

Amended 11/21/23
Minutes of the 911th Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, October 17, 2023

On Tuesday, October 17, 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, Secretary-Treasurer
 Mr. Mark Jinks, Member
 Ms. Rebecca Hammer, Member

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

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

Fairfax County
Representative: Mr. Shahram Mohsenin, Chief
 Wastewater Division

City Representative: Mr. Lu Zhang,
 T&ES/Sanitary Infrastructure Division

Call to Order

The Chairman called the meeting to order at 6:01 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.

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 September 19 meeting. Mr. Jinks requested that under CEO Monthly Outcomes, Item A., line 1, the word “pre-audit” be added before year-end summarization. There being no additional questions or comments, the Chairman requested a motion to approve the Consent Agenda as amended. Mr. Beall moved and Ms. Caldarelli seconded. The Board unanimously approved.

Member and Committee Updates

Community Meetings

The Chair reported that he attended the Rosemont HOA meeting where AlexRenew staff gave a presentation on the status of the Commonwealth Interceptor project. He also noted that City staff is meeting with the HOA on Wednesday, September 20. He encouraged members to reconnect with their HOA's.

Finance and Audit Committee

Mr. Jinks reported that the Committee of the whole attended the Finance and Audit Committee meeting. The Committee Chair hosted a work session where members discussed affordability and customer assistance program ideas and options. Members reached consensus on a three-step, phased approach. The CEO will review Board provided options and distribute a meeting recap to members.

Governance Committee

The CEO reported that staff is tracking policies with the following to be addressed at a later date: Board Committees, Environmental Justice and Financial. Mr. Beall reported that the Financial Policy will be reviewed after the annual audit.

Mr. Carl reminded members to complete the Board self-assessment and Clifton Strengths. Prior to the January Board Retreat, members will meet with Ms. Sally Magee to review their Clifton Strengths results.

Unfinished Business

There being no items under Unfinished Business, the Chair moved to New Business.

New Business

A. Review and Approve Resolution for RiverRenew Stakeholder Advisory Group (SAG) Reconstitution

Discussion

Since 2016, the Stakeholders Advisory Group (SAG) has provided oversight of the City's Long-term Control Plan (LTCP). A new SAG was formed for the RiverRenew construction plan. Its term expires in February 2024. AlexRenew staff had discussions with current SAG members, the Council-Board workgroup and Deputy City Manager to determine if the group adds value and should be reconstituted. City code allows for three terms or three years. AlexRenew staff and stakeholders decided to reconstitute the SAG under the AlexRenew Board for an additional one-year period to review progress. The action is not unprecedented and AlexRenew staff followed prior guidelines to develop a Resolution. In February 2024, the SAG will reconstitute under the AlexRenew Board with quarterly instead of bi-monthly meetings. Mr. Hill inquired about future vacancies. Mr. Carl reported that new members would not have the program background and current members are still in place. The Chair inquired if members had questions or comments. Mr. Beall noted there was a typo in the Resolution at the word "Therefore". There being no questions or comments, the Chair requested a motion to approve. Mr. Jinks moved and Mr. Beall seconded. The Board unanimously approved.

B. Customer Service Migration Update

Discussion

Mr. Carl recognized Mr. Robertson who provided an update on the customer service migration from GCWW to Enterprise Solutions Consulting (ESC). The go live date is November 1.

ESC is an Oracle-based customer care system that specializes in customer service solutions for smaller utilities. Customers will continue to receive quality service with bill delivery, design, account numbers and call center services remaining unchanged. New customer service features include Auto-pay credit card options, a live chat feature, and extended customer service hours from 6:00 a.m. to 6:00 p.m. Phase 2 of the rollout will allow customers to provide Opt-in donations. Mr. Jinks inquired about credit card fees. Mr. Robertson reported that credit card fees will be paid by the customer. The new desk top portal provides customer flexibility to use on any device.

Community Outreach began in September and included bill inserts, social media, and bulk customer emails. During the transition, digital and phone payments will be unavailable for 3-6 days during the migration; Auto-pay, paperless, and payment plan information will transfer automatically. The Chair inquired of the number of accounts that are paperless. Mr. Roberts was not aware but would provide that information. Mr. Jinks inquired if the customer service line was staffed by ESC personnel. Mr. Roberts reported that ESC staff works the customer service lines. Members inquired about performance monitoring and metrics, and services for non-English speaking customers. Metrics are built into the contract including dropped call, number of calls per day, answer speed, etc. Mr. Roberts reported that ESC staff has call center reps that speak Spanish, but is not aware of other languages. Mr. Jinks requested that staff could follow up on ESC protocol for handling non English speaking customers. Mr. Zhang inquired if the online chat was staffed by a chatbot. Mr. Roberts reported that a person will be staffing the online chat. The Chair requested weekly email follow up to include performance metrics during the migration.

There were no additional questions or comments, the Chairman recognized Mr. Carl for the CEO Monthly Outcomes Report.

CEO Monthly Outcome Reports

A. CEO Board Report

Mr. Carl reported that the Innovation District Pump Station (IDPS) is being turned over to AlexRenew for operations. Staff is working through land use issues and once those are complete, AlexRenew will assume ownership. The IDPS is designed to accommodate 2 mgd flows and will initially operate once per week. Flows are expected to increase as development of the area continues. Staff is seeking additional maintenance to oversee the pump station during its start up. Mr. Carl discussed the Four Mile Run Pumping station and its wet weather operations, and the Potomac Yards Pumping Station.

Mr. Carl referenced the paragraph 3 on page 1 noting that staff has issued a request for qualifications (RFQ) for the Solids Upgrade Program using CMAR (Construction Manager At-Risk). An RFQ was issued the prior week along with an information session to gain contractor interest in the Preliminary and Primary Systems Upgrade project.

Table 1.2 on page two of the report has listed all the Job Order Contracts (JOC) that are currently in progress or being negotiated.

Mr. Hill inquired about the Solids Upgrade program and CIP estimates. Mr. Carl reported there is a solids master plan currently underway. There is a short-term improvement plan and long-term improvement plan over 10 to 15 years. Staff is still identifying a permanent solids solution and is waiting to see what happens with PFAS. The Solids program is meant to make AlexRenew more reliable and move away from pre-pasteurization which is no longer supported.

Mr. Jinks referred to Table 2.1 and had questions with regard to Finance. Mr. Carl reported that staff is working to streamline and improve how finance is shown in the Report. Table 2.1 has been

updated to show the total budget, how much has been expended to date, and the percentage of the budget.

Mr. Jinks inquired about AlexRenew's accrual process and debt service. Mr. Akinkugbe discussed the accrual process noting that revenue and expenses are recognized in the Fiscal year they are actually incurred. Currently debt service is driven by delays with the RiverRenew project. The budget was compiled in early 2022, staff anticipated the project would be further along from a capital spending perspective. As spending has decreased, so has the amount of debt that AlexRenew incurs. Staff anticipates that this trend will catch up and this is a timing issue. Mr. Jinks noted that staff has projected \$16.5 million for debt service and inquired on staff projections. Mr. Akinkugbe reported that AlexRenew is expected to be under budget.

Mr. Jinks requested that staff inform the Board on how much under budget prior to the January time frame. Mr. Carl reported on other factors including receipt of the \$90 million ARPA grant which staff has begun to draw on, and reduced contractor payment applications resulting from the delays. Staff will include annual financial projections in the CEO report going forward.

On September 26, staff contacted Senators Stewart and Surovell, Delegates Bulova, and Bennett-Parker, and Secretary Voyles. Staff is working through the process to get a contingent together to extend the RiverRenew deadline to July 1, 2026 or alternatively, let DEQ make the determination.

Mr. Carl referenced the RiverRenew Dashboard and provided updates for work at the plant, the Jamieson Street closure, Duke Street, and Ford's Landing. The waterfront tunnel is currently under the river. Tunneling has moved from clay into sand with Hazel having drilled 90 feet recently. Mr. Beall inquired if winter weather would have any effect on the tunneling. Mr. Carl reported there should be no effect on the tunneling. Mr. Carl reported on the September listening sessions and Council-Board Workgroup and SAG meetings in October. Staff is also planning the tunnel completion ceremony around Outfall 001 for a February or March time frame.

On October 20, AlexRenew will be supporting the Alex Forum with Ms. Isabella Evangelista discussing the way finding signage that staff has been working on with McArthur Myers and the City. Lastly, Mr. Carl distributed the draft of the 2023 Annual Report noting it follows strategic outcomes from previous years and includes project updates, awards and funding. The Report will be printed once staff receives Board feedback. Ms. Caldarelli inquired about the tag lines. Mr. Carl reported that the tag line for the Annual Report changes yearly. Mr. Beall suggested that staff put a note identifying the pictures throughout the Report.

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 7:05 p.m.

APPROVED:

Secretary-Treasurer