



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

Tuesday, December 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 Executive Assistant at (703) 721-3500 ext. 2260 or lorna.huff@alexrenew.com in advance. Submission of written statements is encouraged and may be emailed to the Board Executive Assistant.

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 (6:10 p.m.)	Chair	Approval
	a. Minutes from November 21, 2023 meeting (Tab 1)		
5.	Member and Committee Updates (6:15 p.m.)	Chair	Information
	a. Community Meetings (Tab 2)		
	b. Finance & Audit Committee (as needed)		
	c. Governance Committee		
	i. Policies: Committees, Financial		
	ii. Board Retreat January 5 and 6		
6.	Unfinished Business (6:20 p.m.)	Chair	
	a. Update on Enhancements to AlexRenew’s Payment Assistance Program (Tab 3)	Mr. Carl	Information
7.	New Business (6:40 p.m.)	Chair	
	a. Review and Approve Environmental Justice Policy (Tab 4)	Mr. Beall	Approval
	b. Fiscal Year 2025 Budget Preview and Plan of Finance (Tab 5)	Mr. Akinkugbe & Ms. Sarah Frey (PFM)	Information
8.	AlexRenew Monthly Outcomes Update (Tab 6) (7:15 p.m.)	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 AlexRenew Board of Directors Retreat is scheduled for January 5-6, 2024. The next Regular Board of Directors meeting is scheduled for Tuesday, January 16, 2024.

Minutes of the 912th Meeting
"Celebrating Over 60 Years of Continuous Environmental Excellence"
Alexandria Renew Enterprises
6:00 p.m., Tuesday, November 21, 2023

On Tuesday, November 21, 2023, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting in the Edward Semonian Board Room at 1800 Limerick Street, with the following present:

Members: Mr. John Hill, Chair
Mr. James Beall, Vice Chair – Electronic via Microsoft Teams
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
Mr. Myles Cooper, Legislative Policy Analyst
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: Ms. Erin Bevis-Carver – Electronic via Microsoft Teams
Division Chief, T&ES/Sanitary Infrastructure Division

Call to Order

The Chair called the meeting to order at 6:01 p.m.

Approval of Agenda

The Chair requested that members review and approve the agenda. Mr. Jinks moved and Mr. Beall seconded. The Board unanimously approved.

Public Comment Period

The Chair recognized Mr. Randy Rockwitt of Alexandria. Mr. Rockwitt submitted written comments for the record and discussed his concerns about AlexRenew's billing rate payers on their winter quarter average, the AlexRenew's new website, and billing issues associated with the customer service migration. (See attached comments) The Chair welcomed Mr. Rockwitt and Board members introduced themselves, noting the area of Alexandria that they represent. .

Mr. Rockwitt reported that he has been living in Alexandria since the 1970's. His neighborhood is comprised of older citizens in primarily 1 or 2 member per households. He reported that most work to conserve water with a reported usage of approximately 1,000-2,000 gallons of water per month. He noted that AlexRenew bills based on a winter quarter average of 4,000 gallons. He requested that the billing average be changed to a household's actual average water usage.

Mr. Rockwitt completed his remarks and the Chair inquired whether he ever exceeded the 4,000 -gallon threshold, especially during the summer. He reported that he sometimes exceeded the 4,000 gallons. Mr. Rockwitt reported that the current winter quarter average benefitted those with larger families and does not encourage water conservation.

The Chair recognized Mr. Carl who thanked Mr. Rockwitt for sending the question in advance of the meeting. Mr. Carl reported that AlexRenew's billing is based on VAW metered charges. Staff recognizes that not all water will be returned to the sewer during the summer months which resulted in the winter quarter average threshold. Mr. Carl explained the background and history of the winter quarter average and the formula used to provide the 4,000 gallon figure. Mr. Carl acknowledged the system is not perfect but provided the best equity among consumers. The Board reviews rates biannually and will revisit this issue during the next rate setting session.

The Chair thanked Mr. Rockwitt for his testimony and noted that as a public utility, rates are the way used to generate income and promote conservation. Mr. Rockwitt inquired about VAW billing. Mr. Hill reported that VAW may use cubic measure billing which is then converted to gallons.

Consent Agenda

The Chair requested that members review the Consent Agenda which contained the Minutes of the October 17 meeting and approval of an amendment to AlexRenew's Computer Management and Maintenance System (CMMS) contract. Mr. Jinks requested that under the Consent Agenda, the word "initially" be inserted before the word "one" in the second sentence of the minutes to clarify the operations of the Innovation District Pumping Station (IDPS). There being no additional questions or comments, the Chair requested a motion to approve the Consent Agenda as amended. Ms. Caldarelli moved and Ms. Hammer seconded. The Board unanimously approved.

Member and Committee Updates

Community Meetings

The Chair noted that the Rosemont Civic Association is focused on affordable housing initiatives in the City. The Rosemont Association recently distributed a survey from the City regarding flooding in the Hooffs Run water shed and discussed the impact of stormwater flooding which involved the sanitary sewer. Ms. Caldarelli noted that she had reached out to her civic association, but has not received a response. She requested an additional email or contact address. Mr. Carl and Ms. Hammer reported they would put Ms. Caldarelli in touch with Mr. Eric Olson who is a member of the North Old Town Citizen Association. Ms. Hammer reported that she is scheduled to attend the Federation of Civic Associations' upcoming meeting.

Finance and Audit Committee

Mr. Jinks reported on the November 13 meeting which all members attended. Members discussed the Annual Financial Report and payment assistance program options that were presented from staff and reviewed the path moving forward.

Governance Committee

The Chair recognized Mr. Beall. Mr. Beall reported that the Governance Committee discussed changes and updates to the Environmental Justice statement. Ms. Hammer reported that she met with Mr. Carl and Ms. Waters earlier in the evening to discuss a revision to the language developed by the Committee. Mr. Beall and Ms. Hammer will review the final language and then circulate among members for approval at the December meeting.

Mr. Carl reported that the Board Retreat Draft Agenda that was distributed to members as a separate handout. Staff is developing a run of show for the Retreat and providing details of the goals and activities for day 1 and day 2 of the meeting.

Mr. Jinks requested that members or staff provide reading materials in advance to begin the 2060 Vision discussion. Mr. Hill suggested that each member find an article under 50 pages to distribute to other members by mid-December for the January Board Retreat.

Unfinished Business

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

New Business

A. Review and Approve Annual Comprehensive Financial Report

Discussion.

The Chair recognized Mr. Jinks. Mr. Jinks reported the audit process begins shortly after the end of the June 30 fiscal year. Mr. Jinks then recognized Mr. Akinkugbe who discussed the FY2023 Annual Comprehensive Financial Report (ACFR). Mr. Akinkugbe reported that the final package with Board member comments was submitted and approved by the auditor. AlexRenew received a clean, unqualified opinion. Staff will send hard copies to certain governing bodies and certain individuals as required. Members will receive hard copies by the next Board meeting. The final ACFR will be posted to the AlexRenew website and BoardEffect. Mr. Carl reported that WIFIA and the State of Virginia will also receive copies.

Mr. Jinks congratulated the CEO and the CFO and Finance team for a successful audit. Ms. Caldarelli moved approval of the ACFR, Mr. Beall seconded. The Board unanimously approved.

B. Customer Service Migration Update

Discussion

Mr. Carl recognized Mr. Robertson who reported on the Customer Service Migration. Call Center services began on November 1. The full migration was completed sooner than expected with the online portal and payment processing beginning on November 3. Bill release began the morning of November 15.

He reviewed AlexRenew's community outreach efforts before and after November 1. Mr. Robertson reviewed successes and challenges, noting that the chat feature has been a customer favorite. AlexRenew has 13,000 Autopay customers who seamlessly transferred to the new system. Outbound registration emails were effective with a 70% open rate. There were 3,370 people registered to the new site as of November 20. Challenges included issues with authentication emails, delays in check processing, and certain targeted email notifications and phone calls. The latter affected fewer than 150 customers. Staff is working with the vendor to address outstanding issues.

Ms. Caldarelli inquired if staff had data on the customer issues being addressed in the chat feature. Mr. Robertson reported that he did not have the information but could have the calls reviewed to determine what the predominant subject is for chats. 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

CEO Board Report

Mr. Carl referenced the final draft of the 2023 Annual Report with Board edits having been incorporated. He requested that members review and provide additional changes if any. The report will be ready for public distribution by early 2024. Mr. Carl noted the last page is completely new and mirrors the management letter providing the highlights of the audit for FY2023.

Section 1.2: Mr. Carl reported that AlexRenew staff has taken over operations for the Innovation District Pumping Station (IDPS). AlexRenew is still under a temporary agreement but working with legal to clear some of the deeds on the property through an estoppel. Staff expects these to be complete by early next month.

Mr. Carl noted on the last report on page two, staff had received Statement of Qualifications and listed them on the AlexRenew website for the Construction Manager At-Risk (CMAR) for the \$ 30 million solids program. Five respondents were shortlisted. Three will be invited to the RFP phase. The three short-listed teams were Ulliman Schutte, PC Construction and Kokosing. Additionally, staff has issued another Request for Qualification (RFQ) for a CMAR for the Preliminary and Primary Systems Upgrade project. The RFQs were due today.

Staff continues to update Table 1.2 on the JOC Task orders. These are either contractor estimates or final numbers.

For RiverRenew, Mr. Carl reported that Senator Ebbin and Delegate Bulova will introduce legislation on Tuesday, November 21, to support extending the deadline from July 1, 2025 to July 1, 2026. Pre-filing was done on Tuesday. RiverRenew legislation will be considered in the upcoming session. Ms. Caldarelli inquired if the sessions starts in early January. Staff will be attending a delegation event and open house at City hall.

Mr. Jinks inquired on AlexRenew's public outreach plan regarding the delay. Mr. Carl reported that staff has been discussing this delay since Spring 2023, The Stakeholder Advisory Group (SAG), Council Board Workgroup and City staff have been allies in this effort. Staff will circulate talking points to members for use at their civic association meetings. AlexRenew's primary media contacts reach out to staff for periodic updates on the project and are aware of the delay.

The Chair inquired if an opinion piece in a smaller Alexandria paper like the Times or the Gazette would be helpful. Ms. Hammer inquired if staff had informed the Potomac Riverkeeper. Mr. Carl reported that the Riverkeeper sent AlexRenew a letter supporting the extension. A letter is also expected from the Chesapeake Bay Foundation.

Mr. Hill inquired about the status of AlexRenew's payment assistance program. Mr. Carl reported that he has had discussions with Dollar Energy. They will work with staff to operate and rebrand the program from the current WaterFund. Mr. Carl reported on the plan rollout and deadlines. Staff may approach the Board to request start-up funds to begin the administrative part of the program. Early February is when staff would like to launch the program. There were no additional questions or comments on the Outcomes Report and the Chair moved to Closed session.

Closed Session

At 7:07 p.m., the Chair, Pursuant to Section 2.2-3711 of the Code of Virginia, moved the Board into a closed session to discuss a personnel matter. Ms. Caldarelli seconded. The Board unanimously approved.

At 7:28 p.m. the meeting returned to open session, and the following certification was unanimously adopted by the members: "Pursuant to 2.2-3712(D) of the Virginia Freedom of Information Act, it is hereby certified that to the best of each Member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Act, and (2) only public business matters identified in the motion by which this closed meeting was convened were heard, discussed, or considered by Alexandria Renew Enterprises."

Mr. Hill moved, and Mr. Beall seconded. All Members present voted via roll call:

Mr. Hill	Aye
Mr. Beall	Aye
Ms. Caldarelli	Aye
Ms. Hammer	Aye
Mr. Jinks	Aye

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 7:28 p.m.

APPROVED:

Secretary-Treasurer

During tonight's Board Meeting, can someone address the 4,000 gallon minimum Winter Average? There are quite a few of us living in single family houses who rarely or never use 4,000 gallons except for during the summer. Why not use our actual average winter usage? The 4,000 gallon minimum Winter Average favors large families and group homes, penalizing senior families who are more likely to have just one or two people in the house. Since your computer system can calculate average actual use, why not it or the actual winter usage? If the goal is to conserve resources, be more encouraging to those of us who make an effort to use less water all year, but want to water our gardens during the summer.

The new website looks pretty but I came across a quirk that can easily be fixed. When I tried to edit a very old telephone number it wasn't accepted until I typed it in the exact format that the website uses. Most other companies either preformat the field to make it easy to fill in, or convert the number entered with or without dashes or dots to the format your system displays. Please make it easier for customers to update their phone number instead of frustrating them.

Is there a way that Billing History files could automatically be formatted as YYYY-MM-DD \$NN.NN instead of what appears to be random numbers? Dated file names with the bill dollar amount would be easier for customers to download several of their bills at once. Many of us don't have time to log on every month to download and rename each statement.

Sincerely,

Randy
Randy Rockwitt

AlexRenew Board of Directors
Alexandria Homeowners and Civic Associations Matrix
 Updated June 26, 2023

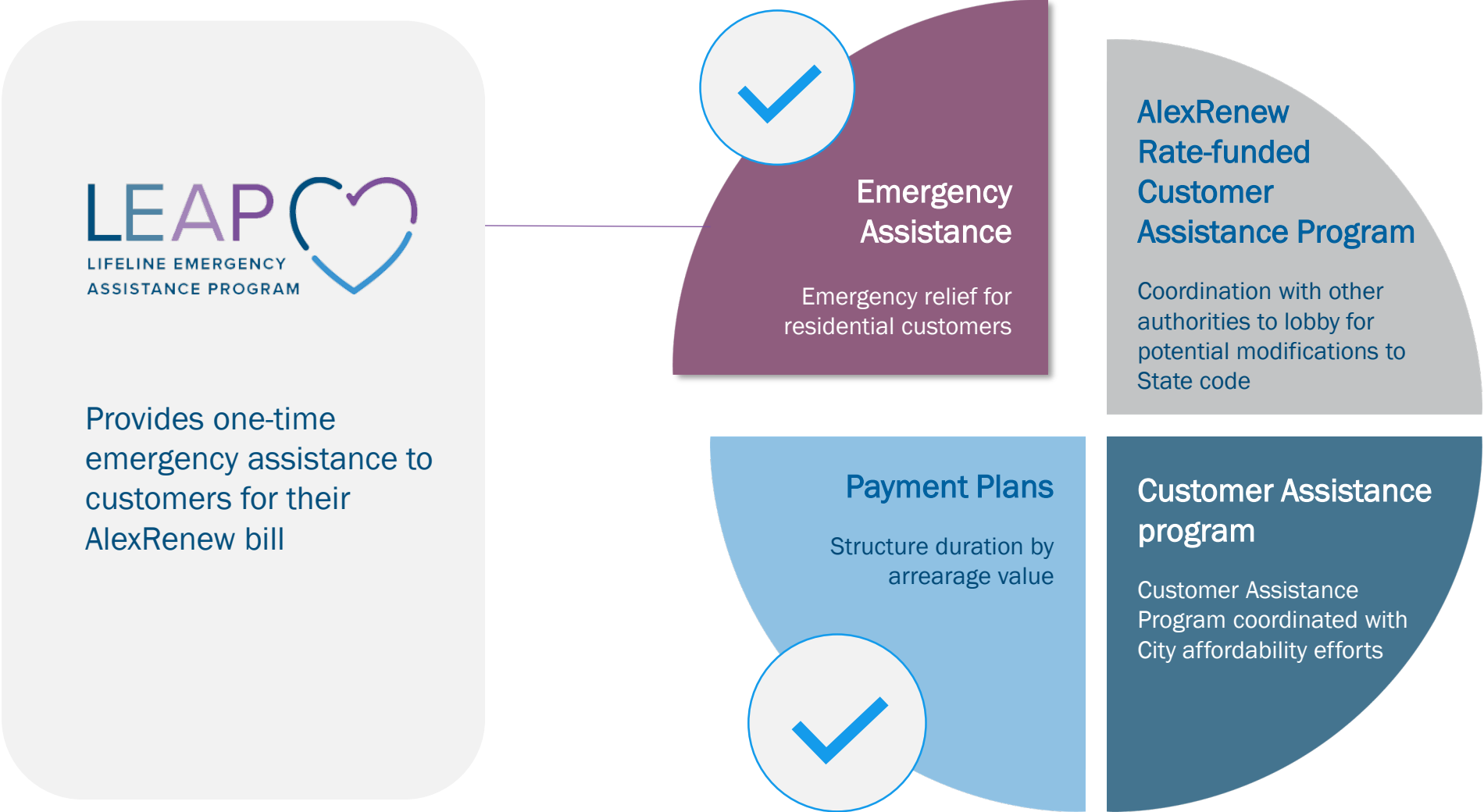
HOA	Contact	Meeting Info	Board Contact
Alexandria Federation of Civic Associations	Carter Flemming, Chair carterflemming@gmail.com	<ul style="list-style-type: none"> • Last Wednesday of the month • 7:00 PM • Hybrid 	Rebecca Hammer
Del Ray Citizens Association	Tim Laderach president@delraycitizen.net	<ul style="list-style-type: none"> • Second Wednesday of the month • 7:00 PM • Meeting locations vary 	Jim Beall
North Old Town Independent Citizens Civic Association	Mace Carpenter, President notice.communications@gmail.com	<ul style="list-style-type: none"> • Meet three times a year 	Adrianna Caldarelli
Old Town Civic Association	Steve Milone, President stevemilone@yahoo.com or president@theoldtowncivicassociation.org	<ul style="list-style-type: none"> • Second Wednesday of the month • 7:00 PM • The Lyceum 	Mark Jinks
Rosemont Citizens Association (including PELT)	Jol Silversmith, President info@rosemontcitizensassoc.org or jol@thirdamendment.com	<ul style="list-style-type: none"> • None scheduled 	John Hill

Customer Emergency Assistance Program Update

Briefing for the AlexRenew Board of Directors

December 19, 2023

Overview of AlexRenew's payment assistance program enhancements



AlexRenew Lifeline Emergency Assistance Program

- Fund goal of \$20,000 for the first year, equivalent to Virginia American Water
- Dollar Energy Fund assesses an administrative fee of 8.75%:
 - Leverages existing software to administer funds
 - Establishes a network of local partners to help administer the program (local 501(c)(3) organizations, churches, etc.)
 - Train AlexRenew staff and customer service team

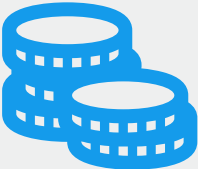


AlexRenew Lifeline Emergency Assistance Program Funding

AlexRenew will leverage several funding streams:



Individual and corporate donations




Monthly opt-in contributions (beginning Spring 2024)




Donations resulting from Environmental Center 6th floor usage

AlexRenew Lifeline Emergency Assistance Program eligibility requirements



Must be an AlexRenew account holder



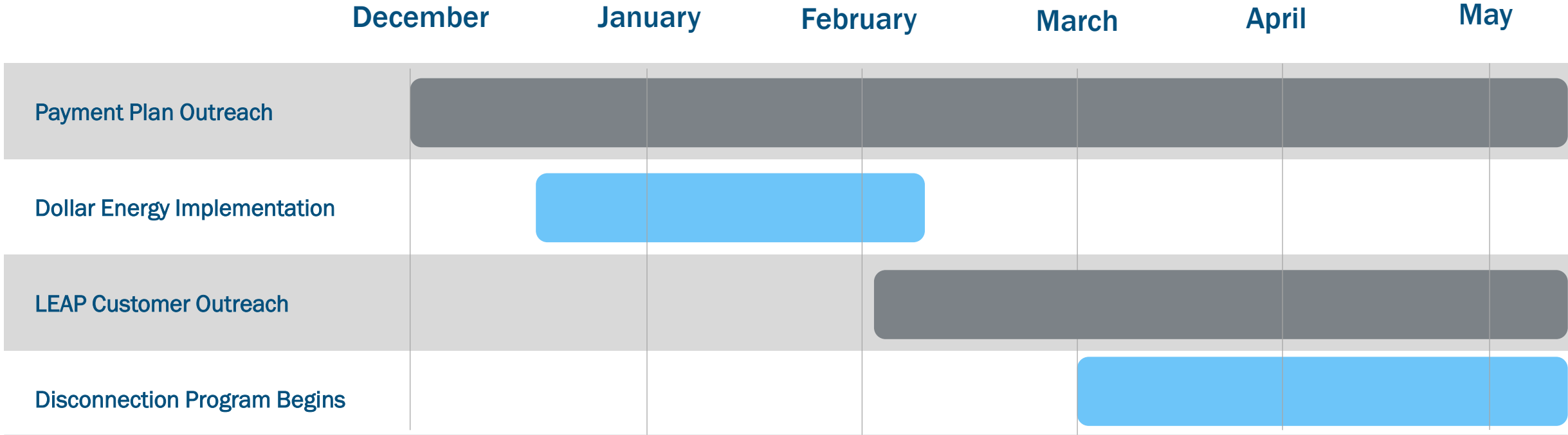
Have a past-due balance of \$100 (\$50 if you're over 62)



Income \leq 150% of the federal poverty level

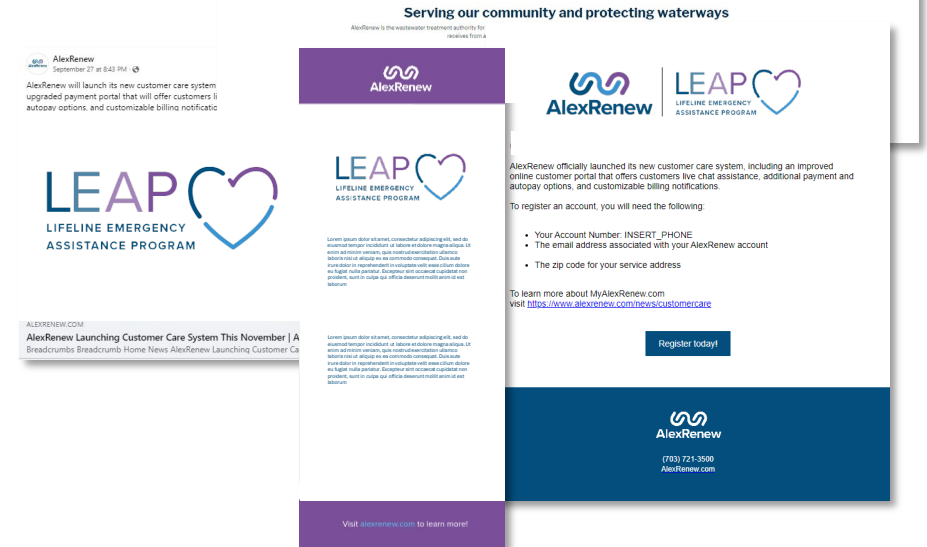
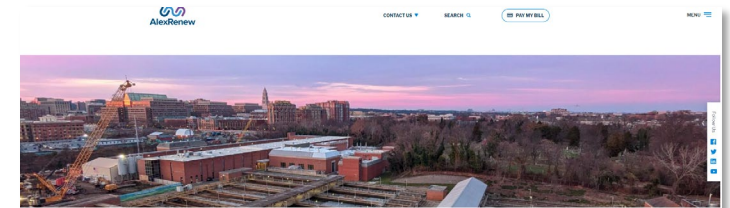
- Administered through Dollar Energy Fund, a 501(c)(3), with applicants receiving a max disbursement of \$350 per year
- A sincere effort of payment amount of \$50 is required for a disbursement (\$25 for senior citizen)

Timeline for implementation of Lifeline Emergency Assistance Program



Outreach initiatives to support Lifeline Emergency Assistance Program

- Training customer service staff
- Partnering with local agencies to reach those in need
 - St. Timothies
 - Christ Church
 - ACT for Alexandria
- Reaching out to both donors and Applicants through the following channels:
 - Bill inserts
 - Email
 - Social Media
 - Alexrenew.com
 - Spring to Action



Future growth opportunities for Lifeline Emergency Assistance Program



Qualified customers would receive a monthly discount on their bill

Outstanding arrearages for qualifying account holders would be waived

Providing assistance for customers that do not currently hold AlexRenew accounts



AlexRenew

To learn more, visit www.alexrenew.com

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Environmental Justice

Date of Adoption: December 19, 2023

Date of Revision:

Page 1 of 2

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 everyone is entitled to safe sanitation and clean waterways at an affordable rate, that no group should bear a disproportionate share of environmental burdens, and that all groups should benefit equitably from environmental improvements resulting from AlexRenew's programs.

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 burdens on those we serve. Our work for environmental justice should be intentional and impactful.

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

- Assess AlexRenew's existing infrastructure, programs, and projects to identify any potential disproportionate environmental disparities and impacts on those we serve. Develop strategies to address those disparities and impacts through operations and capital investments, including timetables for implementation.
- Conduct environmental justice training on a routine basis to ensure staff are equipped with the appropriate resources to understand the importance, issues, and impacts of AlexRenew's programs.
- Develop and implement guidance on the inclusion of environmental justice considerations, procedures, and outcomes in appropriate AlexRenew programs.
- Meaningfully engage stakeholders from a broad cross-section of the community, including socioeconomically vulnerable residents and groups that have been underrepresented in past decision-making processes, during all phases of major programs that have potential to impact the community.
- Practice active listening to understand community impacts associated with AlexRenew's programs.
- Develop diverse and culturally appropriate communication strategies to ensure that stakeholders can participate in decisions and actions that may impact our community.
- Create engaging and intentional educational programs to ensure that residents understand the value of their investment in clean water.
- Make decisions with an understanding of the community's residents, history, and economy.
- Develop funding strategies to support equitable and affordable sewer rates within our legal abilities, while implementing and advocating with the City and other utilities for initiatives that offer financial assistance to those in need.

**City of Alexandria, Virginia Sanitation
Authority Board Adopted Policy**



Title: Environmental Justice

Date of Adoption: December 19, 2023

Date of Revision:

Page 2 of 2

- 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 and other public and private entities to establish, strengthen, and maintain key partnerships with community-based, non-profit, faith-based organizations, and businesses in Alexandria. to develop and support affordability and environmental justice initiatives.
- Continuously improve upon AlexRenew's programs using best available information as new knowledge becomes available.



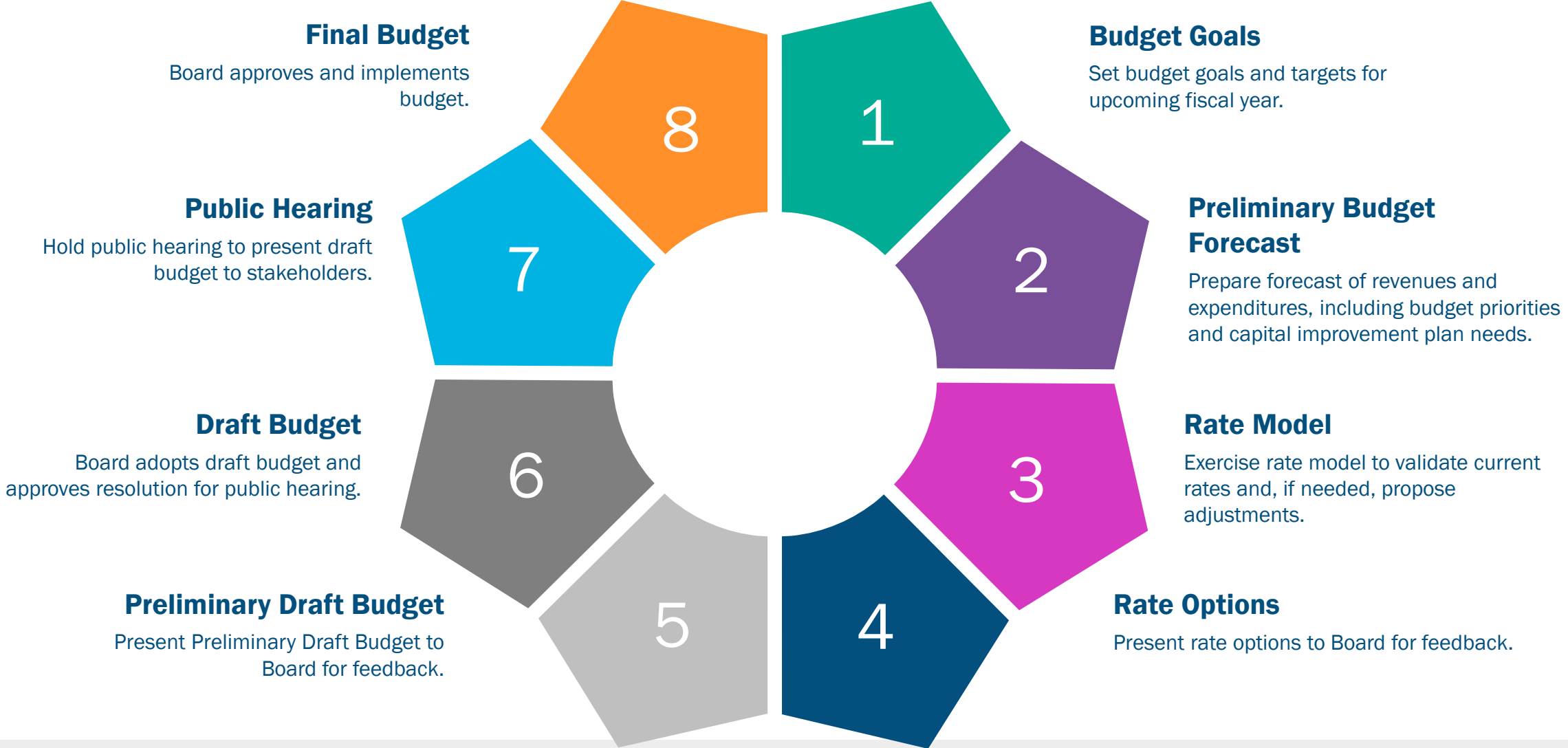
AlexRenew

Board of Directors Meeting

**FY2025 Budget Preview
and Capital Funding Options**

December 19, 2023

Overview of AlexRenew's annual budget cycle



Important dates for Fiscal Year 2025 budget process

January

5-6
Board
Retreat

February

12
Finance &
Audit

Review budget and rate process, rate adjustments (if needed), and winter quarter average review

March

18
Finance &
Audit

Preliminary Draft Budget presentation

19
Board
Meeting

Review Preliminary Draft Budget

April

16
Board
Meeting

Adopt Draft Budget

May

18
Draft
Budget
Public
Hearing

June

18
Board
Meeting

Approve Final Budget

Key initiatives for the Fiscal Year 2025 budget

Revenue

- Rate increase effective July
- Flows returning to pre-pandemic levels
- Customer account growth remains relatively flat

Debt

- New debt issuance to support capital investments

Operating Budget

- Recruit and retain talented and diverse workforce
- New customer billing system
- Additional support for information technology infrastructure
- Continued wastewater treatment service to ensure permit compliance

Capital Budget

- RiverRenew
- Solids Upgrade Program
- Preliminary and Primary Systems Upgrades
- Tertiary Systems Improvements
- Commonwealth Interceptor Study
- Asset management
- Campus-wide upgrades

Several major capital projects are necessary over the next few years to maintain AlexRenew’s strategic outcome of operational excellence



Investments in these projects delayed from original capital planning schedule to accommodate RiverRenew

PFM is AlexRenew's financial advisor, supporting debt management strategies, financial planning, and credit ratings



- Founded in 1975 on the principle of providing sound independent financial advice to governmental and not-for-profit entities
- Top-ranked financial advisor in U.S.
- Supporting AlexRenew since 2009
- Director Sarah Frey has over 20 years of experience advising water and sewer utilities in Virginia

AlexRenew has used a variety of programs to fund its capital projects over the years



Water Quality Improvement Fund

Virginia Clean Water Revolving Loan Fund

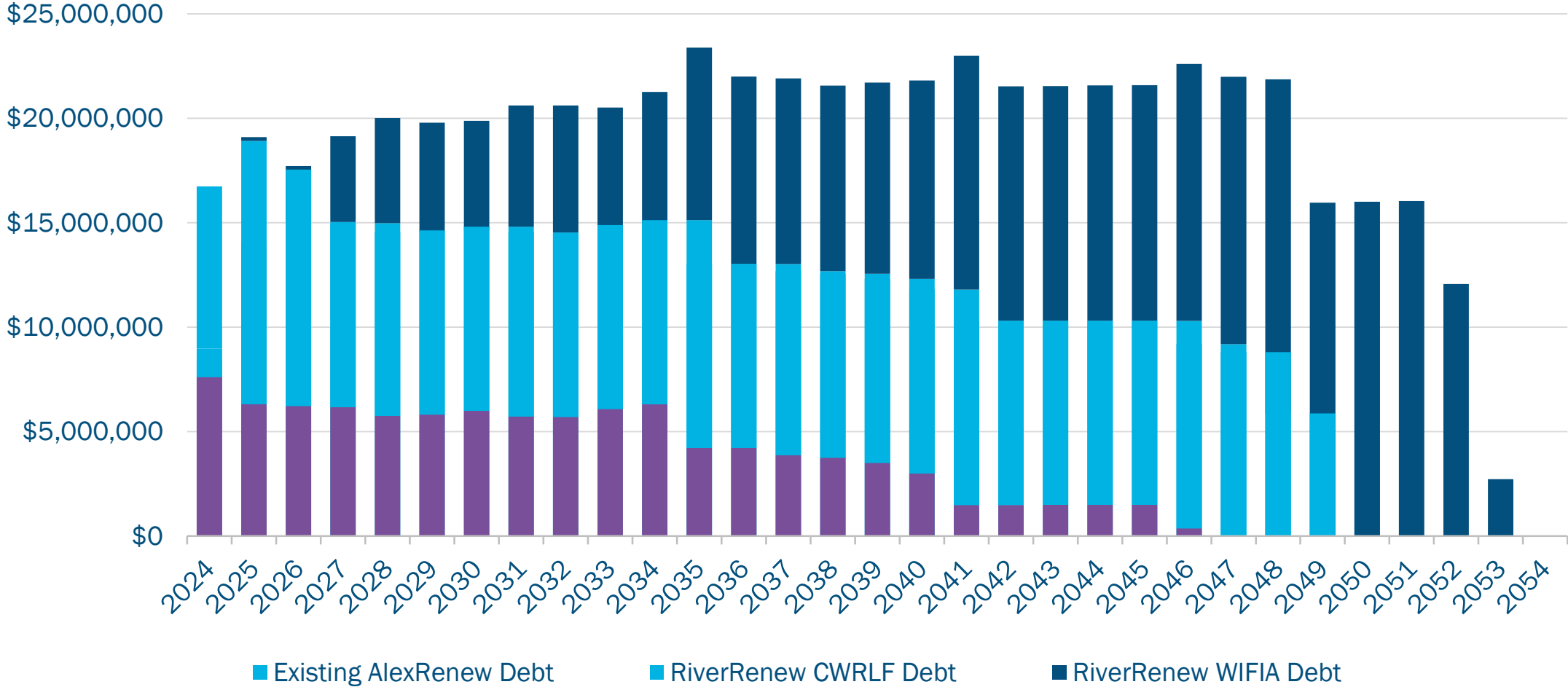


WIFIA
PROGRAM

State & Federal Grants

PayGo

AlexRenew outstanding debt assuming RiverRenew loans are fully drawn



Funding options available to AlexRenew to support capital projects

	Virginia Clean Water Revolving Loan Fund	Water Infrastructure Financing and Innovation Act	Virginia Resources Authority (VRA) Pooled Financing Program	Bond Market
Description	<ul style="list-style-type: none"> State revolving fund; rates subsidized with federal and state funds 	<ul style="list-style-type: none"> Federal program; rates based on U.S. Treasury rates 	<ul style="list-style-type: none"> State program; costs and administration shared among pool participants 	<ul style="list-style-type: none"> Public sale of bonds in the capital market
Current Market Rate	<ul style="list-style-type: none"> 3.65% 	<ul style="list-style-type: none"> 4.65% 	<ul style="list-style-type: none"> 4.35% 	<ul style="list-style-type: none"> 4.15%
Benefits	<ul style="list-style-type: none"> Lowest debt cost 	<ul style="list-style-type: none"> Flexible draw and repayment terms 	<ul style="list-style-type: none"> No federal requirements apply to projects 	<ul style="list-style-type: none"> No federal requirements apply to projects AlexRenew in full control of debt
Concerns	<ul style="list-style-type: none"> Very limited program capacity – unlikely to secure full funding Applicable federal requirements difficult to meet (BABAA) and result in increased administration 	<ul style="list-style-type: none"> Maximum funding is 49% of project costs Applicable federal requirements difficult to meet (BABAA) and result in increased administration 	<ul style="list-style-type: none"> Ongoing administrative fee Credit ratings slightly below AlexRenew’s rating Any future changes must be approved by VRA Board 	<ul style="list-style-type: none"> New process for AlexRenew

Interim funding options available to AlexRenew

- AlexRenew maintains a revolving line of credit for emergency situations (e.g., government shutdown, delays in loan requisitions)
- The line of credit can be used to fund short-term liquidity needs
 - Authorized up to \$60 million
 - Expires June 30, 2024
- The line of credit interest rate is higher than the estimated interest rate on long-term bonds
 - Monthly term
 - 4.68% rate in November 2023

It is recommended to issue public bonds to support AlexRenew's near-term capital investments



The Virginia Clean Water Revolving Loan Fund, which AlexRenew has typically relied on for funding capital work, has limited funding capacity



Public bonds are expected to provide the lowest cost in the current market



Public bonds do not impose additional requirements to projects, minimizing cost and administrative burdens



AlexRenew remains in full control of debt



Sale expected to benefit from AlexRenew's recently issued strong credit rating (AAA from S&P last affirmed in October 2023)

Next steps to support June 2024 bond sale

February

Draft bond documents

March

Select underwriting team

April

Rating agency presentation

May

Board Action:
Adopt bond document resolution

Market bond documents

Notice to proceed for Solids Upgrade Program
Construction Manager-at-Risk

June

Bond pricing

Board Action:
Closing, Board Chair signature



AlexRenew

To learn more, visit alexrenew.com



1800 Limerick Street
Alexandria, VA 22314
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November 2023
Monthly Report

This report represents a summary of AlexRenew’s operational excellence, financial resilience, and public engagement and trust for November 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 2.51 inches, which is below the historical average precipitation of 2.91 inches for the month.

Biosolids production was 1,776 wet tons. Biosolids were beneficially used through land application in the Virginia counties of Goochland, Hanover, King George, King William, and Louisa.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for November 2023 as outlined in Table 1.1. In November, AlexRenew’s Seasonal Ammonia limit increased from 1.0 mg/L to 8.4 mg/L.

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	33.6	ND	1.6	0.22	0.06	8.2	2.6	251,769	9,396

Notes: (1) Ammonia has seasonal limits – November - January: 8.4 mg/L

1.2 Capital Improvement Program

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

AlexRenew began temporary operations of the Innovation District Pump Station on October 30 under an agreement with the developer. Transfer of ownership is pending clearance of deeds pertaining to the property.

In November, AlexRenew shortlisted three (3) firms in response to the Solids Upgrade Program Construction Manager At-Risk Request for Qualifications: Kokosing Industrial, Inc.; PC Construction Company, Inc; and Ulliman Schutte Construction, LLC. These firms will receive the Request for Proposals.

AlexRenew received Statements of Qualifications for a Construction Manager At-Risk to support the Preliminary and Primary Upgrades Program (PPSU) on November 21. A Request for Proposals to support the design of the PPSU Program was issued on November 6.

In July 2023, the Board approved three (3) Job Order Contracts (JOC) to support AlexRenew's ongoing construction and maintenance needs. Table 1.2 summarizes the status of JOC task orders.

Table 1.2. Summary of JOC Task Orders

Task Order	Estimate	Status
Gravity Thickener No. 3 Assessment and Cleaning	\$90,000	Completed
Gravity Thickener No. 3 Repair	\$275,000	Work ongoing
Gravity Thickener 2 and 4 Repair	\$125,000	Work ongoing
Four Mile Run Pumping Station Valve Modifications	\$480,000	Scoping
Tertiary Settling Tank Valve Replacement	TBD	Scoping
WRRF General Housekeeping	\$350,000	Work ongoing
BRB Mixing System Improvements	TBD	Work ongoing
Building A Flare System Repairs	TBD	Scoping
Building 55 Thermal Oxidizer (Flare) Repairs	TBD	Scoping
Centrate Tank Cleaning	\$100,000	Work ongoing
Environmental Center Improvements	TBD	Scoping
Innovation District Pumping Station On-call Services	TBD	Scoping
Primary Sludge Pump Upgrades	TBD	Scoping
Gravity Thickened Sludge Pumps	TBD	Scoping
Digester Gas Mixing Compressors	TBD	Scoping
Tertiary Filter Valve Replacement	TBD	Scoping
Filter Backwash Tank Cleaning and Upgrades	TBD	Scoping
Plant Air Compressor Upgrades	TBD	Scoping

1.3 RiverRenew

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

1.4 Safety

Since August 3, 2023, AlexRenew has logged 69,499 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:

- Wastewater Treatment Charge revenues (\$24.7 million) are trending slightly higher than projections due to usage;
- Operating and Maintenance expenditures are trending slightly below projections; and
- Total Expenditures (\$80.6 million) are currently trending lower than projections due to the timing of capital expenditures. This also impacts Debt Proceed revenues (\$44.4 million), since most current capital expenditures are funded through debt, which is also affected by the timing of requisitions.

Table 2.1. Revenues and Expenditures for this Period

Revenues and Expenditures	Total FY2024 Budget	FY2024 Spend-To-Date	% of Budget To-Date	% of FY2024 Completed	Total FY2024 Projected
Revenues					
Wastewater Treatment Charge	53,672,299	24,664,979	46	42	57,000,000
Fairfax Operating Expense Charge	12,796,021	5,331,675	42	42	12,500,000
Fairfax IRR* and Capital Contributions	36,419,800	6,151,771	17	42	22,000,000
Debt Proceeds and Other Sources	159,923,187	44,422,770	28	42	114,000,000
Total Revenues	262,811,307	80,571,195	31	42	205,500,000
Expenditures					
Operating and Maintenance	33,023,593	13,165,880	40	42	33,000,000
Parity Debt Service	16,448,494	5,104,137	31	42	14,100,000
IRR*	10,818,748	4,224,551	39	42	10,700,000
Capital	202,520,472	58,076,627	29	42	147,700,000
Total Expenditures	262,811,307	80,571,195	31	42	205,500,000

*IRR: Improvement, Renewal, and Replacement

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 decreased from the previous period to 1,320 with a total dollar amount owed of \$1,361,529.
- Approximately 56 percent of the delinquency value is from residential accounts.
- Currently, 100 residential and 12 commercial accounts are on active payment plans.

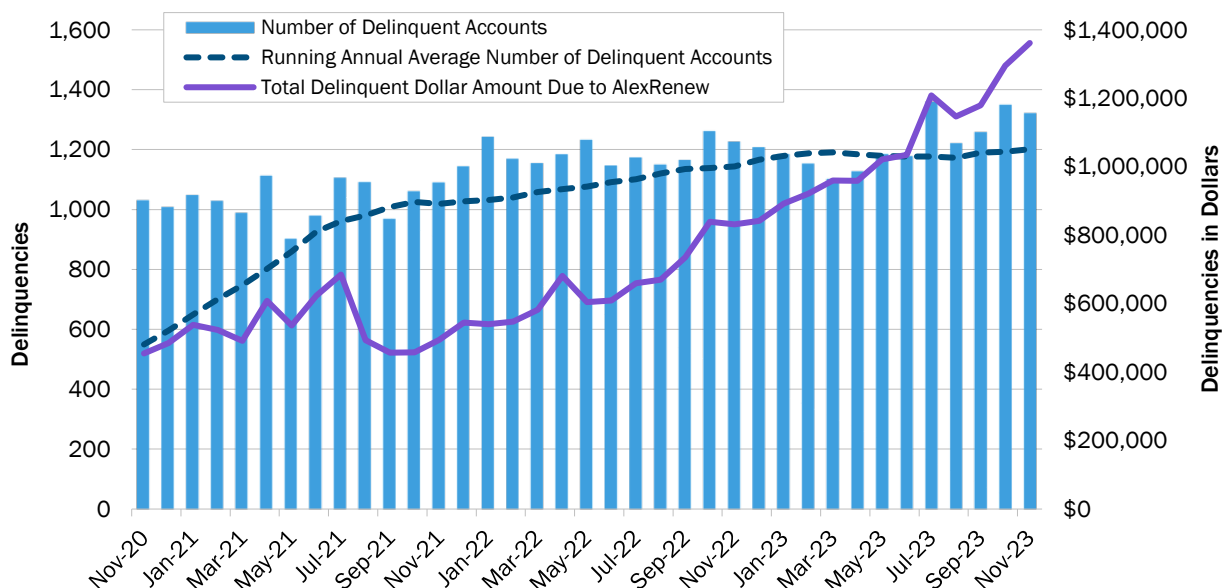


Figure 2.2. Active Accounts 60 or more days Delinquent

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	FY2024 Annualized	Percentage of Goal
Total Operating Cash	\$5,428,536	\$7,425,587	137%
Total General Reserve Sub-Fund Cash	\$5,428,536	\$5,428,536	100%
Total	\$10,857,072	\$12,854,123	118% (142 days)

Table 2.3b. Debt Service Coverage

Item	FY2024 Budget	FY2024 Annualized
Total Revenues	\$66,583,320	\$70,709,781
Less Operating Expenses	(\$33,023,593)	(\$32,429,168)
Net Revenue	\$33,559,727	\$38,280,612
Annual Debt Service	\$16,448,494	\$14,100,000
Calculated Coverage	2.04 times	2.71 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 November 30, 2023, is 2.35%, up 9 basis points from the previous month.

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.

AlexRenew welcomed over 200 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center in November: ACT for Alexandria (35), City of Alexandria (50), Moms Demand Action (40), Alexandria Chamber of Commerce (30), Senior Services Alexandria (15), Virginia Environment and Renewable Energy Caucus (24), and Women's Innovation (10).

In November, AlexRenew customer service received a total of 1,177 calls with 20 percent opting for self-service. The average answer time was 1 minute, 43 seconds. Call center staff answered 75 emails.

RiverRenew Board of Directors Dashboard



MONTH ENDING: NOVEMBER 30, 2023

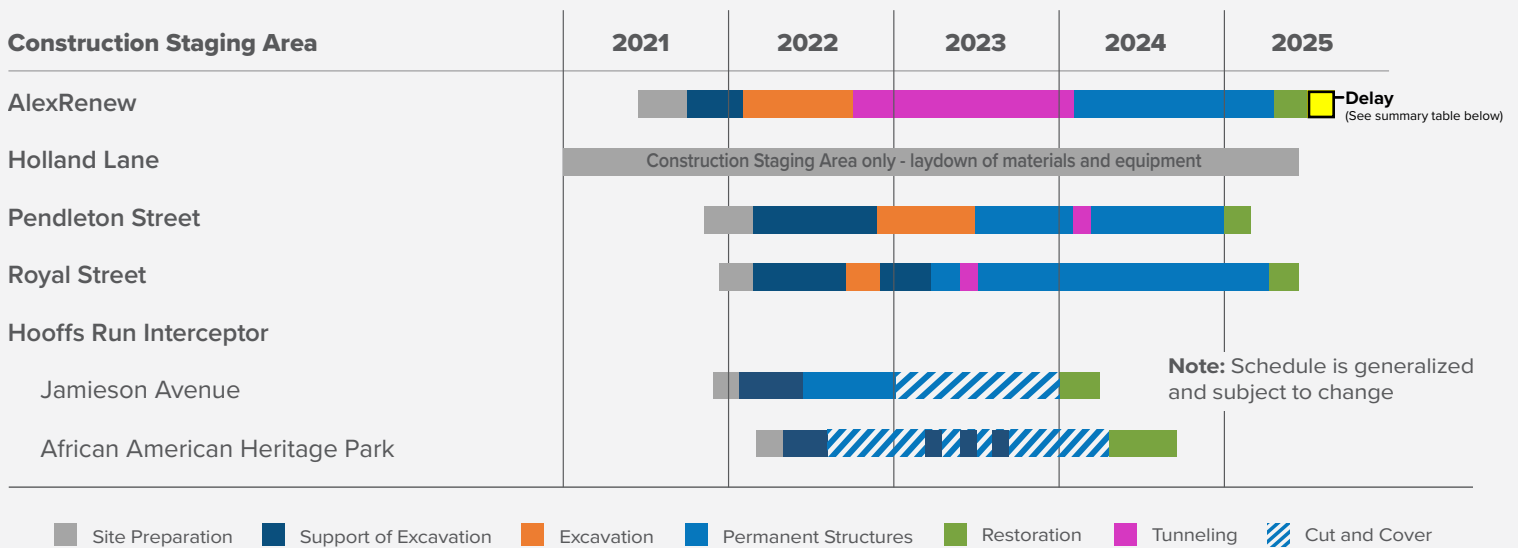
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's wastewater treatment authority.

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.
9/2023	Due to the delays noted above, the Tunnel Project is currently 90 days behind schedule. The delay will primarily impact scheduled work at the AlexRenew site.

RiverRenew Tunnel Project Design-Build Progress

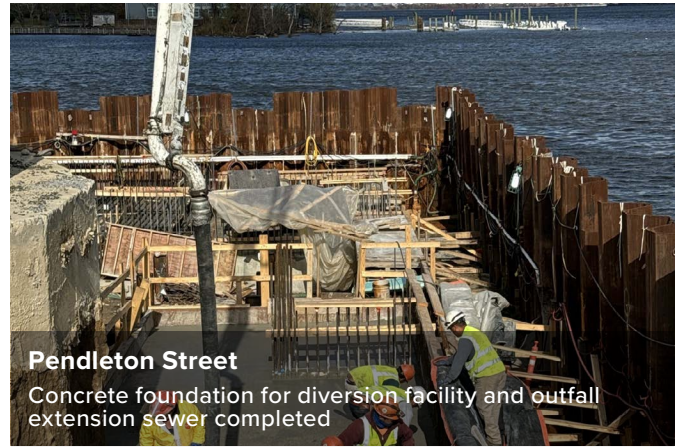
Overall Project Progress

(Design and Construction)



▲ DEC 2020

JUL 2025 ▲



Pendleton Street

Concrete foundation for diversion facility and outfall extension sewer completed

Construction Progress*



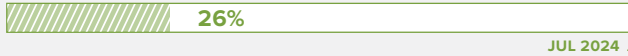
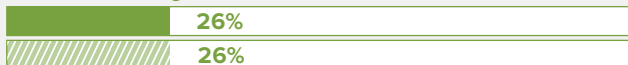
NOV 2024 ▲



Royal Street

Deep foundations for diversion facility ongoing

Construction Progress*



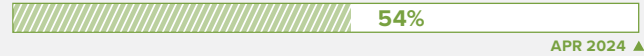
JUL 2024 ▲



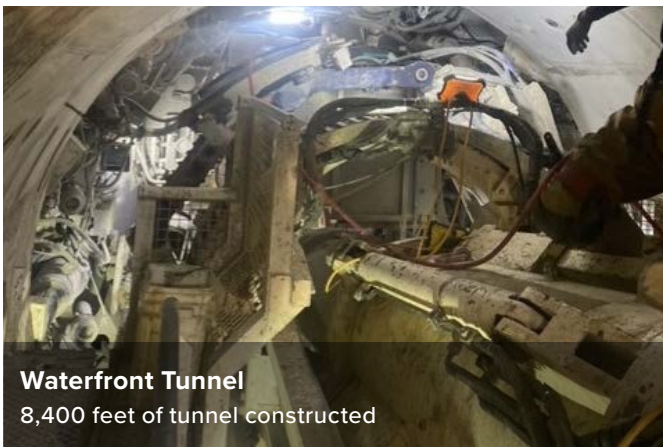
Hooffs Run

1,250 feet of pipe installed

Construction Progress*



APR 2024 ▲



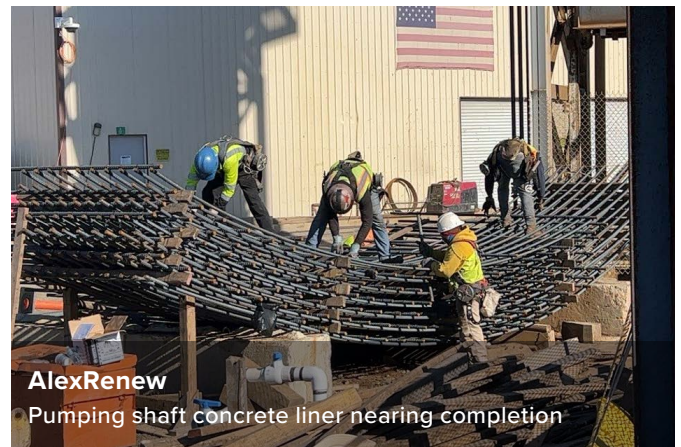
Waterfront Tunnel

8,400 feet of tunnel constructed

Construction Progress*



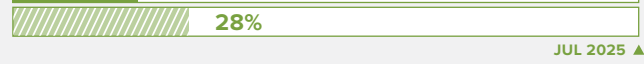
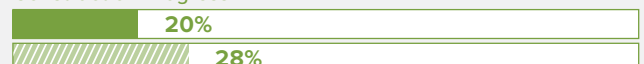
JAN 2024 ▲



AlexRenew

Pumping shaft concrete liner nearing completion

Construction Progress*



JUL 2025 ▲

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

Actual Progress as of November 30, 2023. *The planned progress for each construction staging area reflects the Design-Builder's schedule as of November 2023.

RiverRenew Tunnel Project Six-Month Look-Ahead

Work Hours

NORMAL WORK HOURS

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

Community Outreach

Event	Date
2023-2024 RiverRenew SAG Meeting No. 6	Jan 18, 2024
2024-2025 RiverRenew SAG Meeting No. 1	Mar 21, 2024
Council-Board Workgroup	Jan 24, 2024

Pendleton Street

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures construction	Summer 2024
Permanent concrete structures deep foundations (pile driving)	Intermittent through Summer 2024

PERMITS

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

Hooffs Run

MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Diversion chamber construction	Ongoing through Winter 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	Ongoing through Jan 2024

Royal Street

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures deep foundations	Winter 2023/ Spring 2024
Permanent concrete structures construction	Starting Spring 2024

PERMITS

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

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

Waterfront Tunnel

MAJOR WORK ACTIVITIES

Activity	Date
Mining	Ongoing through Feb 2024

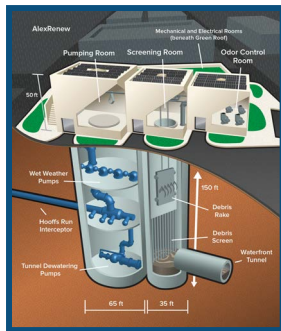
RiverRenew Tunnel Project Snapshot

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.



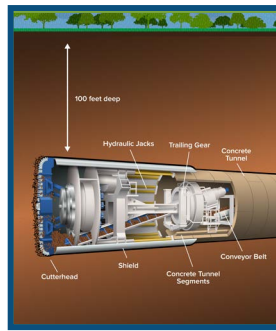
Hooffs Run Interceptor

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



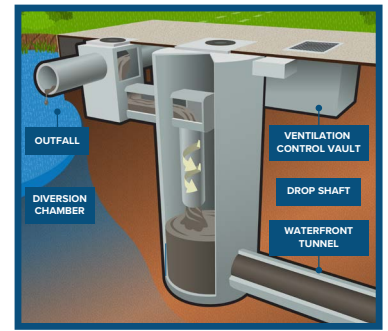
Pumping Station

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.

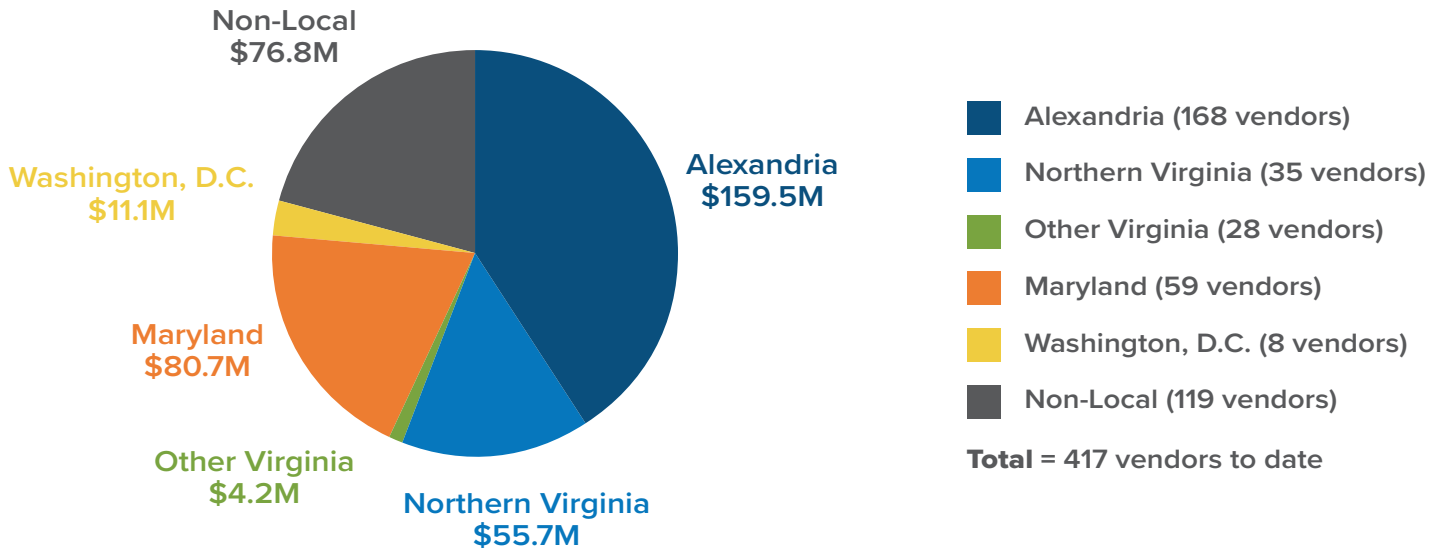


Diversion Facility

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

RiverRenew Program Costs to Date

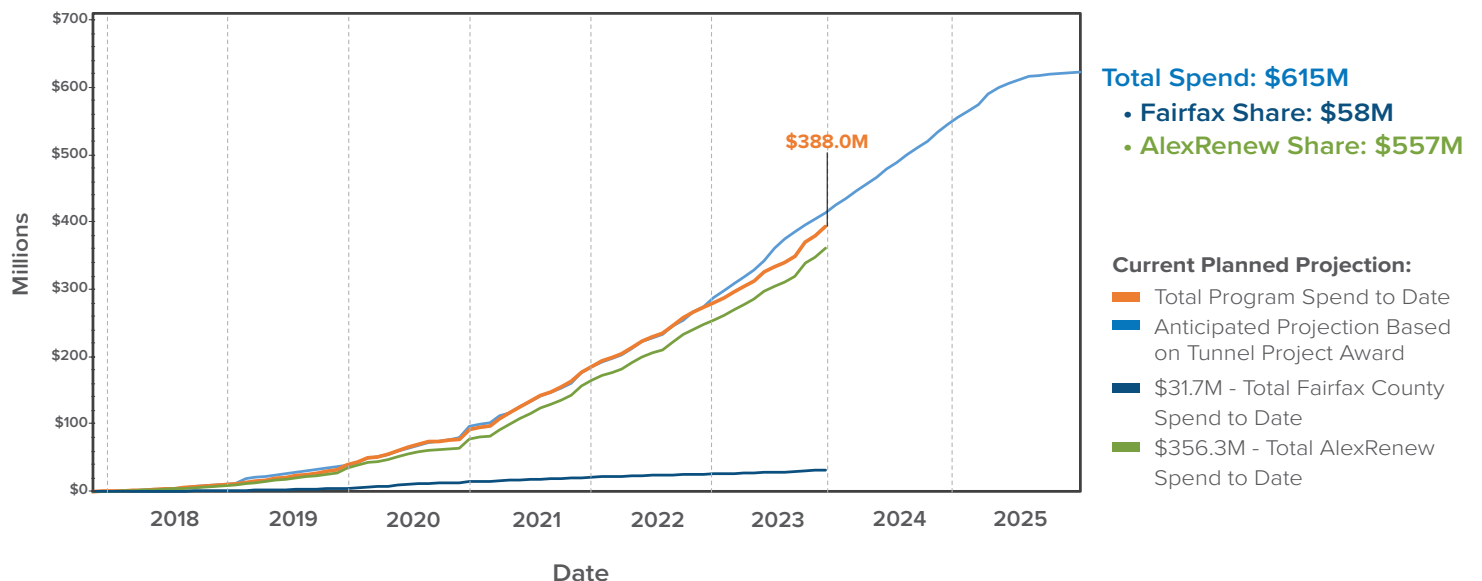
RiverRenew Spend to Date by Locality



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	\$244.5
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$74.1
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$17.0
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$52.4

RiverRenew Cash Flow Analysis



Note: As of November 30, 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. 6: **January 18, 2024**
- 2024-2025 RiverRenew SAG Meeting No. 1: **March 21, 2024**



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: **Spring 2024**



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 Open House: February or March 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:

- Frequent Jamieson Avenue closure **reminders** shared via email newsletter and social media (see page 7)
- Behind-the-scenes footage of the Waterfront Tunnel's **belt booster**, **MSVs**, and **pumping shaft**
- Spreading **holiday cheer** with the Cloe & Friends mascot crew



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. 21: **January 24, 2024**



Education

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

Highlights:

- Digital programming highlighting **native species** that will be planted at the Royal Street site during RiverRenew crews' restoration activities



Monthly Construction Spotlight



At the Pendleton Street site – what a view!

This month's spotlight photo shows the completed concrete liner of the Pendleton Steet drop shaft. RiverRenew crews worked diligently to complete this critical work, placing 1,770 cubic yards of concrete and 170 tons of steel in five months, all while keeping construction crews and the community safe.

The shaft will act like a hydraulic elevator, operating below ground to deliver millions of gallons of captured combined sewage to the Waterfront Tunnel each year. When work at the site is complete, picture standing on the promenade at this location and enjoying the stunning view of a healthier Potomac River!

Keep an eye on our [Pendleton Street Site Construction Page](#) for updates.

Building for the Future of Alexandria's Waterways

To learn more, visit www.RiverRenew.com



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



Let's make wastewater service affordable for everyone.

LEAP is designed to help customers experiencing difficulty paying their sewer bills. The program offers one-time emergency assistance for eligible AlexRenew customers.



Eligibility criteria

- AlexRenew account holders
- Household income must be less than or equal to 150% of Federal Poverty Income Guidelines
- 60+ day past-due balance of \$100 (\$50 if you're over 62)
- Eligible customers receive up to \$350 a year
- Customers may apply starting in early 2024



How can I support LEAP?

Anyone can make a donation. Simply visit dollarenergy.org, select AlexRenew from the dropdown, and make a one-time contribution.

Starting spring 2024, customers can also enroll in monthly contributions through their MyAlexRenew payment portal account.