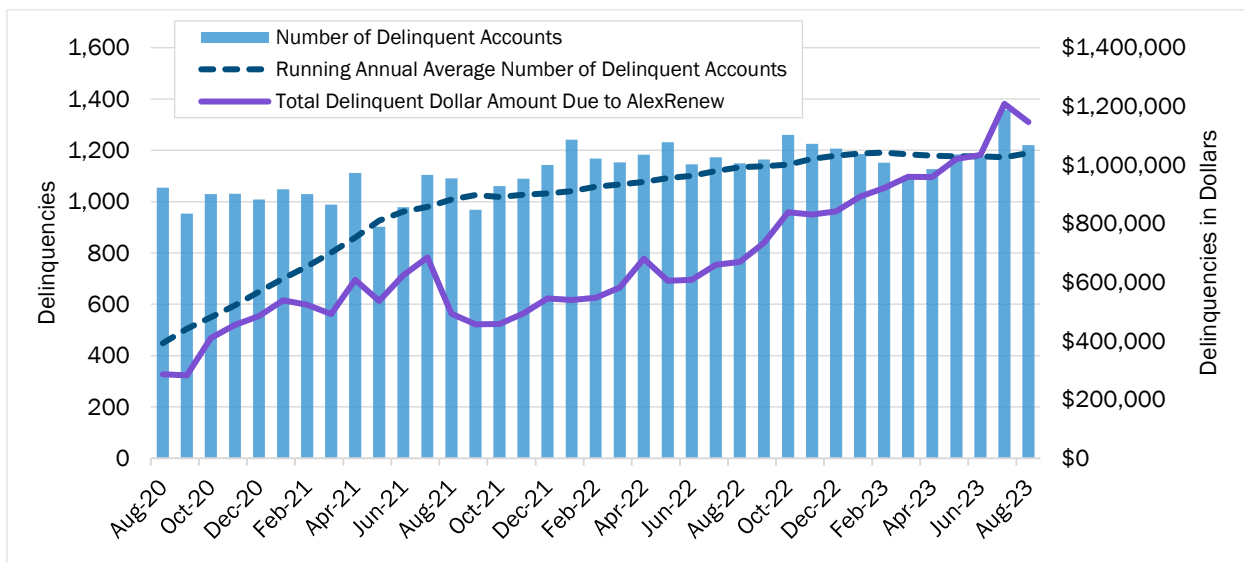


Figure 2.2. Active Accounts 60 or more days Delinquent

2.3 Board Financial Policy Status

The Master Indenture of Trust (Indenture) and Board Financial Policy require AlexRenew to maintain at least 120 days cash on hand. Additionally, the Indenture requires AlexRenew to maintain minimum debt service coverage of 1.1 times the parity debt service due in any fiscal year. The Board Financial Policy requires AlexRenew to maintain a higher minimum debt service coverage of at least 1.5 times. In both cases, AlexRenew currently exceeds its compliance standards as indicated in Tables 2.3a and 2.3b.

Table 2.3a. Cash Reserves

Item	FY2024 Budget	September 2022 – August 2023 Actual	Percentage of Goal
Total Operating Cash	\$5,428,536	\$6,945,974	128%
Total General Reserve Sub-Fund Cash	\$5,428,536	\$5,428,536	0%
Total	\$10,857,072	\$12,374,509	114% (137 days)

Table 2.3b. Debt Service Coverage

Item	FY2024 Budget	September 2022 – August 2023 Actual
Total Revenues	\$66,583,320	\$68,448,308
Less Operating Expenses	(\$33,023,593)	(\$32,363,121)
Net Revenue	\$33,559,727	\$36,085,186
Annual Debt Service	\$16,448,494	\$16,448,494
Calculated Coverage	2.04 times	2.19 times

2.4 Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew's \$25 million investment portfolio. The average yield to maturity as of August 31, 2023, is 2.05%, up 8 basis points from the previous month.

2.5 Other

A summary of the draft FY2023 year-end close is provided as Attachment B.

3 Public Engagement and Trust

AlexRenew shares a monthly summary of its community engagement and customer service statistics to highlight its contributions to public engagement and trust.

In August, AlexRenew welcomed a total of 190 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center in July: Alexandria Soccer Association (75), Campagna Center (30), ALIVE! (60), and Alexandria City Public Schools (25). AlexRenew also hosted tours for the WaterReuse Association, EPA, and the Chesapeake Bay Foundation.

Customer service received a total of 1,168 calls with 54 percent opting for self-service. The average

answer time was 82 seconds. Call center staff answered 157 emails.

Staff supported watershed partnerships by participating in the Chesapeake Bay Foundation Annual Boat Tour and Carlyle Council's National Night Out.

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Summary of Draft FY2023 Year-End Close

On June 30, 2023, AlexRenew closed FY2023. Table 1 and the following bullets summarize the draft year-end budget, pending any audit adjustments which will be available in October.

- Operating Revenues from the AlexRenew Wastewater Treatment Charge and Fairfax County Operating Expense Charge totaled \$66.6 million, an increase of \$3.9 million from the FY2023 Budget (Budget) due to higher customer usage.
- Fairfax County Improvement, Renewal, and Replacement (IRR) and Capital Contributions totaled \$9.5 million, a decrease of \$24.7 million from the Budget. The decrease is primarily attributed to timing and execution of capital projects.
- Debt Proceeds and Other Sources totaled \$88.8 million, a decrease of \$35.8 million from the Budget. The decrease is primarily attributed to timing and execution of capital projects.
- Operating and Maintenance expenditures totaled \$31.2 million, an increase of \$0.7 million from the Budget primarily from higher utilities, chemicals, and sewage disposal costs due to inflation.
- Parity Debt Service expenditures totaled \$3.9 million, a decrease of \$10.8 million from the Budget. The decrease is primarily attributed to timing and execution of capital projects.
- IRR and Capital expenditures totaled \$129.7 million, a decrease of \$46.5 million from the Budget. The decrease is primarily attributed to timing and execution of capital projects.

Table 1. AlexRenew FY2023 Updated Revenues and Expenditures as of August 31, 2023

Revenues and Expenditures	FY2023 Year-to-Date			
	Actual	Budget	Variance (\$)	Variance (%)
Revenues				
AlexRenew Wastewater Treatment Charge	54,868,214	50,922,485	3,945,730	7.7
Fairfax County Operating Expense Charge	11,694,706	11,694,706	0	0.0
Fairfax County IRR and Capital Contributions	9,456,250	31,177,706	(24,721,455)	(72.3)
Debt Proceeds and Other Sources	88,820,586	124,624,417	(35,803,831)	(28.7)
Total Revenues	164,839,756	221,419,313	(56,576,556)	(25.6)
Expenditures				
Operating and Maintenance Expenses	31,181,282	30,442,988	(738,294)	(2.4)
Parity Debt Service	3,920,788	14,739,509	10,818,720	73.4
IRR	15,930,897	11,355,302	(4,575,596)	(40.3)
Capital	113,806,788	164,881,515	51,074,727	31.0
Total Expenditures	164,839,756	221,419,313	56,576,556	25.6

RiverRenew Board of Directors Dashboard



MONTH ENDING: AUGUST 31, 2023

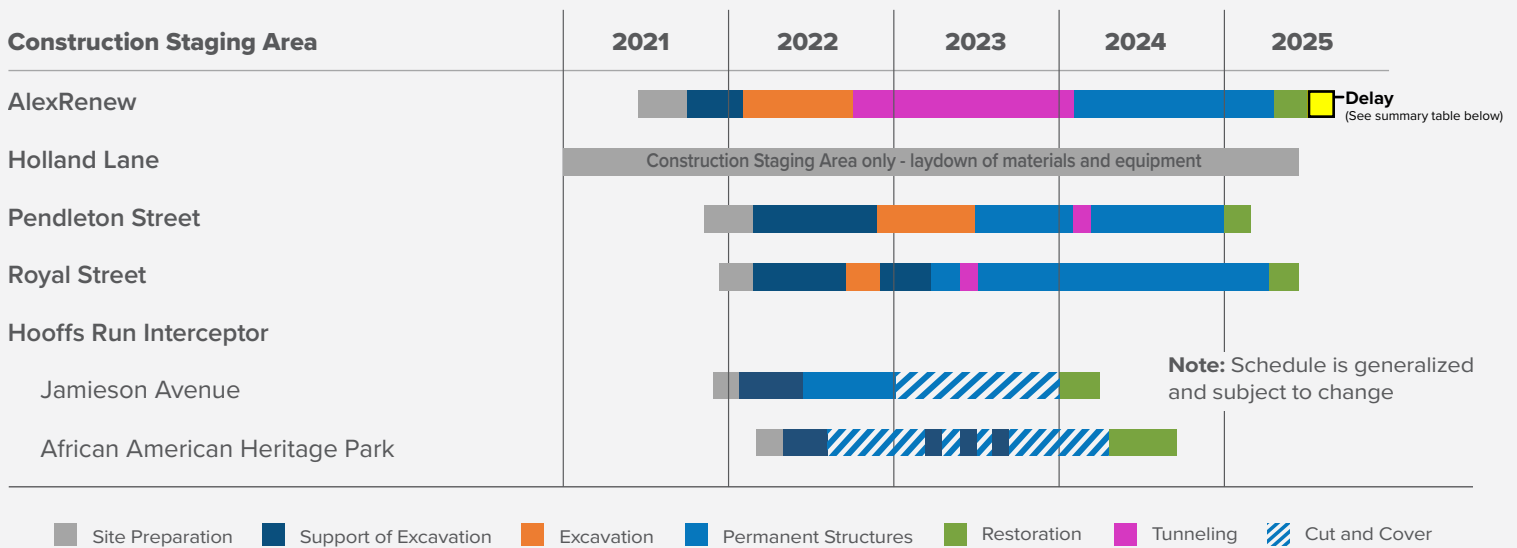
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

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



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.
4/2023	Due to the events in January and February 2022 (noted above), the Tunnel Project is currently 60 days behind schedule. The delay will primarily impact scheduled work at the AlexRenew site.

RiverRenew Tunnel Project Design-Build Progress

Overall Project Progress

(Design and Construction)



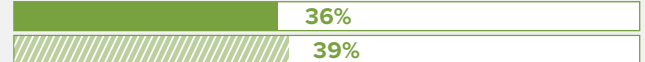
▲ DEC 2020

JUL 2025 ▲



Pendleton Street
Pile driving ongoing

Construction Progress*

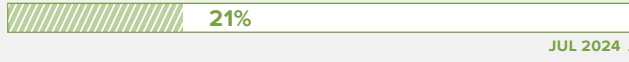


NOV 2024 ▲



Royal Street
Mobilization for near surface structures ongoing

Construction Progress*

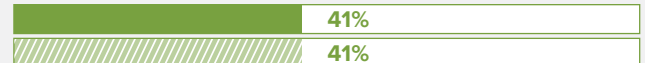


JUL 2024 ▲

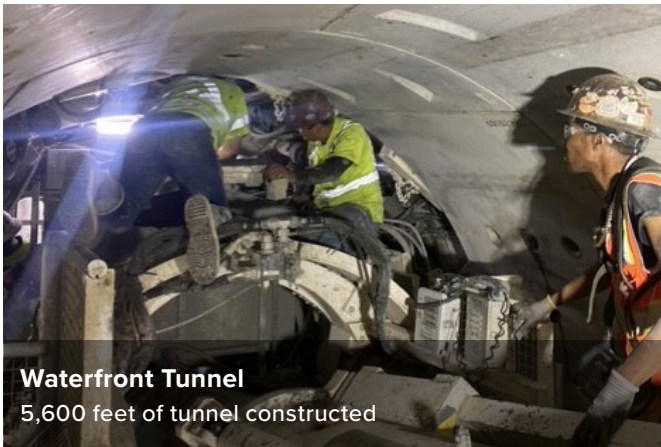


Hooffs Run
Pipe installation ongoing

Construction Progress*



APR 2024 ▲



Waterfront Tunnel
5,600 feet of tunnel constructed

Construction Progress*

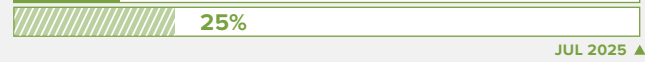


JAN 2024 ▲



AlexRenew
Pumping shaft concrete liner installation ongoing

Construction Progress*



JUL 2025 ▲

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

Actual Progress as of August 31, 2023. *The planned progress for each construction staging area reflects the Design-Builder's re-baselined schedule as of August 2023.

RiverRenew Tunnel Project Six-Month Look-Ahead

Work Hours

NORMAL WORK HOURS

Pendleton Street	6 a.m. – 6 p.m.
Royal Street	7 a.m. – 6 p.m.
Hooffs Run	7 a.m. – 6 p.m.
AlexRenew	24/7

Pendleton Street

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures deep foundations (pile driving)	Ongoing through Summer 2023
Shaft liner construction	Ongoing through Fall 2023
Permanent concrete structures construction	Fall 2023

PERMITS

Permit	Date
Building Permit - Permanent Concrete Structures Support of Excavation	Fall 2023
Building Permit - Shaft Mechanical, Electrical, and Plumbing	Fall 2023

Royal Street

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures deep foundations	Aug 2023
Permanent concrete structures construction	Fall 2023

PERMITS

Permit	Date
Building Permit - Shaft Liner and Base Slab	Fall 2023
Building Permit - Mechanical, Electrical, and Plumbing	Fall 2023

Waterfront Tunnel

MAJOR WORK ACTIVITIES

Activity	Date
Mining	Ongoing through Feb 2024

Community Outreach

Event	Date
2023-2024 RiverRenew SAG Meetings	Third Thursday of every other month
Community Listening Sessions	
Pendleton Street	Sep 12, 2023
Royal Street	Sep 13, 2023
Hooffs Run	Sep 14, 2023
Council-Board Workgroup	Oct 25, 2023

Hooffs Run

MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Diversion chamber construction	Ongoing through Aug 2023
Junction chamber construction	Ongoing through Winter 2023
Open-cut construction	Ongoing through Winter 2023
African American Heritage Park	
Sheeting installation	Ongoing intermittently through Winter 2023
Open-cut construction	Ongoing through Winter 2023
Jamieson Avenue full closure	Oct – Jan 2024

AlexRenew

MAJOR WORK ACTIVITIES

Activity	Date
Pumping shaft liner construction	Ongoing through Fall 2023
Permanent concrete structures support of excavation	Ongoing intermittently through Winter 2023
Permanent concrete structures construction	Ongoing intermittently through 2024

PERMITS

Permit	Date
Building Permit - Superstructure Architectural	Dec 2023

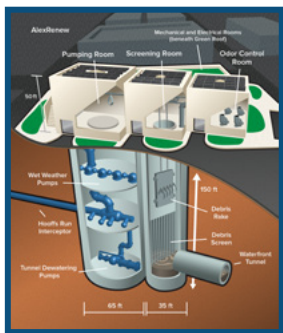
RiverRenew Tunnel Project Snapshot

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.



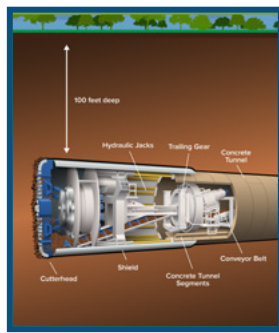
Hooffs Run Interceptor

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



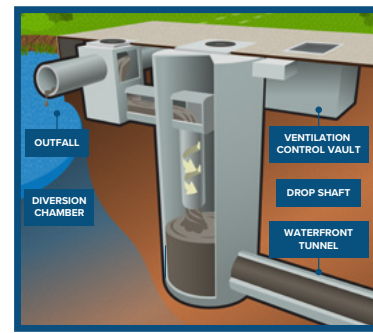
Pumping Station

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.

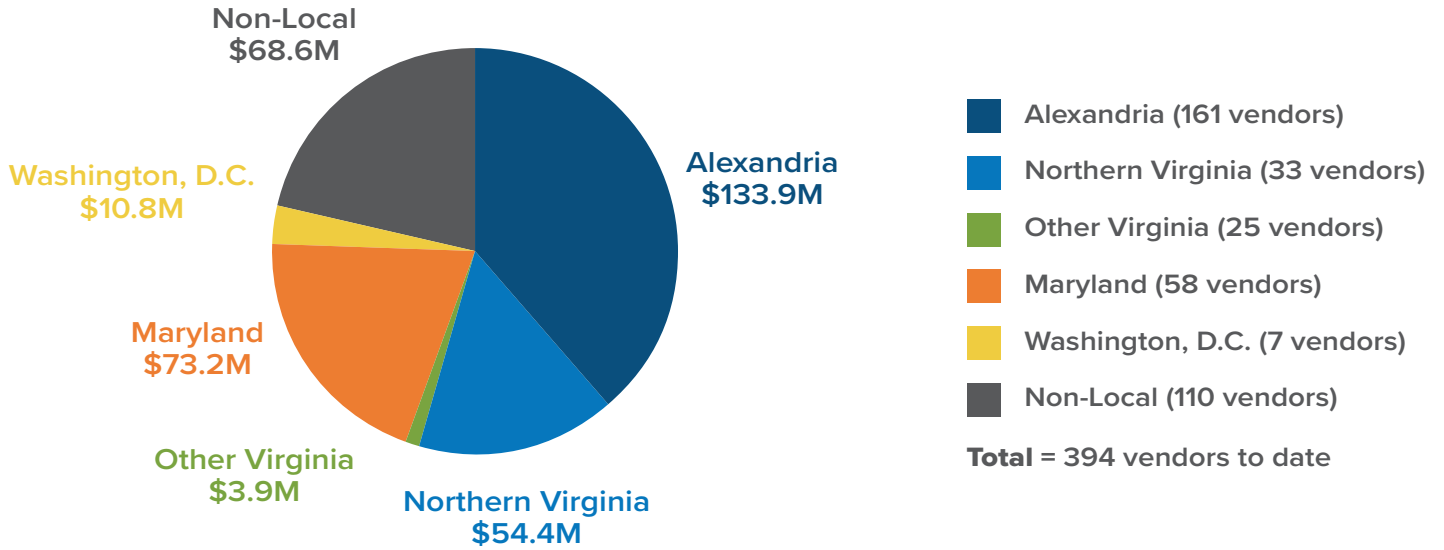


Diversion Facility

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

RiverRenew Program Costs to Date

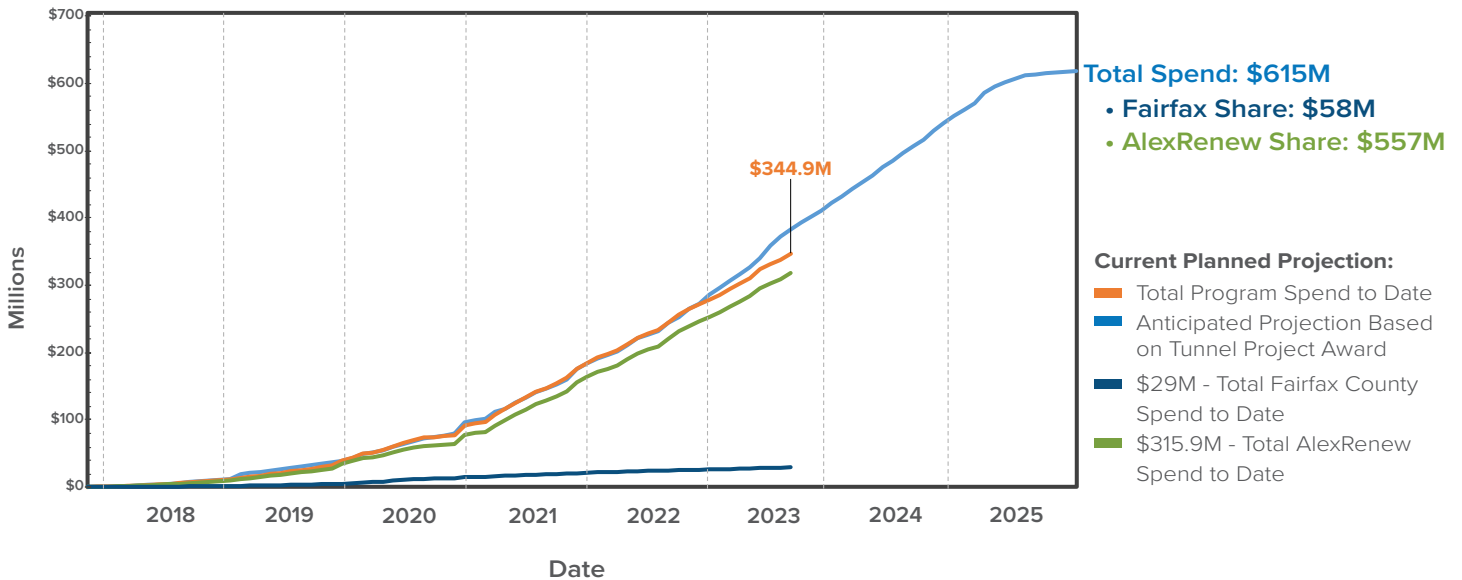
RiverRenew Spend to Date by Locality



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	\$205.4
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$72.1
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$14.9
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$52.4

RiverRenew Cash Flow Analysis



Note: As of August 31, 2023.

RiverRenew Community Outreach



Community Meetings

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

Looking Ahead:

- 2023-2024 RiverRenew SAG Meeting No. 4: **September 21, 2023**
- 2023-2024 RiverRenew SAG Meeting No. 5: **November 16, 2023**



Community Events

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

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: **September 12–14**



Community Days

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

Looking Ahead:

- Tunnel Completion Celebration: Winter 2024
- Hooffs Run Planting Day: Spring 2024



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 600 contacts.

Highlights:

- A **social media graphic** highlighting how our plant's skyline has impacted AlexRenew's wastewater plan
- Behind-the-scenes **footage** celebrating Hazel reaching the halfway point of Waterfront Tunnel construction
- Weekly updates reflecting Hazel's construction progress on the homepage of RiverRenew.com



Council-Board Workgroup

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

Looking Ahead:

- Council-Board Workgroup Meeting No. 20: **October 25, 2023**

Monthly Construction Spotlight



Oh, she's halfway there...

This month, Hazel achieved a major milestone, reaching the halfway point on her Waterfront Tunnel journey.

Hazel has excavated over 62,000 tons and installed 1,250 precast concrete segment rings to build 5,600 feet of the Waterfront Tunnel. For the next leg of her journey, Hazel will complete a turn to the north and continue building the Waterfront Tunnel, more than 100 feet below the Potomac River, before reaching her destination at the Pendleton Street Site.

Keep an eye on our Waterfront Tunnel Construction Page for updates as we complete this critical phase of work and continue building toward healthier waterways for our community.

Building for the Future of Alexandria's Waterways

To learn more, visit www.RiverRenew.com



2023 AlexRenew Board of Directors Calendar of Events

January						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

February						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

March						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

April						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

May						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

June						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Legend

- Regular Board of Directors Mtg.
- AlexRenew Observed Holidays
- Finance & Audit (F&A) Committee
- Governance (Gov.) Committee
- RiverRenew Stakeholder Advisory Group Activity (SAG)
- Council Board Work Group Activity (CBWG)
- Community Listening Sessions (CLS)
- Tunnel Tours
- Budget & Rates Hearing

January
2: New Year's Day Observed
17: Regular Board of Directors Meeting
18: Council Board Workgroup
18: SAG Meeting
February
1: Financial Disclosure Statement due to City
21: Regular Board of Directors Meeting
March
6: CLS - Pendleton Street
7: CLS - Hooffs Run
9: CLS Royal Street
16: SAG Meeting
21: Regular Board of Directors Meeting
27: F&A Meeting
April - Earth Month
18: Regular Board of Directors Meeting
22: Earth Day
May
6: Tunnel Tours
16: Regular Board of Directors Meeting
18: SAG Meeting
20: Public Hearing on FY24 Budget & Rates
29: Memorial Day Observed
June - Safety Month
19: Juneteenth
20: Regular Board of Directors Meeting

2023 AlexRenew Board of Directors Calendar of Events

July						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		


September						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Legend

	Board of Directors Activity
	AlexRenew Observed Holidays
	Finance & Audit (F&A) Committee
	Governance (Gov.) Committee
	RiverRenew SAG
	Council Board Work Group Activity (CBWG)
	Community Listening Sessions (CLS)

Revised 8/16/2023

July
1: FY24 Budget Begins
4: Independence Day Holiday
18: Regular Board of Directors Meeting - Election of Officers
August
No Regular Meeting
September - Preparedness Month
4: Labor Day
12: CLS - Pendleton Street
13: CLS - Royal Street
14: CLS - Hooffs Run
18: Governance Committee
19: Regular Board of Directors Meeting
21: SAG Meeting
October
16: Finance & Audit Committee
17: Regular Board of Directors Meeting
25: Council Board Workgroup
November - Thanks for Giving Month
16: SAG Meeting
21: Regular Board of Directors Meeting
23: Thanksgiving
December
19: Regular Board of Directors Meeting
25: Christmas Day Observed
January (2024)
5: Team Building - Building Momentum
6: Board Retreat