



Meeting Book - Regular Board of Directors Meeting

Table of Contents

Agenda

20210518 Board Agenda Final.pdf - Page 2

Consent Calendar

Board Minutes - April 20, 2021 - Page 3

Review and Approve REI Contract Amendment #2 - Page 28

New Business

Review and Approve Line of Credit Renewal - Page 29

Line of Credit Resolution - Page 31

AlexRenew Monthly Outcomes

CEO Report - April 2021 - Page 35

RiverRenew Executive Dashboard - April 2021 - Page 37

Financial Report - April 2021 - Page 43

Information Item

Rates Rules and Regulations - Draft - Page 51



Agenda
 Alexandria Renew Enterprises Board of Directors Meeting
 Tuesday, May 18, 2021@ 6:00 p.m.
 VIRTUAL

No.	Item	Presenter	Action Required
-----	------	-----------	-----------------

Due to Covid-19 pandemic emergency, the May 18, 2021 Alexandria Renew Enterprises Board of Directors meeting is being held electronically pursuant to Virginia Code Section 2.2.3708.2(A)(3), the Continuity of Government ordinance adopted by the City Council on June 20, 2020 and/or Section 4.0.00(g) in HB29 and HB30 to undertake essential business.

The Board of Directors and staff are participating from remote locations through a videoconference call on Zoom:

Links: https://zoom.us/webinar/register/WN_cML84oz-T5quDUNOMvnsIg

*Topic: Regular Board of Directors Meeting
 Register in advance for this webinar:*

After registering, you will receive a confirmation email containing information about joining the webinar.

Submission of written statements is encouraged. Written statements may be emailed to the Board Secretary at lorna.huff@alexrenew.com.

Public comment will also be received at this meeting. If you wish to speak during public comment, please email or call the Board Secretary at (703) 721-3500 ext. 2260 in advance so you can be added to the speakers list. A recording of the meeting will be posted on the alexrenew.com website after the meeting.

1	Call To Order (6:00 p.m.)	Chairman	
2	Approval of Agenda (6:02 p.m.)	Chairman	Approval
3	Explanation of Required Procedures for an Electronic Meeting (6:05 p.m.)	Mr. Rak	Information
4	Public Comment Period (6:17 p.m.)	Chairman	
5	Consent Calendar (6:20 p.m.)	Chairman	Approval
	A. Minutes (Meeting held April 20, 2021) (Tab 1)		
	B. Review and Approve Resident Engineering and Inspection Amendment #2 (Tab 2)		
6	Unfinished Business (6:21 p.m.)	Chairman	
	A. None		
7	New Business (6:30 p.m.)	Chairman	
	A. Review and Approval of a Resolution Authorizing & Approving a Line of Credit Financing (Tab 3)		
8	AlexRenew Monthly Outcomes Update (6:40 p.m.) (Tab 4)	Ms. Pallansch	Information
9	Adjourn (6:45 p.m.)	Chairman	

*Times shown in parentheses are approximate 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.*

A Public Hearing on AlexRenew FY2022 Draft Budget and FY22 – 23 Wastewater Rates is on Saturday, May 22, 2021 @ 9:30 a.m.

The next Board of Directors meeting is scheduled for Tuesday, June 15, 2021@ 6:00 p.m.

**Chairman- John Hill • Vice Chairman- Jim Beall
 • Secretary-Treasurer-William Dickinson
 • Members- Bruce Johnson, Adriana Caldarelli**

Minutes of the 882nd Meeting – Virtual
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, April 20, 2021

On Tuesday, April 20, 2021, the Alexandria Renew Enterprises Board of Directors held a virtual Board of Directors meeting with the following present:

Members: Mr. John Hill, Chairman
Mr. James Beall, Vice Chairman,
Mr. William Dickinson, Secretary-Treasurer
Mr. Bruce Johnson, Member
Ms. Adriana Caldarelli, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
Ms. Liliana Maldonado, Chief Environmental Performance Officer
Ms. Christine McIntyre, Chief Financial Officer
Ms. Allison Deines, Director of Research & Strategy Engagement
Ms. Caitlin Feehan, RiverRenew Program Director
Ms. Lorna Huff, Secretary to the Board

Counsel: Mr. Jonathan Rak, General Counsel, McGuireWoods LLP

Fairfax County
Representative: Mr. Shahram Mohsenin, Deputy Director of Wastewater Planning Division

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

Consultants: Mr. Rob Ori, Principal, Raftelis
Mr. Thierry Boveri, Senior Manager, Raftelis
Mr. Justin Carl, Brown & Caldwell, Owner’s Advisor

Call to Order

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

Approval of Agenda

The Chairman requested that members review the Agenda and inquired if there were changes. No changes were requested and the Chairman requested a motion to approve the Agenda. Mr. Dickinson moved and Mr. Beall seconded. The Chairman called the roll with all members voting Aye.

Explanation of Virtual Meeting Processes

The Chairman recognized Mr. Rak who provided the following statement:
Due to the Covid-19 pandemic emergency, the April 20, 2021, meeting of the Alexandria Renew Enterprises Board of Directors is being held electronically pursuant to Virginia Code Section 2.2-

3708.2(A)(3), the Continuity of Government Ordinance adopted by the City Council on June 20, 2020 and/or Section 4-0.00(g) in HB29 and HB30 to undertake essential business. All of the members of the Board and staff are participating from remote locations through a video conference call on Zoom. Public notice of the meeting includes the link for web access and phone numbers for dial-in access. In accordance with the applicable law, this meeting is being recorded and the recording will be posted on the Alexandria Renew website following the meeting.

In compliance with the special procedures for electronic meetings, only items necessary to continue operations of Alexandria Renew and the discharge of its lawful purposes, duties, and responsibilities will be discussed during today's meeting. All votes during this meeting will require a roll call.

Please let me know if you have any questions about the procedures for this meeting. There were no members of the public wishing to speak.

Public Comment Period

The Chairman noted no members of the public in attendance and wishing to speak and moved to the Consent Calendar.

Consent Calendar

The Chairman noted the Minutes of the March 16, 2021 meeting and inquired if Board members had questions or comments. There being no questions or comments on the Minutes, the Chairman requested a motion to approve. Mr. Johnson moved and Mr. Dickinson seconded. The Chairman called the roll with all members voting aye.

Unfinished Business

- A. Consideration of FY2021-22 Capital & Operating Budget for Public Notice and Set the Public Hearing for May 22, 2021 @ 9:30 a.m.

Discussion

The Chairman recognized Mr. Johnson, Finance & Audit Committee Chair. Mr. Johnson reported that members have reviewed the FY21-22 Budget at the March 25, Finance & Audit Committee meeting and at the regular monthly Board of Directors meetings. He noted no material changes from the first draft. This Budget reflects the full-scale launch of the RiverRenew program with increased spending and issuance of debt through the Water Infrastructure Finance and Innovation Act (WIFIA) and Virginia Resources Authority (VRA). AlexRenew staff has recommended a rate increase of approximately 6.5% per year for FY22 and FY23 to offset program spending. Mr. Johnson completed his remarks and recognized the Chairman.

The Chairman commended the AlexRenew FY22 Budget and noted that AlexRenew's Enterprise Budget sheet on page 12 is an excellent snapshot of AlexRenew's Budget. Board members reported that the budget document is well-presented and easy to understand.

Ms. Pallansch clarified for members that the Board is not adopting the Budget but allowing the Budget to be public noticed and setting a public hearing for Saturday, May 22, at 9:30 a.m.

There were no additional questions or comments. The Chairman requested a motion from Mr. Johnson to approve the FY21-22 budget for publication and set the public hearing. Mr. Johnson moved and Ms. Caldarelli seconded. The Chairman called the roll with all members voting aye.

There being no additional questions or comments the Chairman moved to Item B.

B. Consideration of a Resolution of Intent to Adopt and Change Certain Rates, Fees & Charges for Public Notice and Set Public Hearing for Saturday, May 22, @ 9:30 a.m.

Discussion

The Chairman recognized Ms. Pallansch who reported that she had nothing to add to Mr. Johnson's prior comments. She further clarified that the Board was approving the Resolution of Intent for the purposes of receiving public comment and to set the public hearing for Saturday, May 22, at 9:30 a.m. Ms. Caldarelli noted a discrepancy in the time listed on the Agenda and in the meeting materials. Ms. Pallansch confirmed the 9:30 a.m. public hearing start time.

Mr. Rak confirmed with the Board that the purpose of the vote is to approve the Resolution of Intent for public notice. Mr. Johnson moved to approve the Resolution of Intent to Adopt and Change certain Rates, Fees and Charges for public notice and set the public hearing for Saturday, May 22, at 9:30 a.m.. The Chairman requested a second to the motion. Mr. Beall seconded. The Chairman called the roll with all members voting aye. There were no additional questions or comments and the Chairman moved to the CEO Monthly Outcome reports.

CEO Monthly Outcome Reports

Ms. Pallansch noted there was a Council Board Workgroup meeting the night before. The Chairman reported the meeting provided an update on the RiverRenew project. He noted that Mayor Wilson and Councilwoman Jackson reacted positively to the work completed to date and the AlexRenew rate increase that came in below projections. He further commended the CEO on the nutrient credit presentation and the possibilities created by RiverRenew. He additionally noted Councilwoman Jackson's interest in educating school children on underground infrastructure and a possible area of partnership for AlexRenew.

The Chairman recognized Mr. Beall who concurred with his view and reported on the Mayor and Councilwoman Jackson's interest in this subject. Mr. Dickinson reported that he attended the meeting and commended staff for their presentations and usage of graphics to illustrate complicated concepts. The Chairman noted the number of public communications events and reported that he would like to receive a list and attend as many as possible. Ms. Pallansch thanked the Board for their comments on the graphics and work of the RiverRenew team. There were no additional questions or comments and the CEO moved to her written report.

The CEO referenced her written report and noted that the City of Alexandria requested assistance from AlexRenew on pump station design for its waterfront flood mitigation program. She reported that AlexRenew staff has done this type of work in the past. She reported that unless she hears differently from the Board, she will partner with the City on this project. She clarified AlexRenew's role on this long

term project and addressed Board member questions and concerns. The Chairman and members supported AlexRenew's participation in this project.

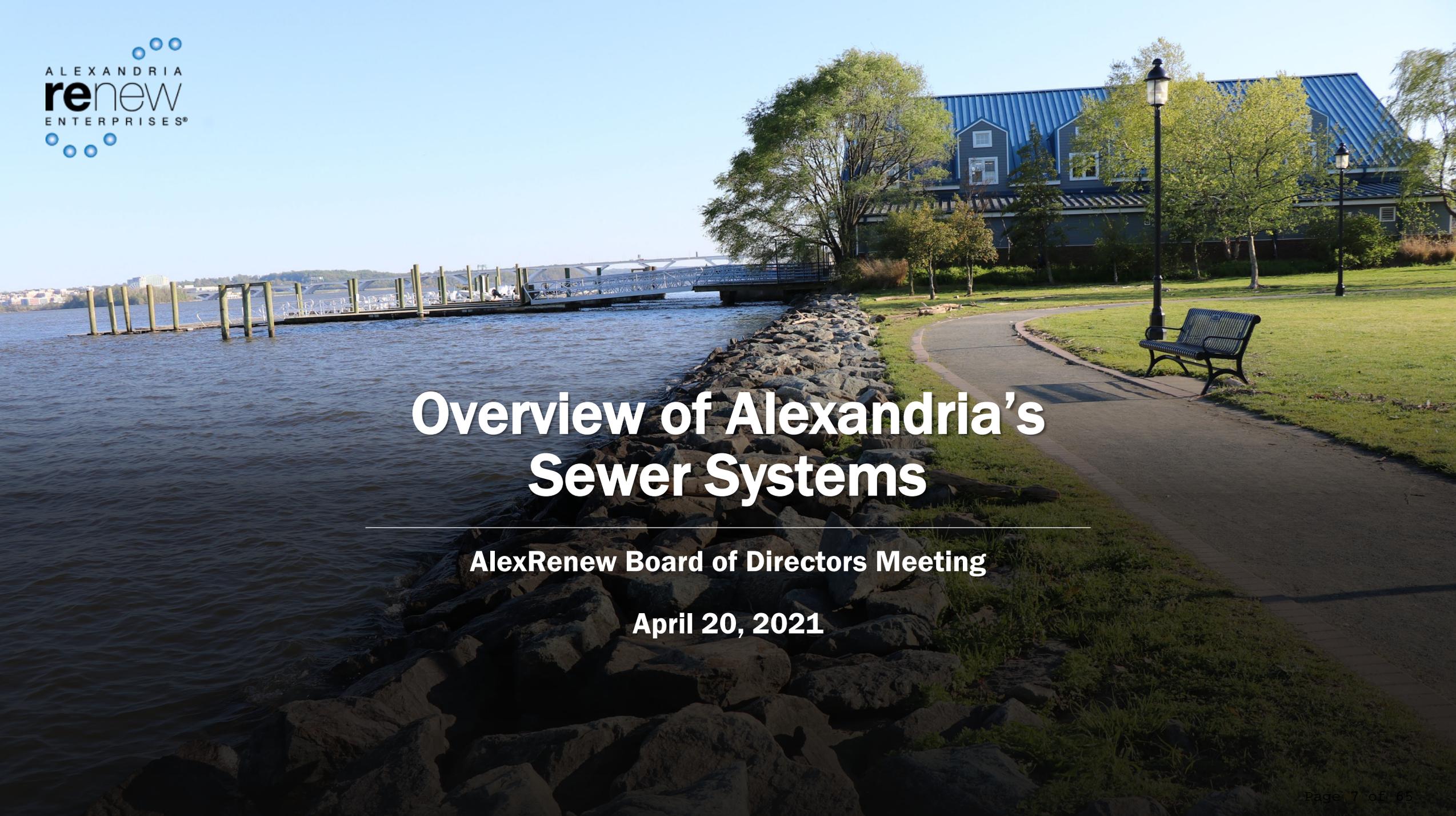
Ms. Pallansch noted her presentation (see attached) and requested Board assistance on an issue regarding the use of terminology when it comes to the different water, sewer, and flooding issues confronting the City. Ms. Pallansch reviewed the Alexandria Water System, the entities that comprise it and their role in the City. She reported on the Alexandria sewer system and differentiated between the sanitary sewer, storm water sewer and the combined sewer. She further reported on the definition of a 100-year storm and how it is used for design parameters for pump stations and interceptors. She reviewed AlexRenew's interceptor system, noting the size, location and age of AlexRenew's current pump stations as well as Inflow vs. Infiltration in the water system.

Members complimented the CEO on the presentation and clarity it provides on a difficult subject. There was no additional Board business and the Chairman requested a motion to adjourn. Ms. Caldarelli moved and Mr. Beall seconded. The Chairman Board unanimously approved.

The meeting adjourned at 7:46 p.m.

Secretary-Treasurer

Attachment



Overview of Alexandria's Sewer Systems

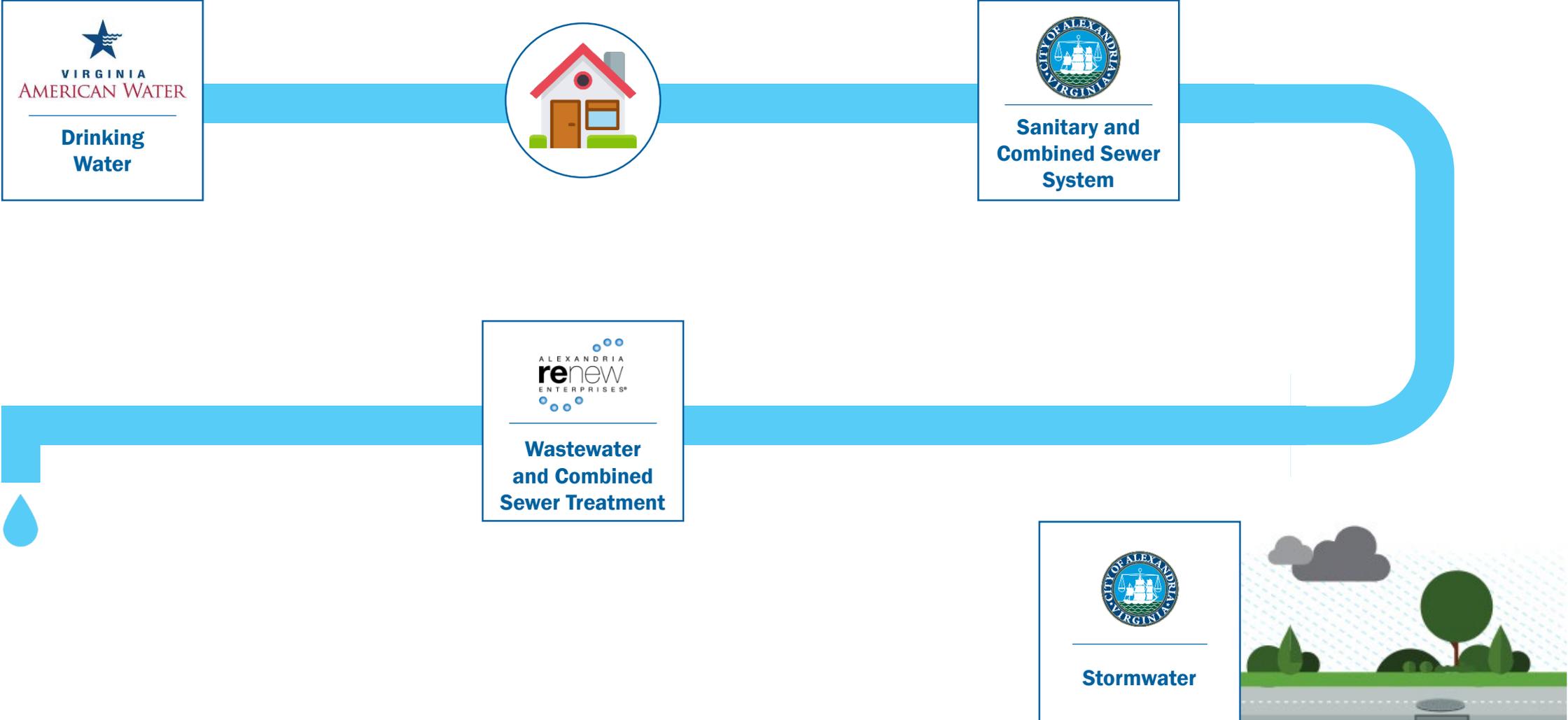
AlexRenew Board of Directors Meeting

April 20, 2021

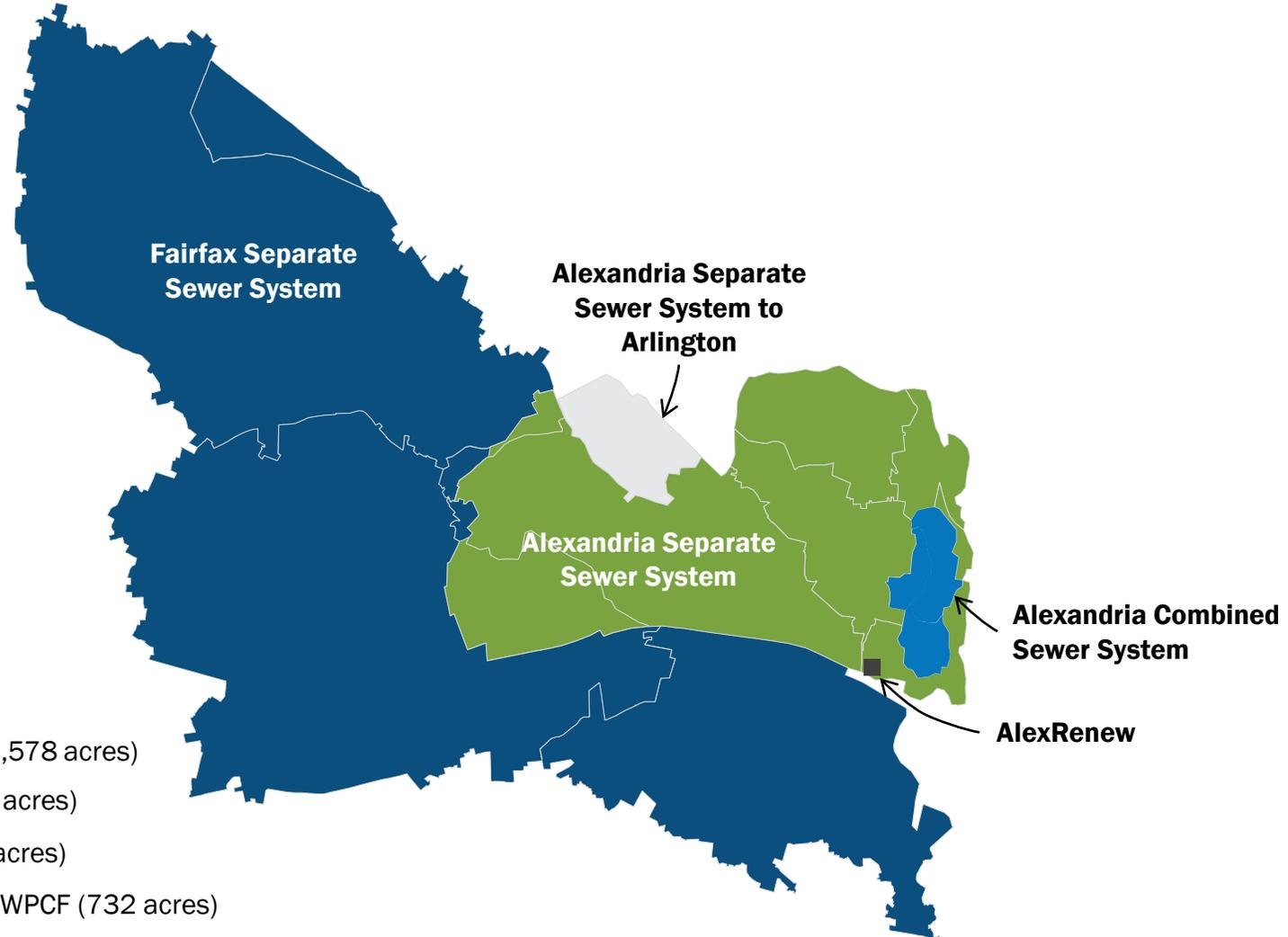
Presentation Outline

- How Water Works in Alexandria
- Overview of Alexandria's Sewer Systems
- Overview of AlexRenew's Interceptor System
- What is Infiltration and Inflow?
- A Look at the Commonwealth Interceptor
- Tonight's Takeaways

How Water Works in the City of Alexandria



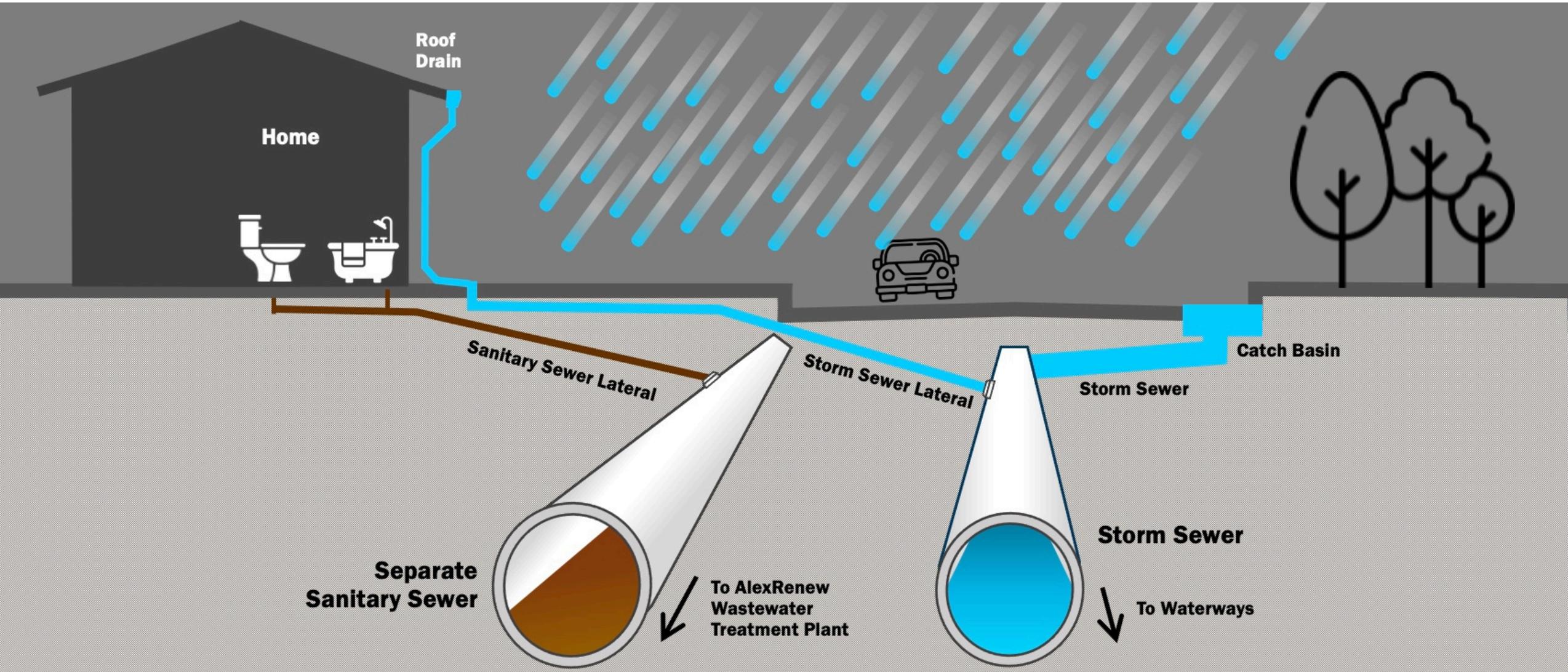
AlexRenew Serves both Separate and Combined Sewer Systems



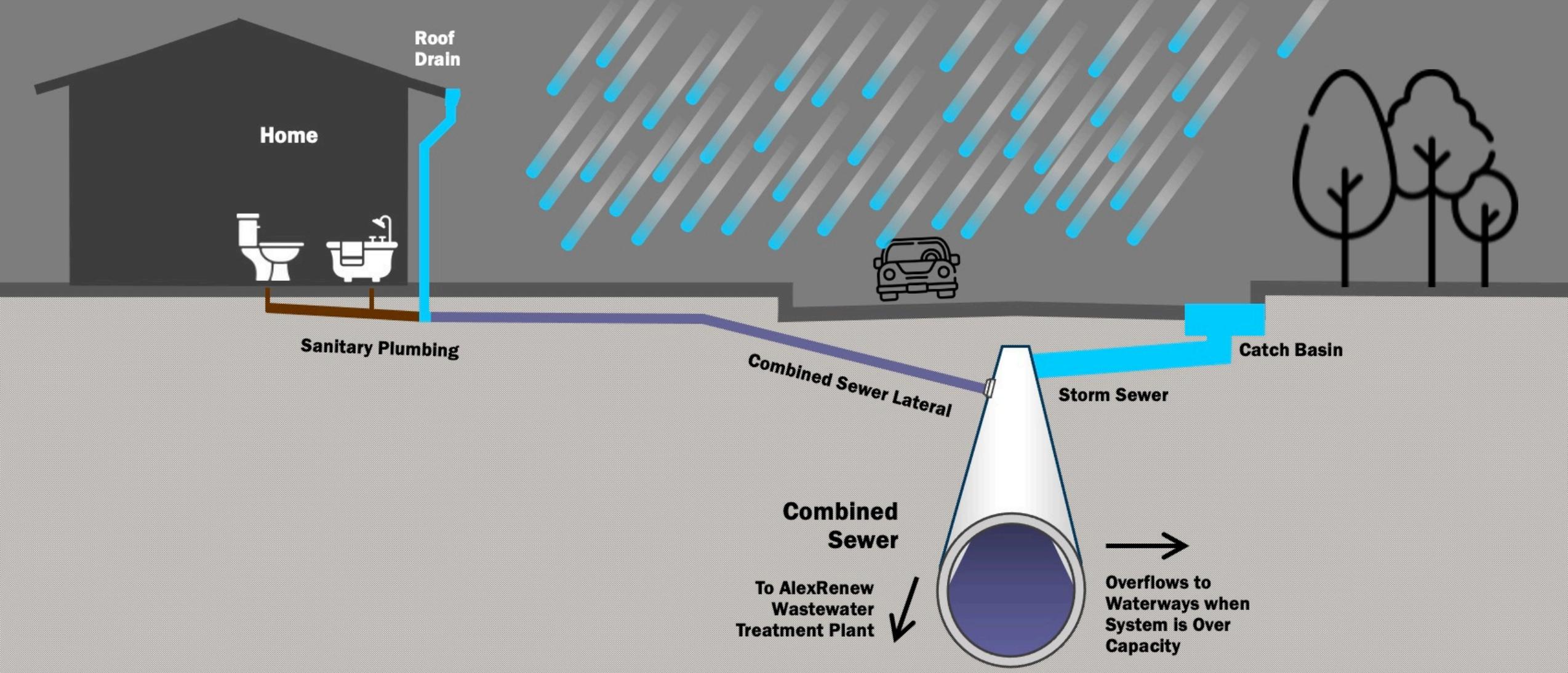
Legend

- Fairfax County Separate Sewer System (24,578 acres)
- Alexandria Separate Sewer System (8,254 acres)
- Alexandria Combined Sewer System (540 acres)
- Alexandria Sewershed treated at Arlington WPCF (732 acres)

Separate Sewer Systems are Served by Two Pipes to Manage Sanitary Sewage and Stormwater



Combined Sewer Systems Are Served by One Pipe to Manage Sanitary Sewage and Stormwater



What is a 100-year Storm?

Storm Frequency

Frequent

Rare

Storm Magnitude

Minor

Extreme

Rainfall Amount in Inches (based on a 2-hour storm)

1.71

2.17

2.52

3.02

3.43

3.86

4.93

Annual Probability

(chance of being equaled or exceeded in any given year)

50%

20%

10%

4%

2%

1%

0.2%

Recurrence Interval

2-year

5-year

10-year

25-year

50-year

100-year

500-year

How Are Sanitary Interceptors and Storm Sewers Designed?

Sanitary Interceptors

Storm Sewers

Governance

State Water Control Board through Virginia Department of Environmental Quality

City of Alexandria, Virginia

Regulation

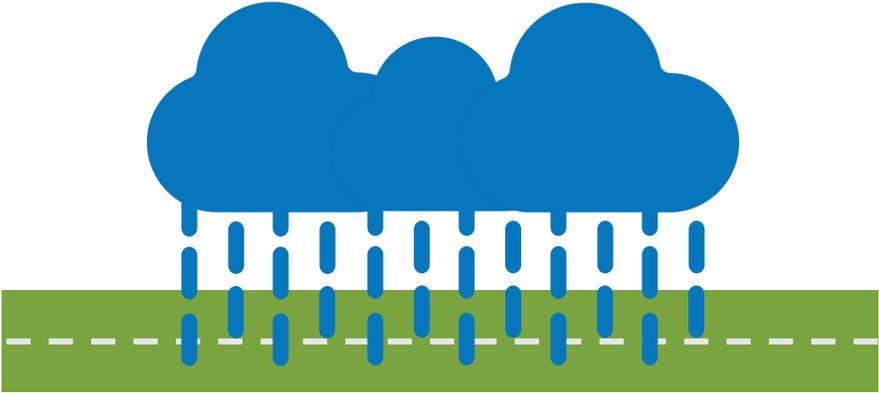
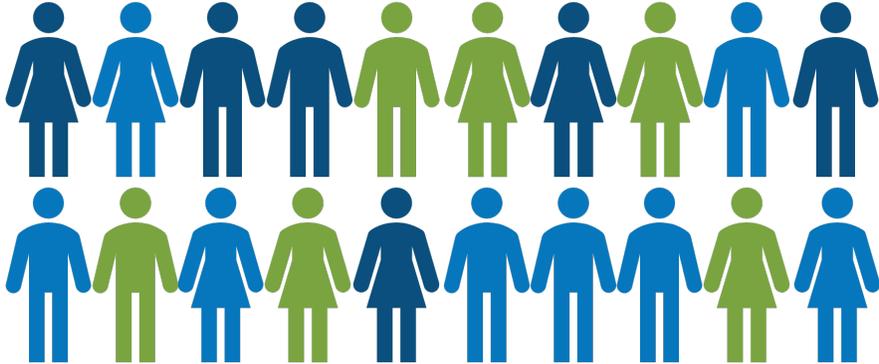
Virginia Code (9VAC25-790) Sewage Collection and Treatment Regulations

Design and Construction Standards

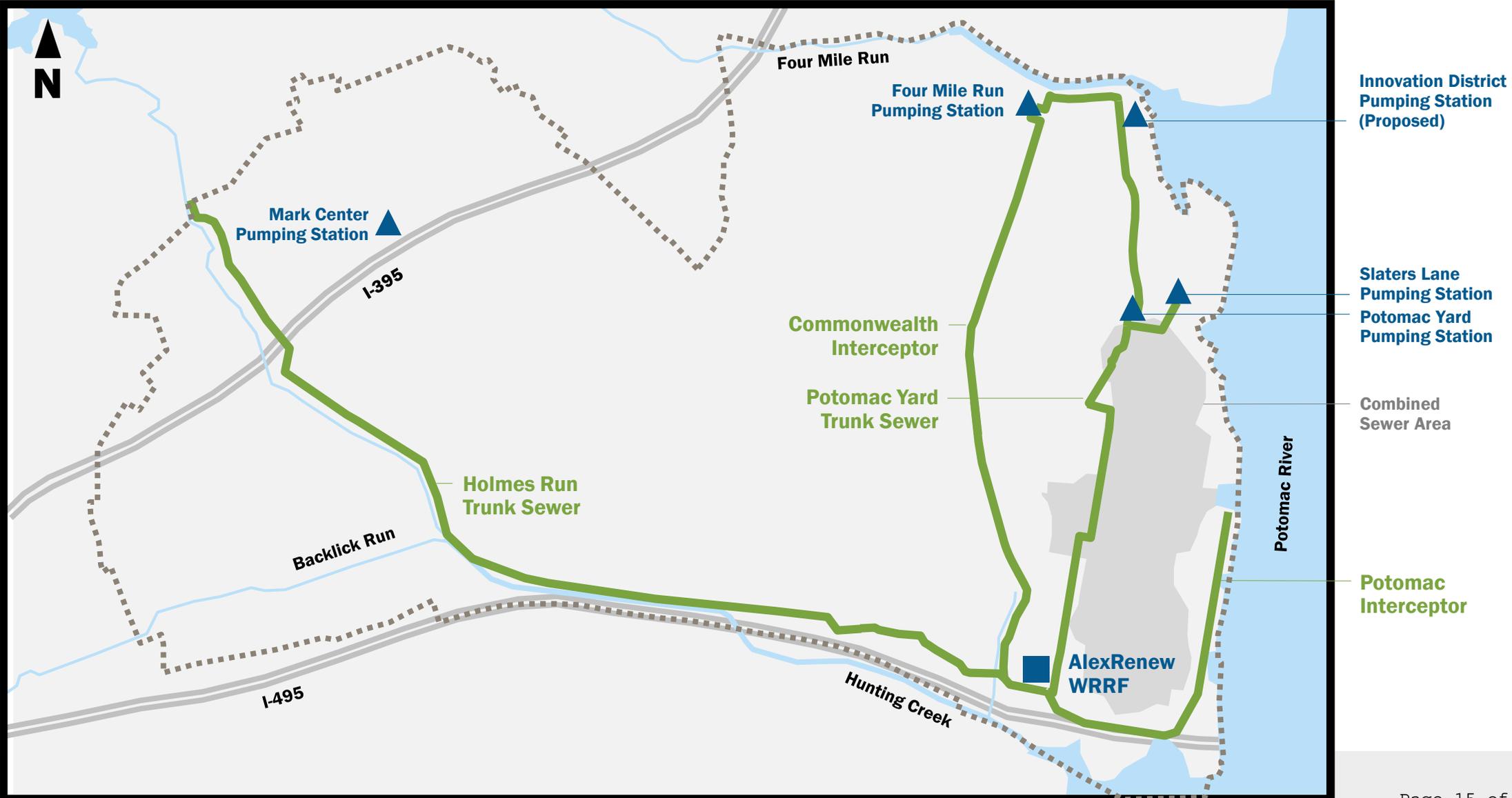
Design Requirements

200% of the average daily sewage flow per person

10-year, 24-hour storm



Overview of AlexRenew's Interceptor System



Quick Facts About AlexRenew's Interceptor's

Interceptor	Type	Year Built	Material	Diameter	Length	Rehab Work
Potomac	Combined	1954 (portions relocated in 2008)	Reinforced Concrete	36-inch to 42-inch	11,400 feet	None to date
Potomac Yard	Separate Sanitary	2002, 2007, 2009	Reinforced Concrete	18-inch to 30-inch	14,200 feet	None to date
Commonwealth	Separate Sanitary	1954	Reinforced Concrete	24-inch to 72-inch	17,300 feet	CIPP lined in 2009
Holmes Run	Separate Sanitary	1954 (modifications in 1975, 1989, 2003, 2008)	Reinforced Concrete	30-inch to 72-inch	28,000 feet	Portions CIPP lined in 2009



Outfall 001 regulator and outfall



Potomac Interceptor construction just east of WRRF



Holmes Run Trunk Sewer construction near Fairfax County line



Holmes Run Trunk Sewer construction at Telegraph Road

Instrumentation Helps Us Understand How the System is Working and is Used to Calibrate the Hydraulic Model

Magnetic Flow Meter



Used to measure pumping station flow rate

Ultrasonic Level Sensor

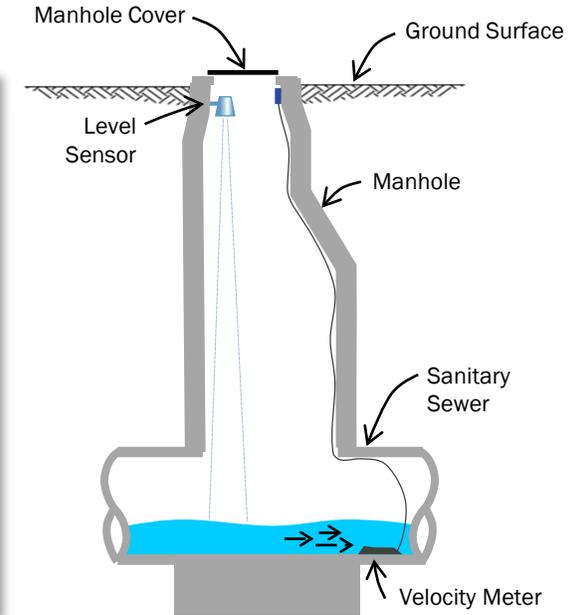


Used to measure level in sewers. Coupled with velocity meter to calculate flow

Area Velocity Meter

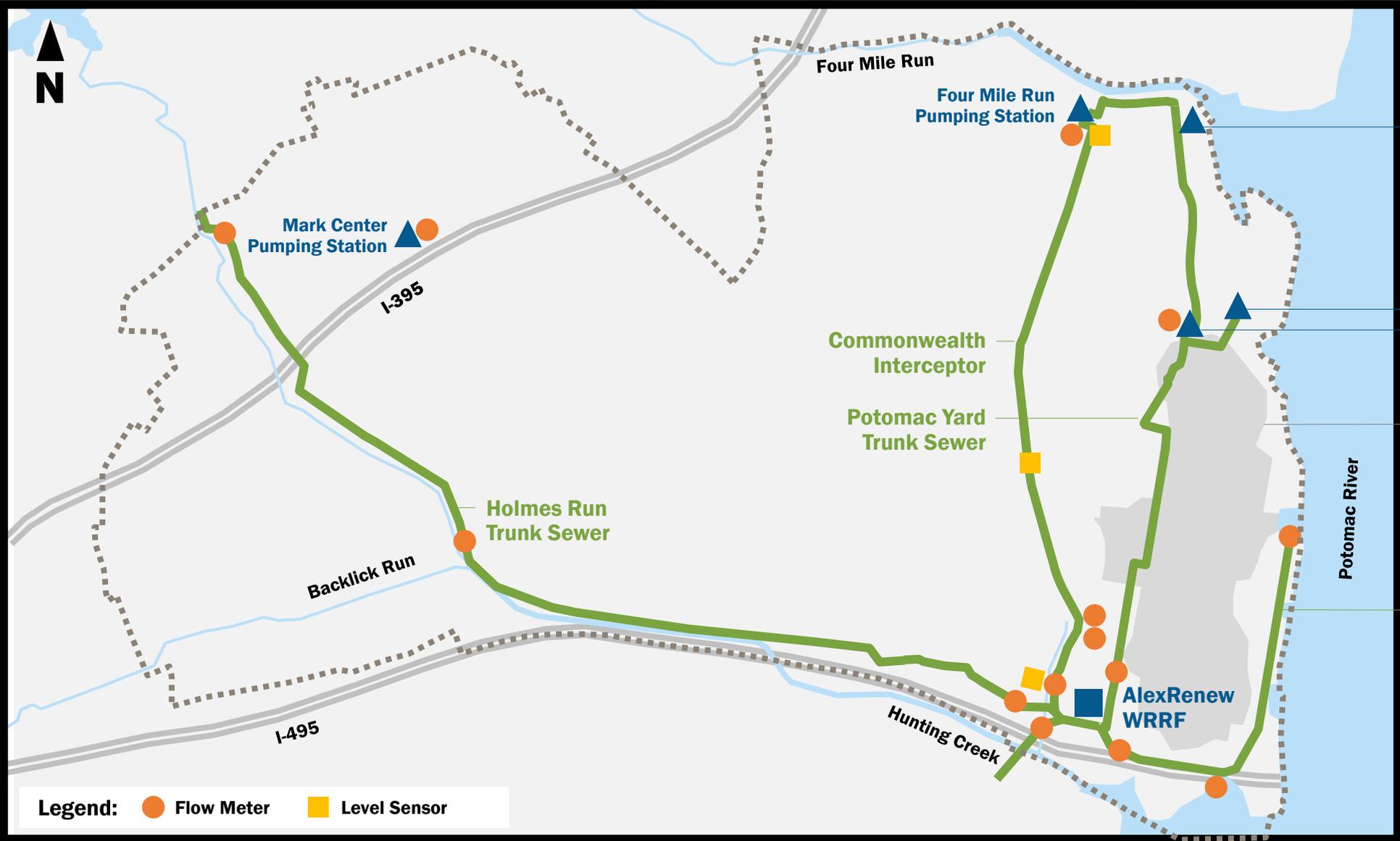


Used to measure velocity in sewers. Coupled with level sensor to calculate flow



Typical Level Sensor and Velocity Meter Installation in Sewers

Existing Locations of Interceptor Level Sensors and Flow Meters



Innovation District Pumping Station (Proposed)

Slaters Lane Pumping Station
Potomac Yard Pumping Station

Combined Sewer Area

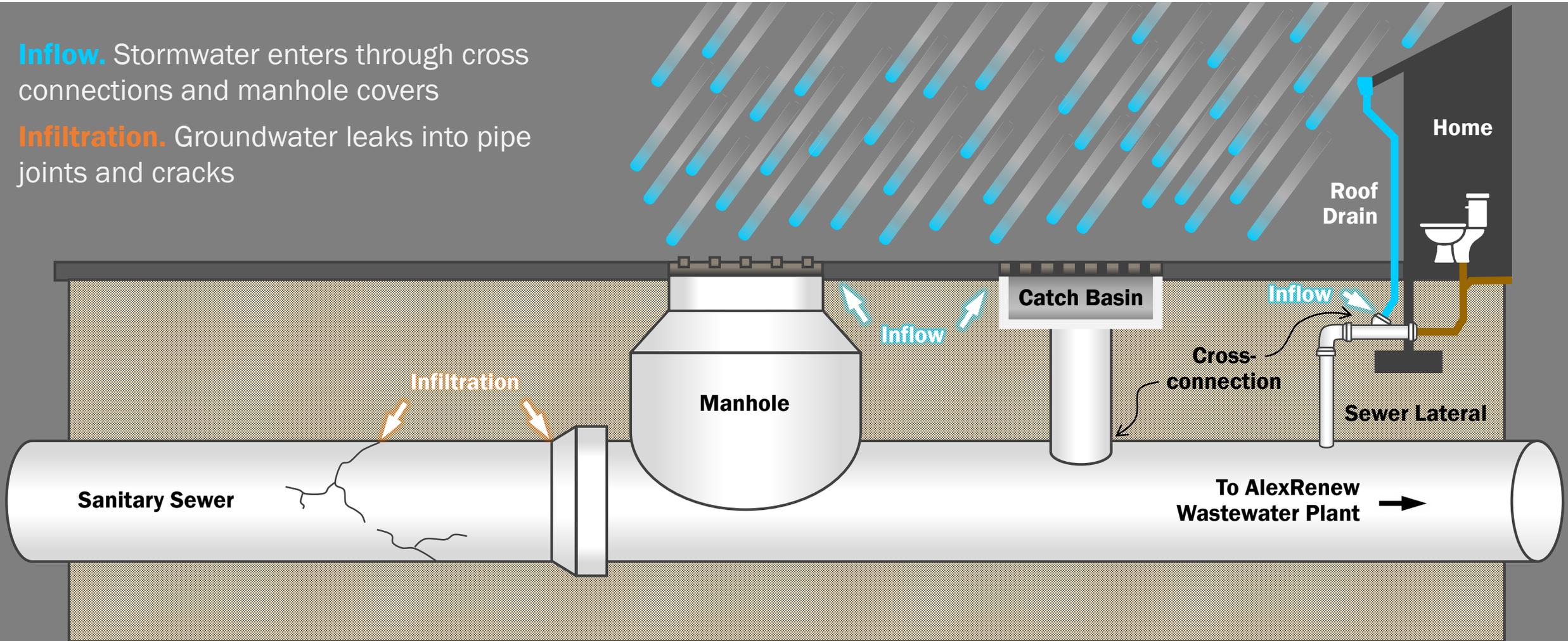
Potomac Interceptor

Legend: ● Flow Meter ■ Level Sensor

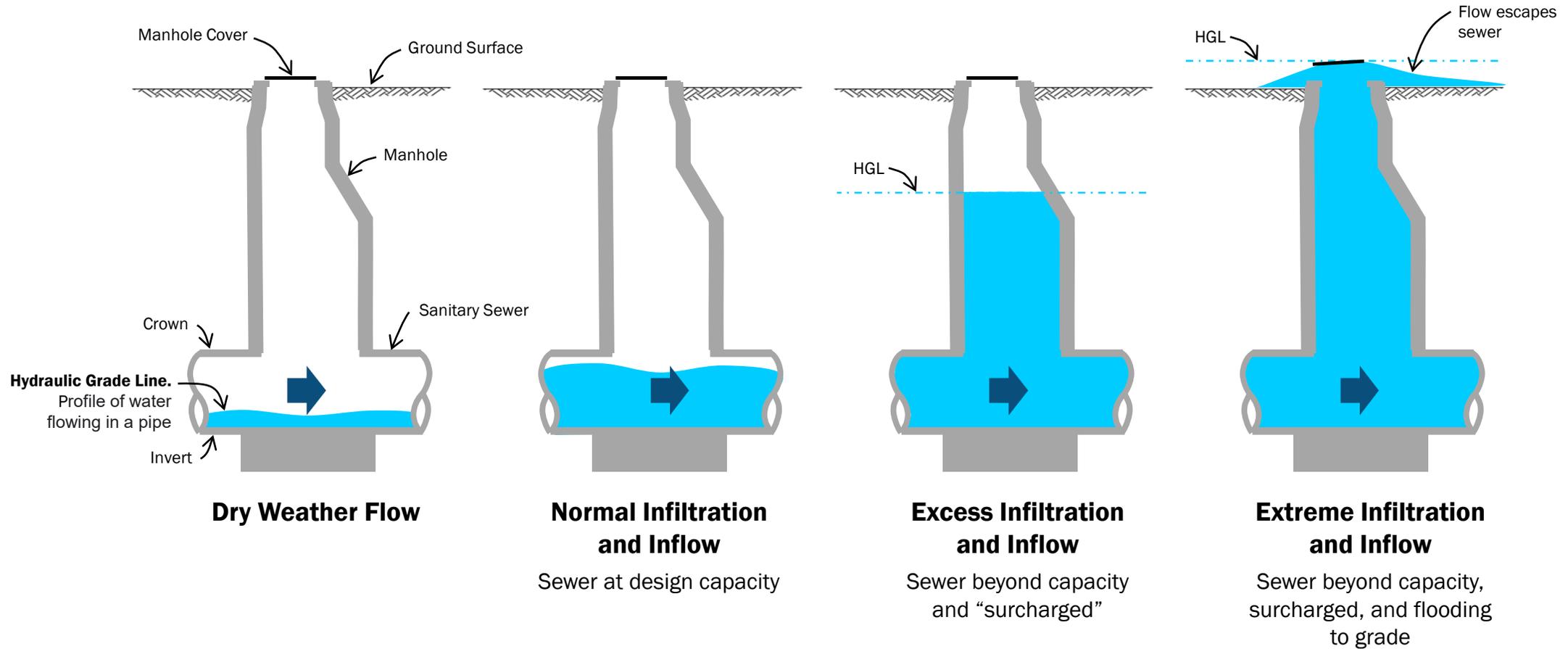
What is Infiltration and Inflow?

Inflow. Stormwater enters through cross connections and manhole covers

Infiltration. Groundwater leaks into pipe joints and cracks



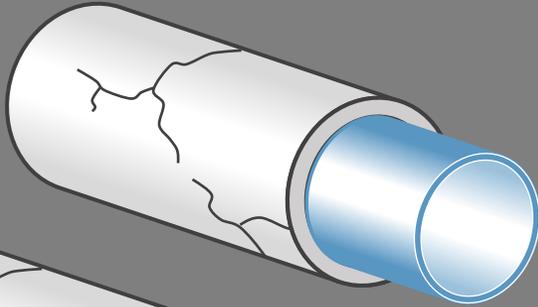
Types of Flow Conditions in Sanitary Sewer Interceptors and Trunk Sewers



How is Infiltration and Inflow Addressed?

Sewer Rehabilitation

Lined Sewer



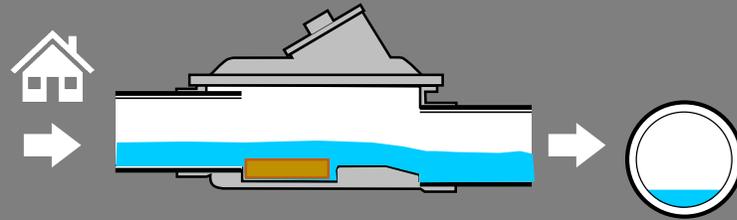
Existing Sewer

Sewer lining (Cured in Place Pipe, Sliplining) or Full Pipe Replacement

Backflow Preventer

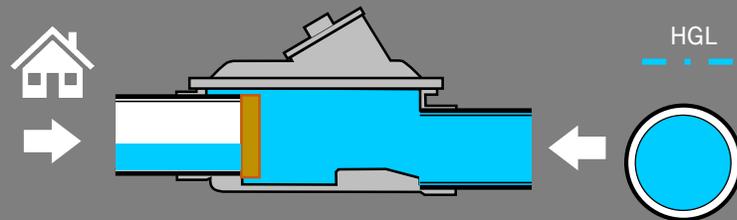
Sewer Lateral

Sanitary Sewer



Dry Weather

Flap gate open to drain house to sewer system

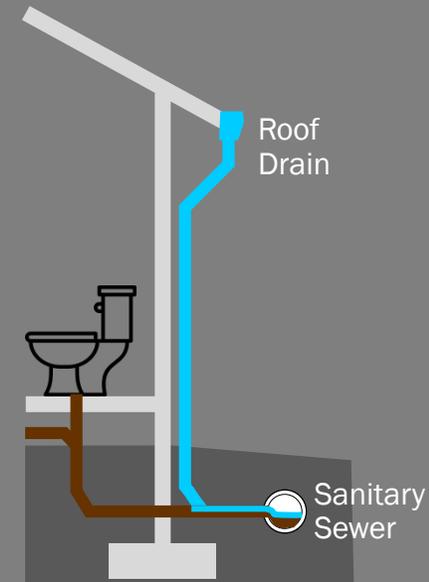


Sewer Surcharged

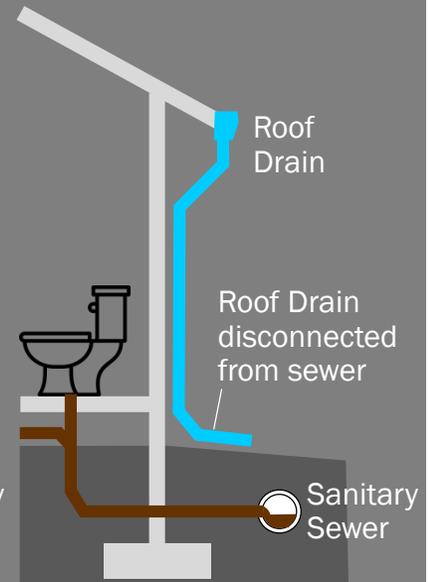
Flap gate closes to protect house

Address Cross-Connections

Improper Roof Drain Connection in sanitary sewer system

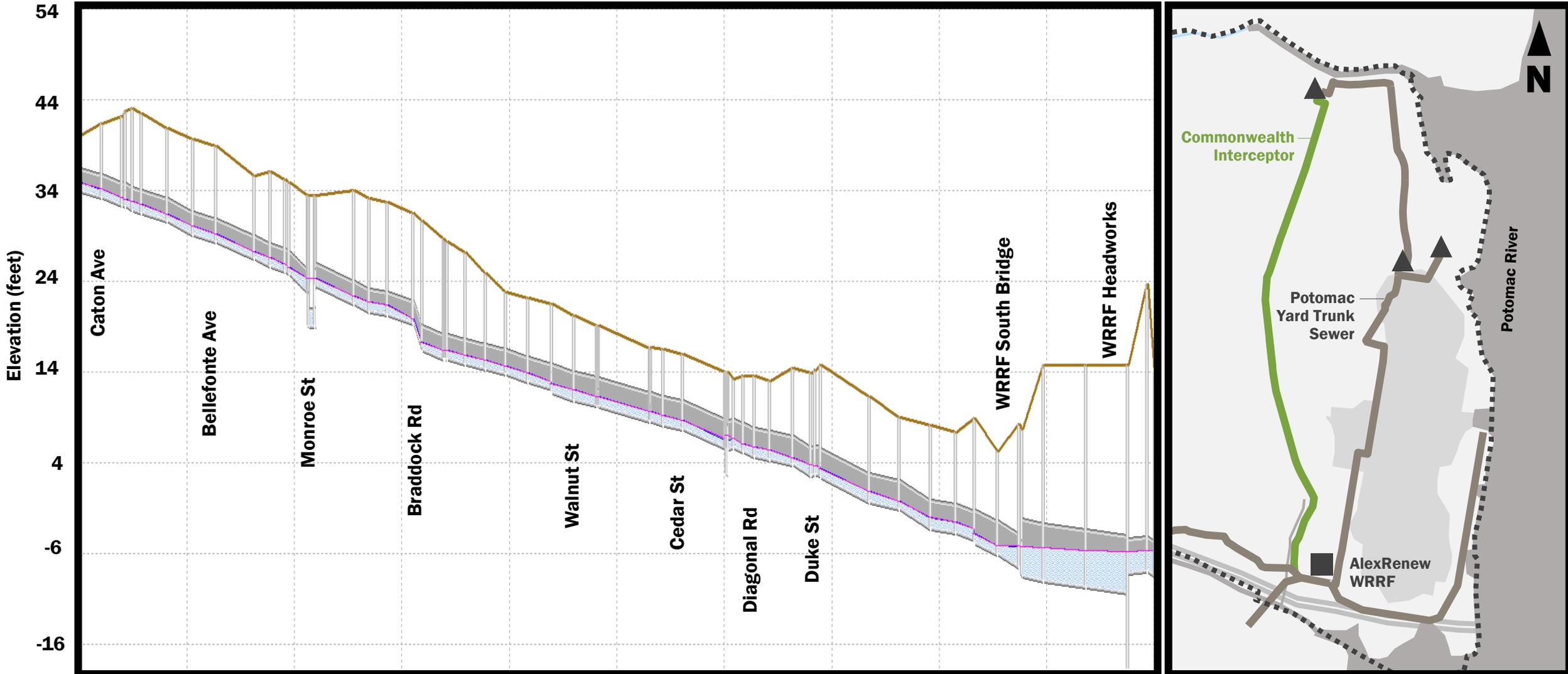


Proper Roof Drain Connection in sanitary sewer system

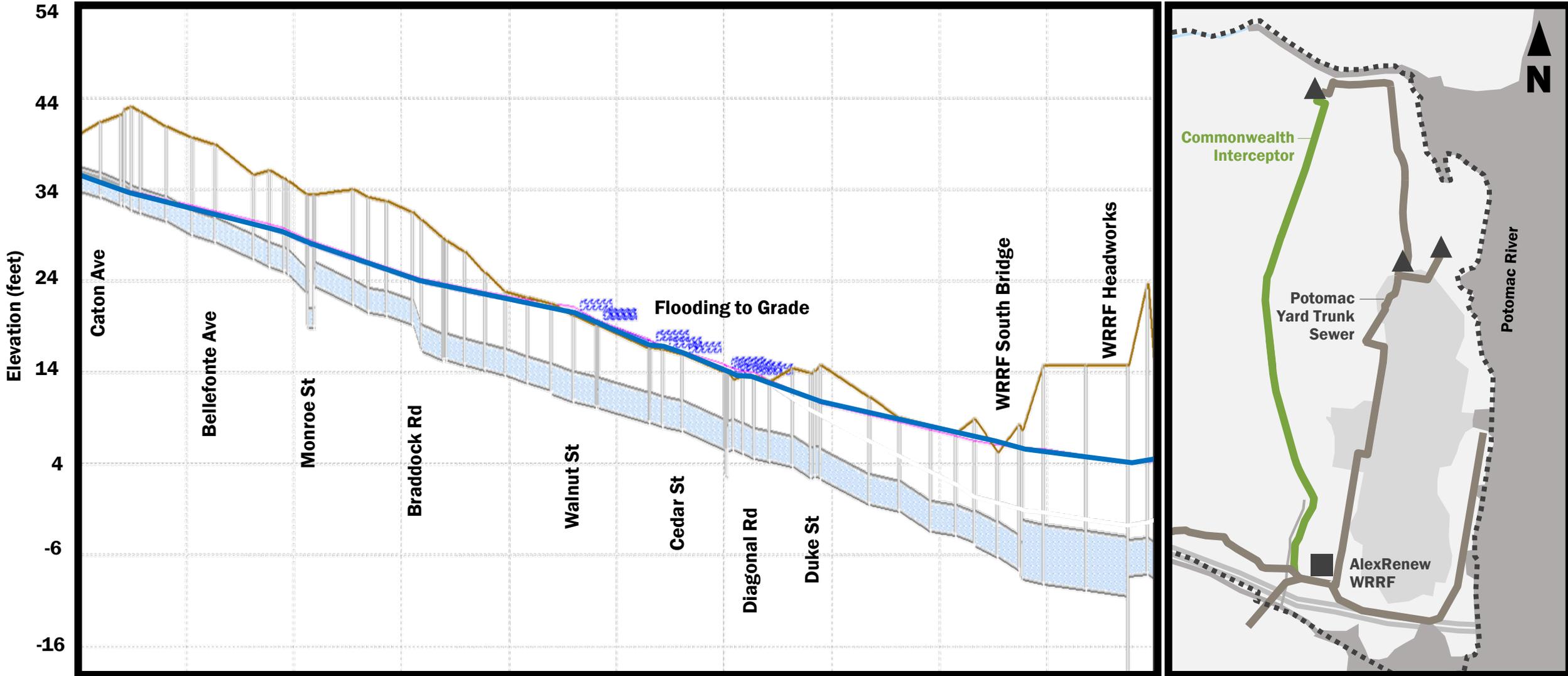


Roof drain or "downspout" disconnections are one method to remove stormwater from sanitary sewers

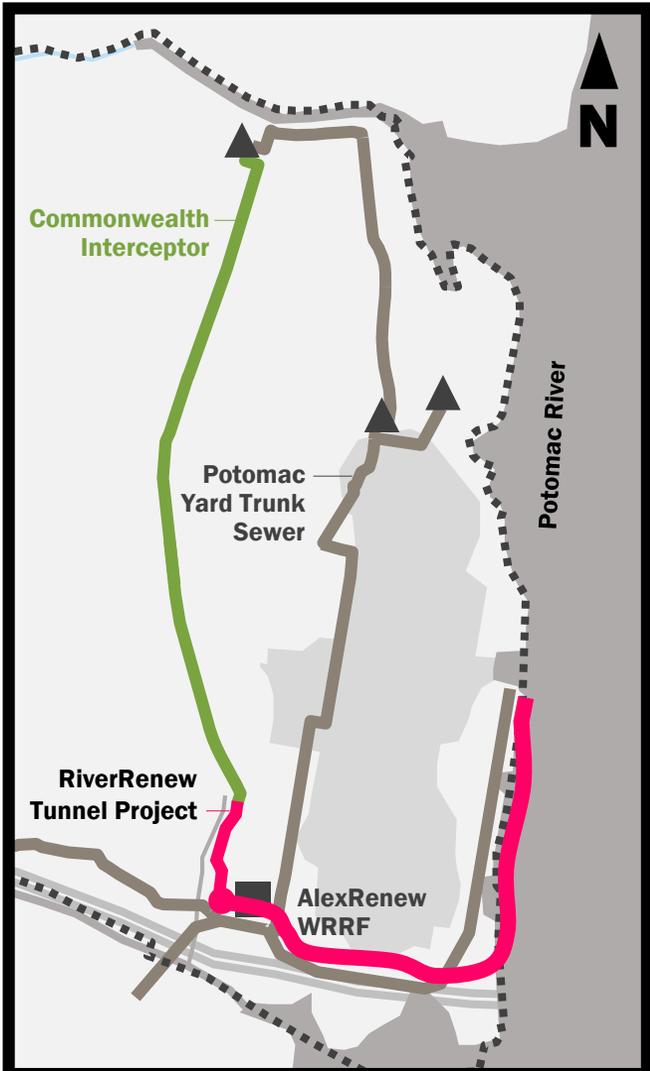
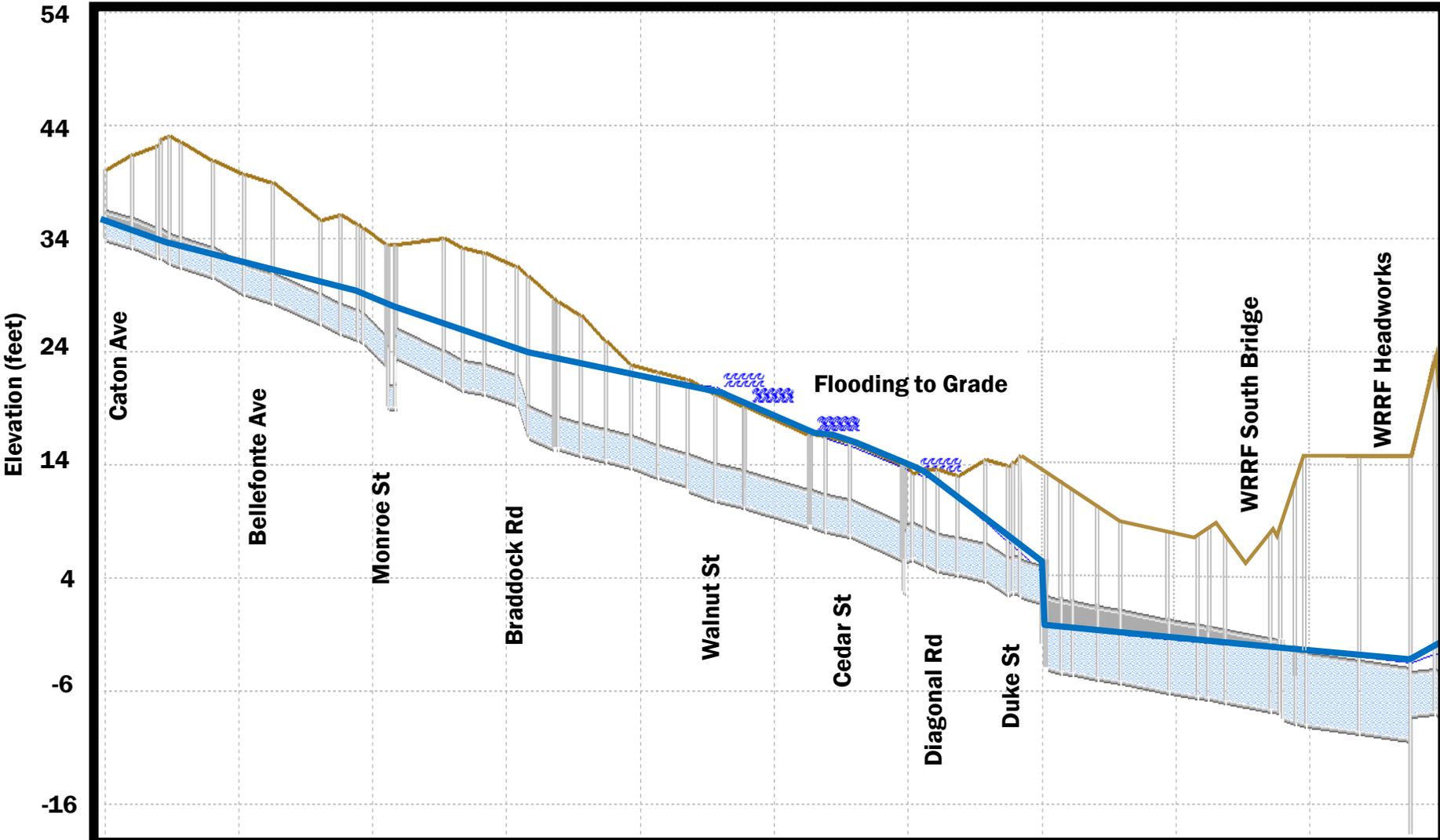
The Commonwealth Interceptor has Sufficient Capacity to Deliver Dry Weather Flows to AlexRenew



The Commonwealth Interceptor was Surcharged Along Most of its Length During the July 8, 2019 Storm (50-year Return Interval)

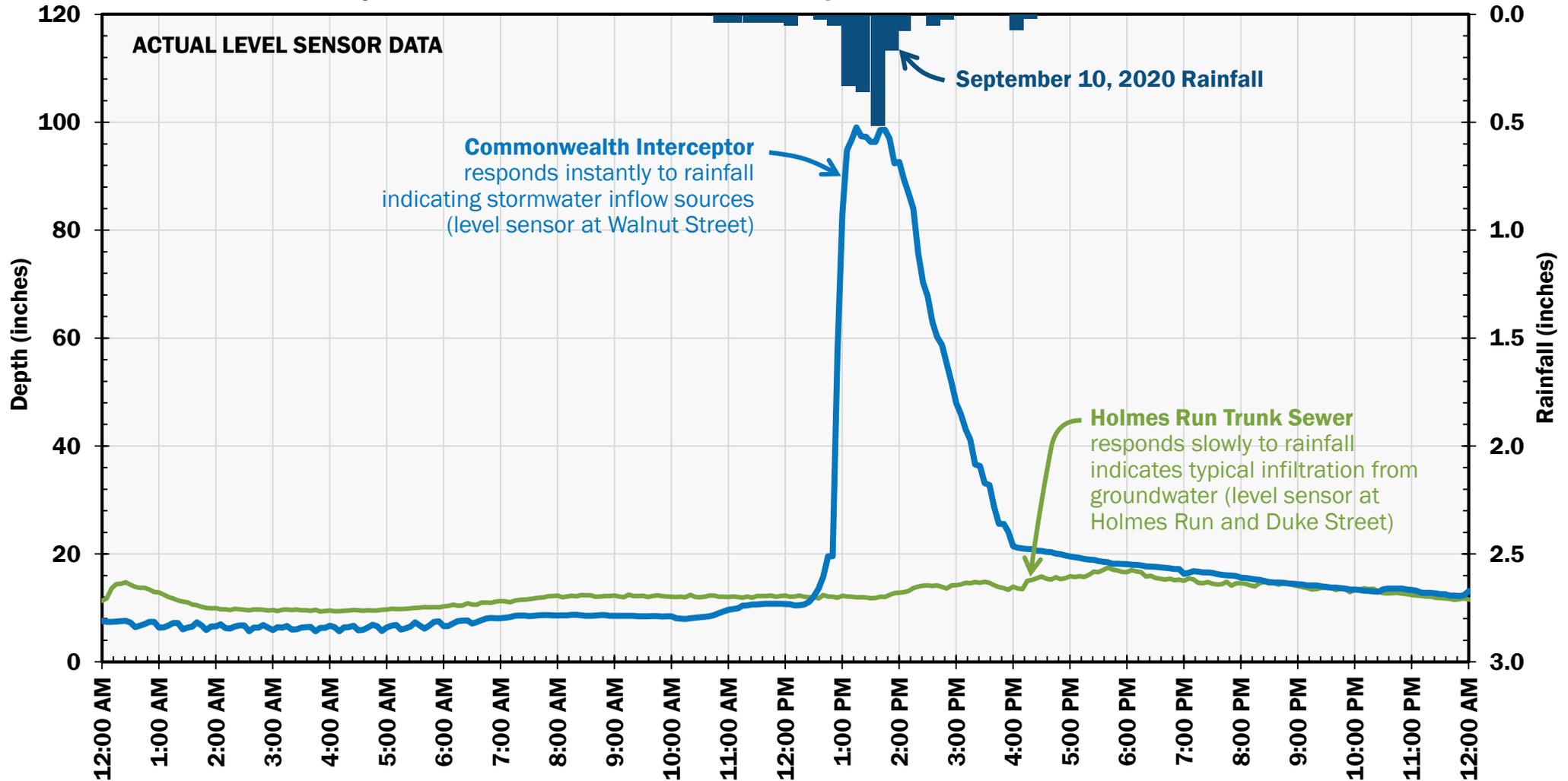


RiverRenew will not Solve Commonwealth Interceptor Surcharging During Extreme Events (July 8, 2019 Storm)



The Commonwealth Interceptor Responds Instantly to Rainfall Events, which is Indicative of Stormwater Connections

September 10, 2020 Storm (10-year Return Interval)
Depth of Flow in Commonwealth Interceptor and Holmes Run Trunk Sewer



Major Takeaways from Tonight's Presentation

Most of Alexandria is served by a **separate sanitary sewer system**

AlexRenew's interceptors and trunk sewers have **sufficient capacity** to deliver flows to AlexRenew for treatment

Infiltration and inflow can affect the capacity of AlexRenew's interceptors and trunk sewers

Sanitary sewers **should not be cross-connected** with pipes carrying stormwater

Commonwealth Interceptor:

- **Rehabilitated in 2009** by AlexRenew to minimize groundwater infiltration
- **Highly affected by stormwater** inflows due to cross-connections
- Capacity issues can be addressed by **removing stormwater cross-connections**
- **RiverRenew will not address capacity issues** north of Duke Street

What steps can homeowners take?

- **Install** backflow preventers
- **Disconnect** roof drains from sewer laterals



To learn more, visit www.alexrenew.com



Board of Directors
 John Hill, Chair
 James Beall, Vice Chair
 William Dickinson, Sec'y-Treas
 Bruce Johnson
 Adriana Caldarelli

Chief Executive Officer
 Karen L. Pallansch, P.E., BCEE

General Counsel
 McGuireWoods, LLP

INTERNAL MEMORANDUM

TO: AlexRenew Board of Directors
FROM: Karen Pallansch, Chief Executive Officer
DATE: May 18, 2021
SUBJECT: Consent Calendar: Approval of Wastewater Services RE&I Third Year Scope of Services and Budget per Amendment No. 2 to Contract No. 19-031 (July 1, 2021 – June 30, 2022)

Issue:

Professional Services Agreement 19-031 was executed in June 2019 with Hazen and Sawyer for Wastewater Services Resident Engineering and Inspection (RE&I) services. The Contract was amended in June 2020 to renew the Term of the Agreement for a 2nd year to cover the Second Year Scope of Services and Budget for the period from July 1, 2020 – June 30, 2021. The Wastewater Services RE&I contract requires an amendment to renew the Term of the Agreement for a 3rd year to cover the Third Year Scope of Services and Budget.

Recommendation:

Staff respectfully recommends that the Board authorize the Chief Executive Officer to execute Amendment No. 2 to Contract 19-031, to renew the Term of the Agreement for a 3rd year to cover the Third Year Scope of Services and Budget for FY2022 for a not to exceed amount of \$1,234,000, including a 10% contingency.

Budget and Funding:

Funding for this amendment is included in the proposed FY2022 budget.

Discussion:

Professional Services Agreement 19-031 was executed in June 2019. Each year, at AlexRenew’s discretion and per the requirements of the approved Professional Services Agreement, the Term of the Agreement may be renewed for subsequent year, for a total of four (4) renewals. Construction and project closeout of the Process Air Compressor Upgrade Project and the Building J Facilities Relocation and Decommissioning Project continue into FY2022. This work requires services for continued construction oversight. Staff recommends renewal of the Term of the Agreement for one (1) additional year and approval of the Year 3 Scope of Services and Budget. The amendment will be funded from the budgets allocated to each of the aforementioned projects in the approved FY2022 budget.

Congruence with AlexRenew Strategic Plan:

This action enables AlexRenew’s strategy of Operational Excellence.

ACTION TAKEN: APPROVED: _____ DISAPPROVED: _____
 APPROVED WITH MODIFICATION: _____
 MODIFICATIONS: _____

1800 Limerick Street, Alexandria Virginia 22314 • 703-721-3500 • alexrenew.com

Alexandria's Water Transformers



Board of Directors
John Hill, Chair
James Beall, Vice Chair
William Dickinson, Sec'y-Treas
Bruce Johnson
Adriana Caldarelli

Chief Executive Officer
Karen L. Pallansch, P.E., BCEE

General Counsel
McGuireWoods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Karen Pallansch, CEO

DATE: May 18, 2021

SUBJECT: Action Item (Alexandria Only) – Review and Approval of Resolution Authorizing and Approving a Line of Credit Financing

Issue:

AlexRenew has an existing \$30 million Line of Credit (Line) that expires on June 30, 2021. As the line of credit is a valuable tool to help AlexRenew staff meet financial policy requirements, staff is recommending that the line of credit be extended

Recommendation:

Staff respectfully requests that the Board of Directors approve the attached Resolution to reauthorize the Line Credit agreement with Bank of America, N.A. (Bank of America) and allow staff to renew the Line with other banks in the future as long as the maximum principal amount does not exceed \$30 million.

Budget and Funding:

The purpose of the Line is to fund construction spending on an interim basis until the balance on the Line is repaid with grant and/or long-term debt proceeds. The Line is structured as subordinate debt under AlexRenew's Master Trust Indenture.

Discussion:

The Line was procured by a process of competitive negotiation in 2020. At that time, AlexRenew conducted a Request for Proposal (RFP) process and received proposals from four financial institutions. Bank of America proposal was deemed to be the lowest cost and overall best value to AlexRenew. Given the upfront legal and other costs associated with setting up the line of credit, staff determined that a renewal provides the best value to ensure availability of the line of credit financing tool.

Bank of America maintains strong credit ratings and is a leading provider of similar facilities nationally and in the Commonwealth. Bank of America currently provides a similar line of credit to the City of Alexandria. Bank of America has performed well in the initial term of the engagement. The rate on the Line has averaged 0.75% since inception and provided the needed cash flow flexibility to manage increasing construction spend for the RiverRenew program.

The Bank of America proposal provides competitive rates based on LIBOR. The Line is revolving meaning that as the outstanding balance (or a portion thereof) is repaid, new funds can be drawn under the Line, up to the \$30 million maximum.

1800 Limerick Street, Alexandria Virginia 22314 • 703-721-3500 • alexrenew.com

Alexandria's Water Transformers

The Line provides AlexRenew a flexible liquidity source. AlexRenew’s current long-term debt financing vehicles are reimbursement-based, meaning AlexRenew must fund the expense upfront and then seek reimbursement from the debt provider, which takes time. Construction spending can be difficult to predict. The Line allows AlexRenew to better manage unknowns and stay within the bounds of its Board-adopted financial policies. Under the existing authorization, the Line is only available to pay capital costs on an interim basis in anticipation of long-term financing and will not be used to pay operating expenses.

The Line is expected to be repaid from debt proceeds (specifically the recently issued Water Infrastructure Finance and Innovation Act and Clean Water Revolving Loan Fund bonds) at a later date. AlexRenew could choose to repay the line from debt proceeds now, but the interest rate on the line is lower than that on AlexRenew’s existing debt facilities, so it is more efficient to keep the balance on the Line until the capacity is again needed. If renewed, the Line would remain available through June 30, 2022, at which point AlexRenew could choose to rebid the Line, repay it from cash or debt proceeds, or renew it again, depending on financial conditions and modeling at that time.

Congruence with AlexRenew Strategic Plan:

This action supports the strategic outcome of Effective Financial Stewardship.

ACTION TAKEN:

APPROVED: _____ DISAPPROVED: _____

APPROVED WITH MODIFICATION: _____

MODIFICATIONS: _____

CITY OF ALEXANDRIA, VIRGINIA, SANITATION AUTHORITY

RESOLUTION AUTHORIZING AND APPROVING A LINE OF CREDIT FINANCING

WHEREAS, the City of Alexandria, Virginia, Sanitation Authority d/b/a Alexandria Renew Enterprises ("**Alexandria Renew**") is a public body politic and corporate of the Commonwealth of Virginia (the "**Commonwealth**") created pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2 of the Code of Virginia of 1950, as amended (the "**Act**");

WHEREAS, the Board of Directors of Alexandria Renew (the "**Board**") previously authorized and Alexandria Renew previously entered into a \$30 million line of credit financing to finance the costs of capital projects on an interim basis, which expires on June 30, 2021;

WHEREAS, the Board desires to reauthorize the line of credit financing, subject to the terms of this Resolution;

WHEREAS, Alexandria Renew's obligations under the line of credit are and will be evidenced by, among other things (i) a Line of Credit Note, Subordinate Series (each a "**Note**") and (ii) a financing, credit or other such agreement (each a "**Financing Agreement**") between Alexandria Renew and the line of credit lender; and

WHEREAS, each Note is and will be subordinate debt ("**Subordinate Debt**") under the Master Indenture of Trust dated as of March 15, 1999 (as supplemented and amended, the "**Master Indenture**"), between Alexandria Renew and U.S. Bank National Association, as successor trustee (the "**Trustee**"), and a supplemental indenture dated on or about the date of issuance of the Note between Alexandria Renew and the Trustee (each a "**Supplemental Indenture**"), and each Note is and will be secured by a pledge of the net revenues (as more particularly defined in the Master Indenture, the "**Net Revenues**") derived by Alexandria Renew from the ownership and operation of its sewage disposal and sewer systems (as more particularly defined in the Financing Agreement, the "**System**"), subject to the terms of the Master Indenture regarding the status of Subordinate Debt.

NOW, THEREFORE, IN FURTHERANCE OF THE PUBLIC PURPOSE FOR WHICH THE CITY OF ALEXANDRIA, VIRGINIA, SANITATION AUTHORITY WAS CREATED, BE IT RESOLVED THAT:

1. Authorization of Note and Use of Proceeds. The Board hereby determines that it is in the best interest of Alexandria Renew to reauthorize the line of credit financing, which is and will be evidenced by a Note and a Financing Agreement. The Board hereby finds that the line of credit financing will promote the health, safety, welfare, morals and propriety of the citizens served by Alexandria Renew and will promote the governmental purposes of the Act. Accordingly, the Board hereby reauthorizes the line of credit financing in accordance with the terms of this Resolution. Each Note shall be known as the "City of Alexandria, Virginia, Sanitation Authority, Line of Credit Note, Subordinate Series" or such other designation as the Chief Executive Officer may approve. The Board hereby covenants that the proceeds from each Note shall be used, together with other available funds, if any, to pay the costs of capital projects of Alexandria Renew

and the costs of issuing each Note. The Board hereby authorizes Alexandria Renew to borrow, repay and reborrow amounts under each Financing Agreement and each Note on a revolving credit basis subject to the terms thereof and this Resolution. The Board authorizes the Chief Executive Officer to enter into future extensions of and amendments to the line of credit financing and new line of credit financings with other financial institutions from time to time, so long as such extensions and amendments and new lines of credit are not inconsistent with the intent of this Resolution and comply with the parameters in paragraph 3.

2. Issuance and Award. Subject to the parameters in paragraph 3, the Board hereby authorizes and approves the reauthorization of the line of credit financing with a lender or lenders (each, a "**Lender**") to be selected by the Chief Executive Officer after consultation with the staff of Alexandria Renew.

3. Details of Note. (a) Each Note shall be issued (or reissued as the case may be) to or at the direction of the Lender on terms that the Chief Executive Officer shall determine; provided, however, that the maximum principal amount of all outstanding Notes shall not exceed \$30,000,000 and the maximum term of any Note (including any renewal options) shall be five years from its issuance date.

(b) Subject to the parameters in subsection (a), the Board hereby authorizes the Chief Executive Officer to approve the final terms of each Note, such as the maturity date and amounts, redemption provisions, make-whole provisions, prices, interest rates and interest provisions, and any elections under the Internal Revenue Code of 1986, as amended (the "**Code**").

4. Authorization of Financing Agreement. The Board hereby authorizes the Chief Executive Officer to determine the final form of each Financing Agreement; provided that the form is not inconsistent with this Resolution, subject to the parameters in paragraph 3. The Board hereby authorizes the Chief Executive Officer to execute each Financing Agreement.

5. Pledge of Net Revenues and Subordinate Debt. (a) Each Note shall be a limited obligation of Alexandria Renew and, except to the extent payable from the proceeds of the issuance of a Note or the income, if any, derived from the investment thereof, is payable exclusively from the Net Revenues of the System. Alexandria Renew hereby renews its pledge of the Net Revenues to pay the principal of and premium, if any, and interest on each Note pursuant to the terms of the Master Indenture and each Financing Agreement. The Board hereby determines that each Note shall be issued as Subordinate Debt under the Master Indenture. The Board hereby acknowledges that as Subordinate Debt each Note will be secured equally and ratably with any outstanding Subordinate Debt and will be secured on a subordinate basis to Alexandria Renew's Bonds (as defined in the Master Indenture) and Parity Indebtedness (as defined in the Master Indenture) and any Bonds or Parity Indebtedness issued in the future, subject to Section 2.1(b) of the Master Indenture.

(b) Neither the Commonwealth of Virginia nor any of its political subdivisions, including Alexandria Renew, shall be obligated to pay the principal of or interest on any Note or other costs incident to it except from the revenues and any other money or property pledged for such purpose, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any of its political subdivisions, including Alexandria Renew, is pledged to the

payment of the principal of or interest on each Note or other costs incident to it. The issuance of each Note does not directly, indirectly or contingently obligate the Commonwealth of Virginia or any of its political subdivisions, including Alexandria Renew, to levy any taxes for the payment of any Note.

6. **Form of Note.** The Board hereby authorizes and directs the Chief Executive Officer to determine the final form of each Note; provided that the form is not inconsistent with this Resolution, subject to the parameters in paragraph 3. The Board hereby authorizes the Chairman or the Chief Executive Officer to execute each Note. The Board hereby authorizes and directs the Secretary-Treasurer to affix the seal of Alexandria Renew to the executed Note and to attest the seal and then to deliver each Note to or at the direction of the Lender upon payment of the first principal advance thereunder.

7. **Supplemental Indenture.** The Board hereby authorizes and directs the Chief Executive Officer to determine the final form of each Supplemental Indenture; provided that the form is not inconsistent with this Resolution, subject to the parameters in paragraph 3. The Board hereby authorizes the Chief Executive Officer to execute each Supplemental Indenture.

8. **Tax Compliance Agreement.** Such officers of Alexandria Renew as may be requested are authorized and directed to execute and deliver a non-arbitrage certificate and tax compliance agreement (the "**Tax Compliance Agreement**") in a form to be approved by the officers of Alexandria Renew executing such document, whose approval shall be evidenced conclusively by the execution and delivery thereof.

9. **Arbitrage Covenants.** Alexandria Renew covenants that it shall neither take nor omit to take any action the taking or omission of which will cause each Note to be "arbitrage bonds" within the meaning of Section 148 of the Code, or otherwise cause interest on a Note to be includable in the gross income of the registered owner thereof under existing law, to the extent any advance under the line of credit is intended to be tax-exempt. Without limiting the generality of the foregoing, Alexandria Renew shall comply with any provision of the Tax Certificate that may require Alexandria Renew at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of each Note, unless Alexandria Renew receives an opinion of nationally-recognized bond counsel that such compliance is not required to prevent interest on a Note from being includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. Alexandria Renew shall pay any such required rebate from legally available funds.

10. **Evidence of Approval.** The approval or determination of all of the details and provisions of each Note, each Financing Agreement and all other documents executed under the authority of this Resolution shall be evidenced conclusively by the execution and delivery of each Note, each Financing Agreement and such other document by the officer or officers authorized hereby.

11. **Further Actions; Authorized Representative.** The Board hereby authorizes and directs the Chairman and the Chief Executive Officer and such officers and agents of Alexandria Renew as may be designated by either of them to take such further actions as they deem necessary regarding, the line of credit financing and the execution, delivery and performance of the

documents related thereto. All such actions previously taken by such officers and agents are ratified and confirmed. The Board hereby designates the Chairman and the Chief Executive Officer as Alexandria Renew's authorized representatives for purposes of each Financing Agreement. The authorization granted in this Resolution to the Chairman, Chief Executive Officer, Secretary-Treasurer may be carried out by the Vice Chairman (in the case of the Chairman), the Chief Financial Officer (in the case of the Chief Executive Officer), and the Assistant or Acting Secretary (in the case of the Secretary-Treasurer), or such other officer as any of the named officers may designate in writing. When this Resolution authorizes the Chairman or the Chief Executive Officer to act, it shall be sufficient for either the act.

12. Filing of Resolution. The Board hereby directs counsel to Alexandria Renew to file a certified copy of this Resolution with the Circuit Court of the City of Alexandria, Virginia, pursuant to Section 15.2-5126 of the Code of Virginia of 1950, as amended.

13. Effective Date. This Resolution shall take effect upon adoption.

Adopted _____

Secretary-Treasurer

CEO Board Report April 2021

Dear Members of the Board of Alexandria Renew Enterprises,

During the Board of Directors meeting on April 20, 2021, the Board approved public notice of the notice of intent to adopt certain rates, fees and charges and the FY22 draft budget hearing. AlexRenew has scheduled a public hearing at 9:30 a.m. on Saturday, May 22, to receive public comment on the rate adjustments and draft budget.

In April, the Charleston Water System in South Carolina entered into a settlement agreement with Kimberly-Clark, a major U.S. wipes manufacturer, concerning the labeling of their wipes as flushable. The proposed class action settlement would legally require Kimberly-Clark to certify its Cottonelle Flushable Wipes meet the 2020 flushability standards established by the International Water Services Flushability Group. Meeting these standards would ensure that wipes that are labeled 'flushable' will break down easily under normal conditions and will not negatively impact wastewater collection systems or treatment works.

Operational Excellence

Precipitation for April at the Reagan National Airport was 2.18 inches of rain, which is below the Washington, D.C. historical average precipitation of 3.06 inches for the month. There were no overflows in the collection system or at the plant during the month.

Biosolids production for February was 2,044 wet tons, all of which was beneficially used through land application in the Virginia counties of Essex, King George, Gloucester, King & Queen, Caroline and Spotsylvania. The biosolids were land applied as Class B biosolids.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for April 2021.

Treatment	Daily Average Flow	Carbonaceous Biochemical Oxygen Demand (Monthly Average)	Total Suspended Solids (Monthly Average)	Ammonia (as N) (Monthly Average)	Dissolved Oxygen (Minimum)	Total Nitrogen ¹ (Annual Average)	Total Nitrogen LOAD (YTD)	Total Phosphorus (Monthly Average)	Total Phosphorus LOAD (YTD)
	MGD	mg/L	mg/L	mg/L	mg/L	mg/L	lb	mg/L	lb
Permit	54.0	5.0	6.0	Seasonal ²	6.0	3.0	493,381	0.18	29,603
Reported	36.7	<QL	3.1	0.03	8.9	3.0	124,185	0.13	3,887

NOTES

1. Total Nitrogen expressed as year-to-date average.
2. Ammonia has seasonal limits: **April – October: 1.0 mg/L**

Public Engagement and Trust

In April, AlexRenew launched a new partnership with PromisePay to distribute remaining CARES Act relief funds to eligible customers. PromisePay is an online platform that provides payment solutions and affordability programs for utility customers facing financial hardships. The convenient payment options and customer engagement makes it simple for struggling customers to enter into alternative payment arrangements or qualify for programs such as COVID-19-related bill relief.

Customer Service

Customer Service received 966 calls in April with 50% opting for self-service. Average call answer time was 17 seconds. Call Center staff also answered 148 emails.

Social Media and Website

Seventy percent of people who engaged with us on Facebook during April were from the City of Alexandria; the majority (66 percent) were women and 33 percent were men. We had 166 organic engagements on Facebook. We currently have 3,468 Facebook followers. AlexRenew had 283 organic engagements on Twitter and 13 on LinkedIn. We have a total of 3,344 followers on Twitter, 2,335 on LinkedIn, and 196 Instagram followers. Our website had 7,104 sessions and 11,693 page views during April. We had 59 visitors click through to our website from social media. The RiverRenew website had 590 visitors and 2,009 page views.

Watershed Stewardship

See attached RiverRenew Dashboard for further updates.

Adaptive Culture

From September 20, 2020, we have logged 101,404 hours without a lost time accident. Thank you for your ongoing dedicated service to AlexRenew.

Regards,

Karen Pallansch
Chief Executive Officer

RiverRenew Board of Directors Dashboard



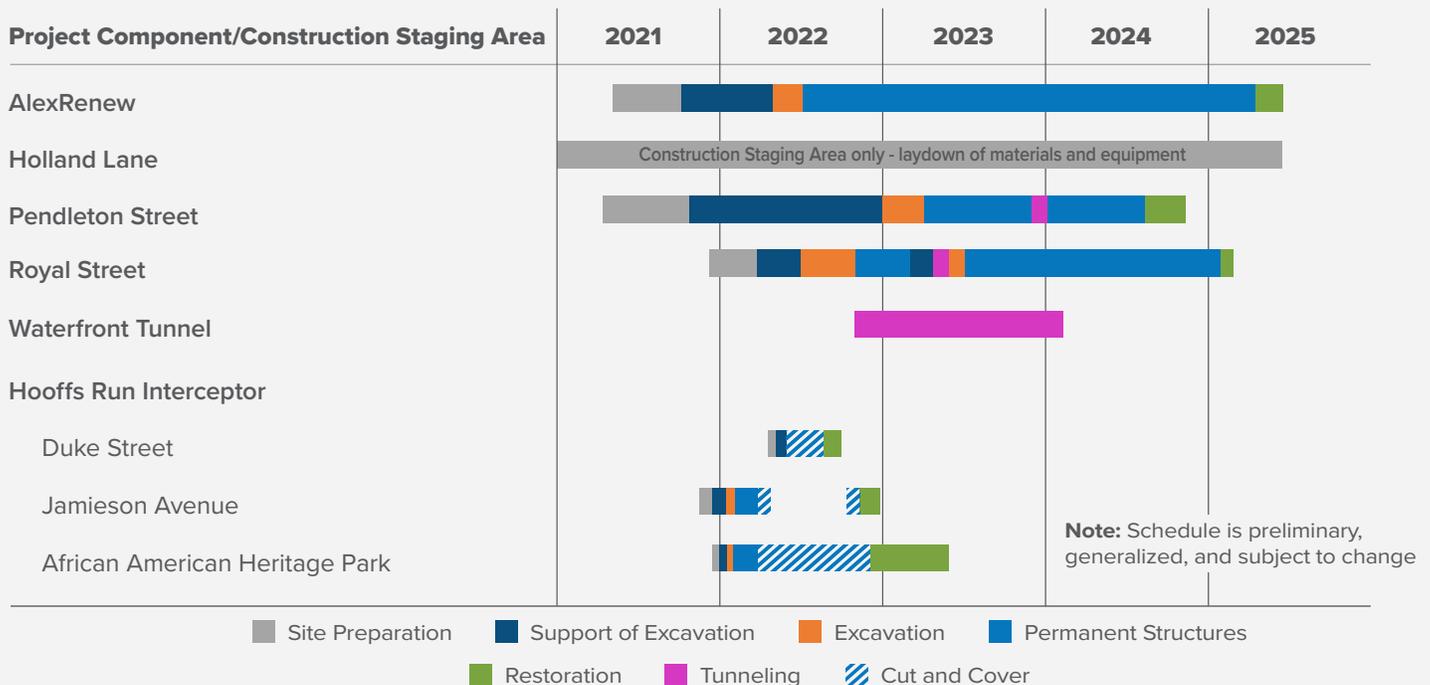
MONTH ENDING: APRIL 30, 2021

RiverRenew is a program owned and implemented by AlexRenew, Alexandria's 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 out of four RiverRenew projects were largely completed at AlexRenew's Water Resource Recovery Facility (WRRF) in 2020. The remaining project includes the construction of a new tunnel to connect AlexRenew's WRRF to the four existing combined sewer outfalls in Alexandria.

RiverRenew Tunnel Project Schedule



THREE-MONTH LOOK AHEAD			
Date:	Activity:	Date:	Activity:
Ongoing	Permitting and Design	June 2021	Mobilization to AlexRenew Construction Staging Areas
Ongoing	Field Surveys and Utility Locating	June 17	Stakeholder Advisory Group Meeting No. 3
May 20	AlexRenew Community Listening Session	June 24	Duke Street Community Listening Session
May 22	Rate Adjustment and Fiscal Year 2022 Budget Hearing	July 15	Pendleton Street Community Listening Session
Through June 2021	Holland Lane Lot Setup	July 22	Royal Street Community Listening Session

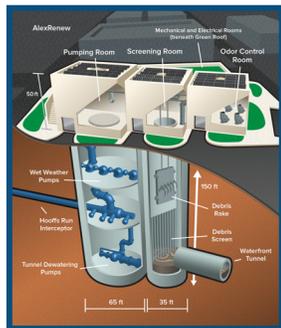
SUMMARY OF MAJOR DELAYS	
Date:	Activity:

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.

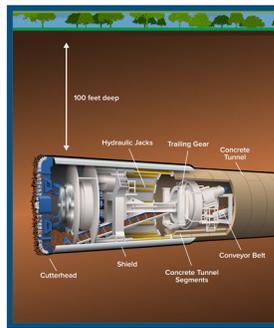


Hooffs Run Interceptor



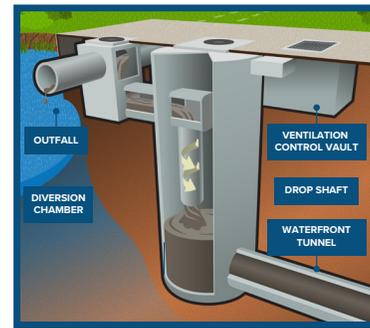
Pumping Station

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.



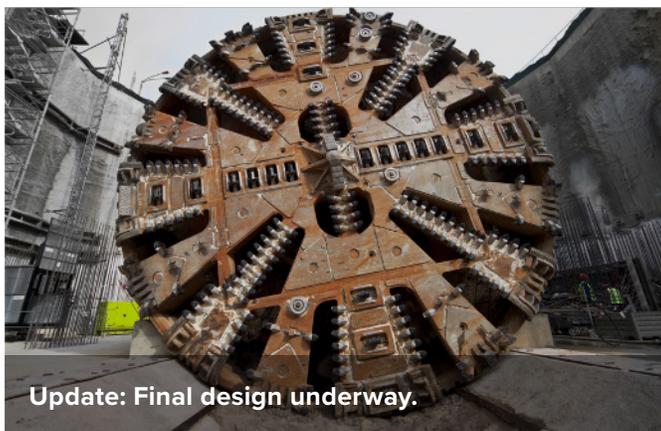
Diversion Facility

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

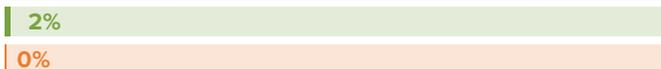
Status of RiverRenew Tunnel Project Components

■ Design
 ■ Construction

Waterfront Tunnel



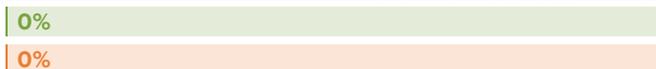
Update: Final design underway.



Pendleton Street Diversion Facility



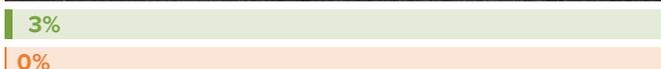
Update: Final design underway.



Royal Street Diversion Facility



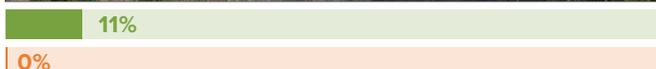
Update: Final design underway.



Hooffs Run Interceptor



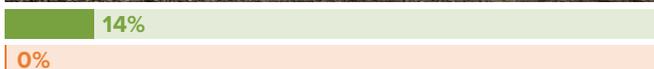
Update: Final design underway.



Pumping Station



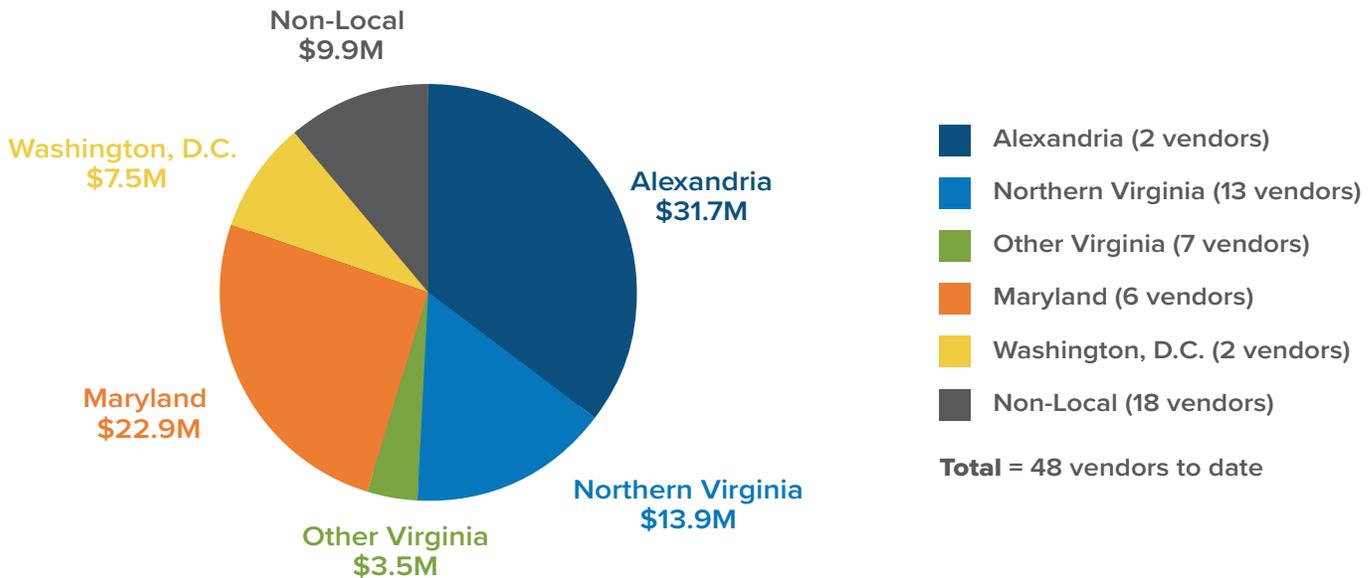
Update: Finishing out the Building J Facilities Relocation and Decommissioning Project in preparation for Tunnel Project construction. Final design underway.



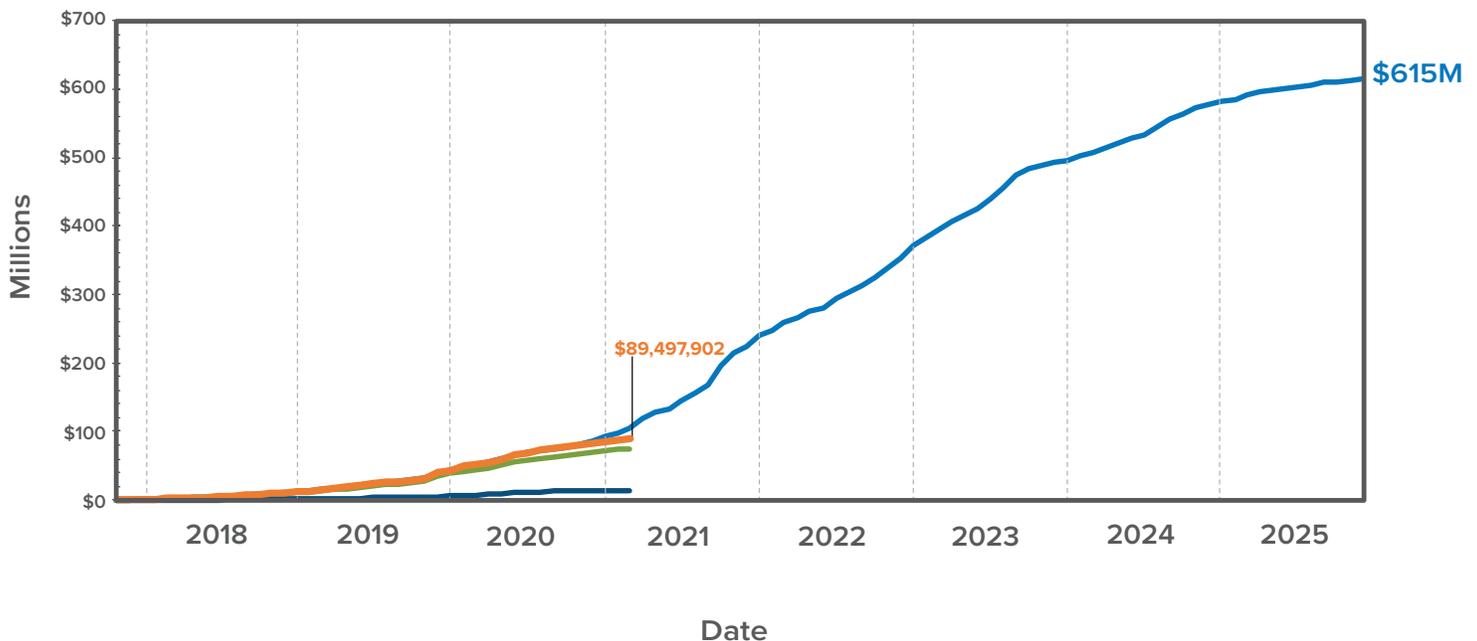
Note: As of Pay App 2, processed April 2, 2021.

RiverRenew Program Costs to Date

RiverRenew Spend to Date by Locality



RiverRenew Cash Flow Analysis



Current Planned Projection:

- Total Program Spend to Date
- Total Fairfax County Spend to Date
- Anticipated Projection Based on Tunnel Project Award
- Total AlexRenew Spend to Date

Note: As of Pay App 2, processed April 2, 2021.

RiverRenew Community Outreach



Education

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

Highlights:

- A **learning activity** illustrating site preparations at the Holland Lane Lot



Community Meetings

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

Highlights:

- Right of Entry Open House: April 7, 2021
Click [here](#) to view the meeting recording.
- 2021-2022 SAG Meeting No. 2: April 15, 2021
Click [here](#) to view the meeting recording.

Looking Ahead:

- Community Listening Session (AlexRenew): **May 20, 2021**
- Rate Adjustment and Fiscal Year 2022 Budget Hearing: **May 22, 2021**
- Other Upcoming Community Listening Sessions: **June 24, July 15, July 22**



Community Events

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

Highlights:

- Promoting the **Potomac Conservancy cleanup** at Jones Point Park



Community Days

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



Digital Programming

Digital programming keeps the community connected to RiverRenew with regular program updates on RiverRenew.com, featured content on AlexRenew's social media pages during "Tunnel Takeover Tuesdays," and distribution of *The River Renewer*, a quarterly newsletter promoting updates and milestones to more than 500 contacts.

Highlights:

- A **program update** announcing field work activity in the community to support the Tunnel Project
- A construction progress snapshot highlighting the **Building G2 Stair Tower**
- A **construction progress snapshot** highlighting crane activity at the Holland Lane Lot



Council-Board Workgroup

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

Highlights:

- Council-Board Workgroup Meeting: April 19, 2021
Click [here](#) to view the meeting recording.

Next Meeting:

- September 2021



Public Inquiries

The RiverRenew team is committed to keeping the community informed every step of the way, dedicating their time to addressing all **public inquiries** about the project.

Monthly Construction Spotlight



Preparing the Holland Lane Lot to Support Tunnel Project Construction

Building off of work completed in January 2021, the RiverRenew Design-Build Team, Traylor-Shea, is preparing to occupy the Holland Lane Lot to support Tunnel Project construction at AlexRenew through 2025.

Part of this work involved placement of three dozen conex boxes which will store essential equipment for Tunnel Project construction.

Upcoming activities on the site include installation of temporary utilities and delivery of office trailers to house our team.

To learn more about the ongoing activity at the Holland Lane Lot, visit [RiverRenew.com/the-lot](https://www.RiverRenew.com/the-lot).

Investing in Healthier Waterways for Alexandria

To learn more, visit www.RiverRenew.com



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

Monthly Financial Report

Month: April 2021

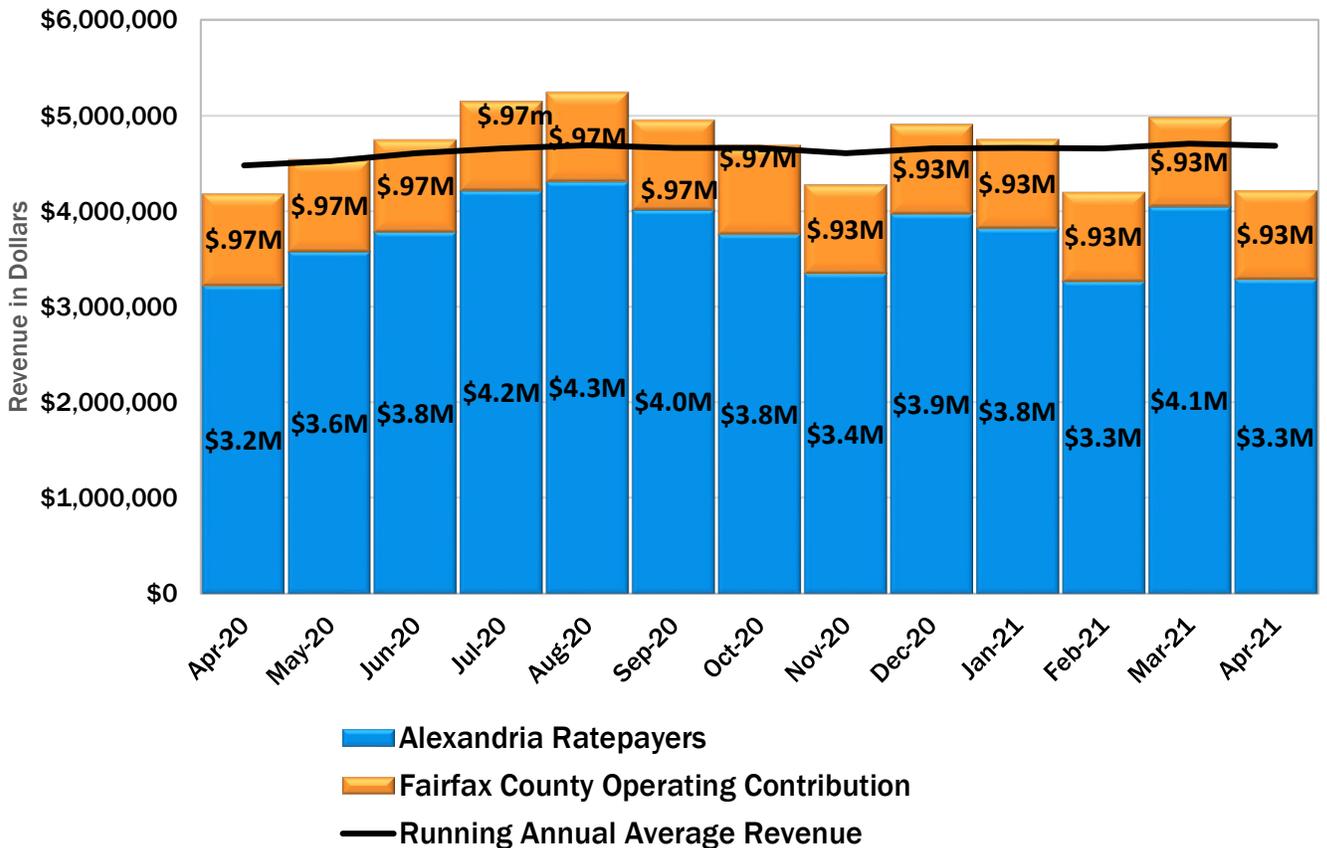
Overview

Monthly performance of AlexRenew’s annual approved budget is reviewed and evaluated against actual to planned spend rates, historical trends, appropriate benchmarks and internal financial policies, to ensure overall organizational financial stability.

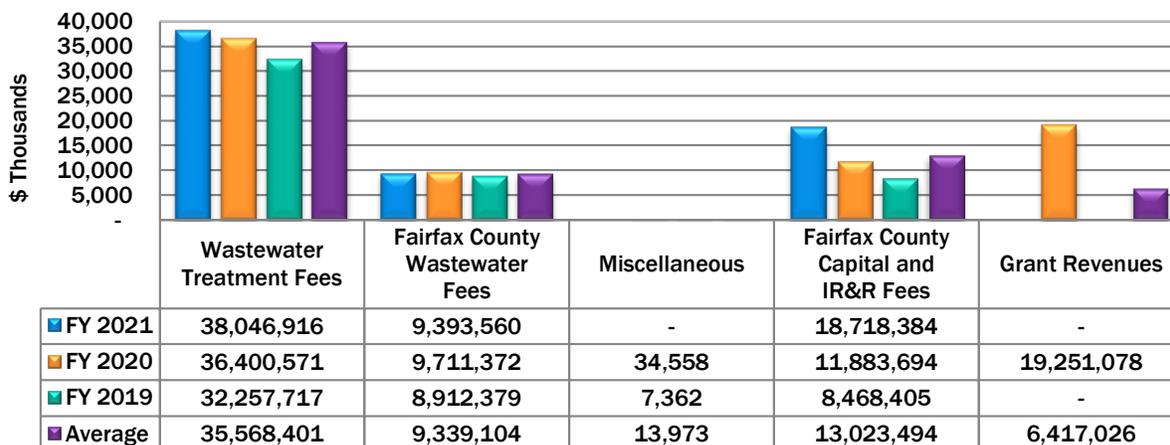
Revenues

- FY21 operating revenues total \$47.4 million through the end of April with approximately \$38.0 million in Wastewater Treatment Charge revenue and \$9.4 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$1.6 million (4.52%) more compared to the same time period in FY20, and \$5.1 million (15.6%) above the Fiscal 2021 YTD budget. Data indicates a slight decrease month-over-month in customer revenue in April 2021. Finance staff will continue to monitor the trend in coming months.
- Revenue performance is primarily driven by billed flows that may be impacted by seasonality and by the Virginia American Water meter reading process, which can vary month-to-month.
- The Fairfax County operating expense charge and IR&R contribution YTD are on budget respectively. Fairfax County capital outlay contributions are also in-line with capital expenditures.

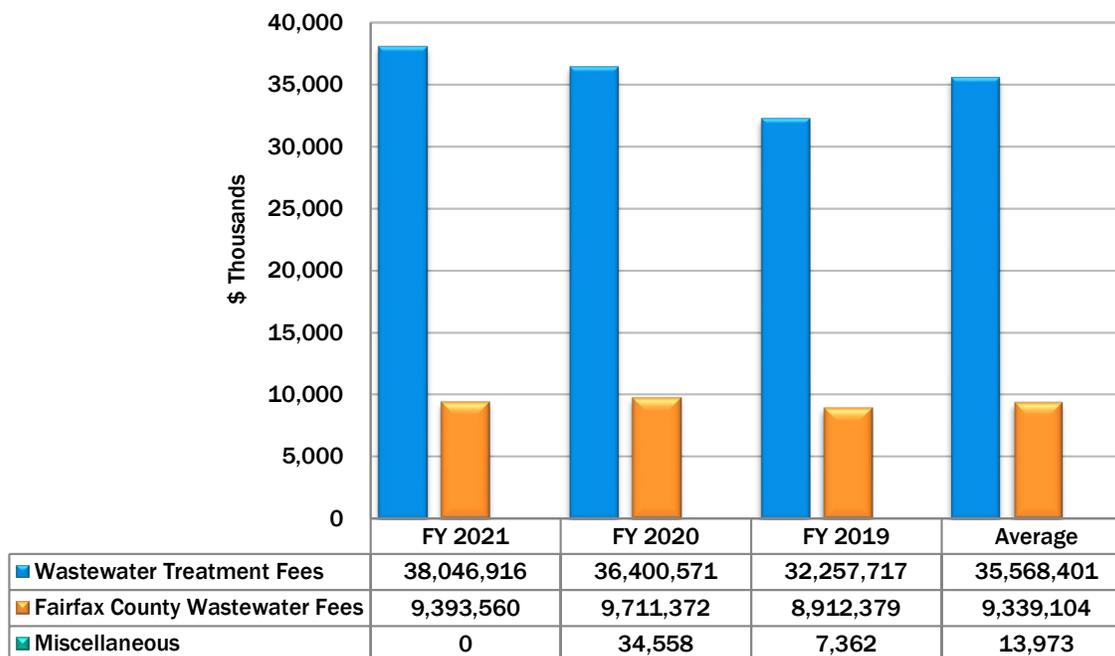
Monthly Wastewater Treatment Fee Revenue



Annual Revenue and Capital Contributions 3 Year Comparison



Annual Operating Fund Revenues 3 Year Comparison



Expenses

FY21 operating and maintenance expenses are approximately 10% or \$2.32 million under the year-to-date budget, representing a spend rate of 75.2%. An overall decrease in Operations and Maintenance and General Administrative costs accounts primarily for this variance.

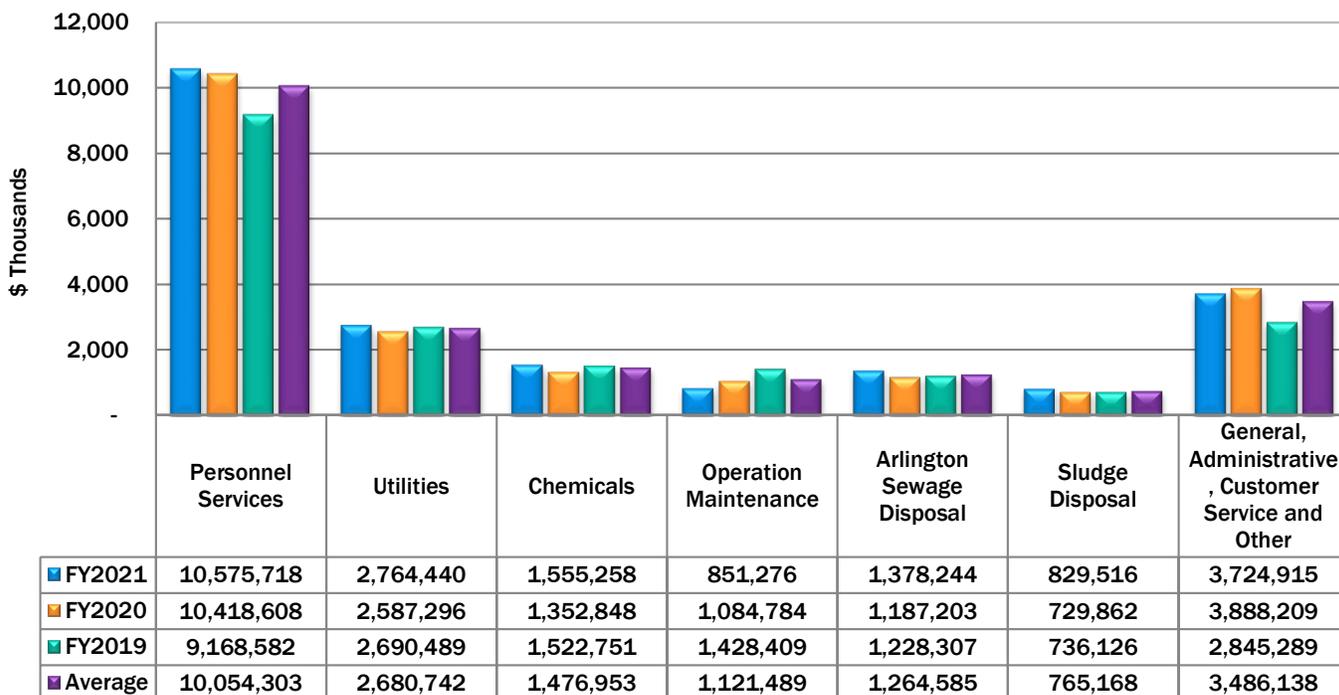
Capital outlay expenses are \$53.20 million year-to-date, representing a spend rate of 87.4%.

At ten (10) months into the fiscal year, the overall spend rate is 84.5% of the total budget.

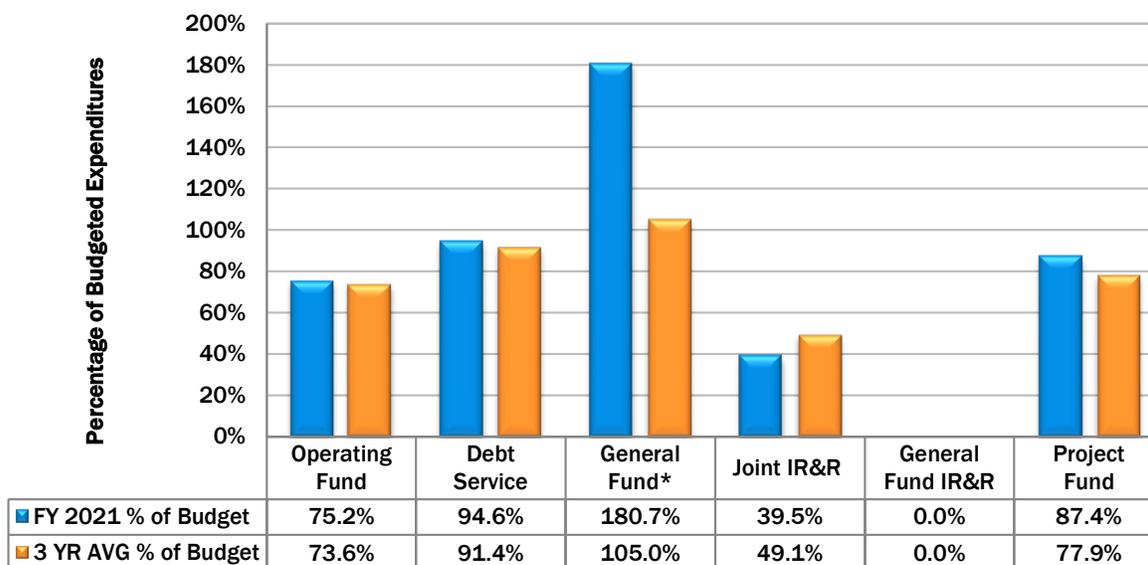
Expenses By Fund

ACTUAL VS. BUDGET Through April 2021					SPEND RATE		
(\$ Millions)	FY 2021	FYTD 2021	3 YR AVG	FYTD 2021	FY 2021	3 YR AVG	Variance FY21
Expenses (By Fund)	BUDGET	ACTUAL	ACTUAL	BUDGET	% of Budget	% of Budget	to 3 YR AVG
Operating Fund	\$ 28.39	\$ 21.34	\$ 20.78	\$ 23.66	75.2%	73.6%	1.5%
Debt Service	14.12	13.36	13.28	11.77	94.6%	91.4%	3.2%
General Fund*	2.28	4.12	4.27	1.90	180.7%	105.0%	75.7%
Joint IR&R	5.63	2.22	2.55	4.69	39.5%	49.1%	-9.6%
General Fund IR&R	0.25	-	-	0.21	0.0%	0.0%	0.0%
Project Fund	60.86	53.20	33.73	50.72	87.4%	77.9%	9.5%
Total	\$ 111.53	\$ 94.24	\$ 74.62	\$ 92.94	84.5%	78.0%	6.5%

Annual Operating Expenses 3 Year Comparison



Expenditure Budget Comparison By Fund FY 21 vs. 3 Year Average

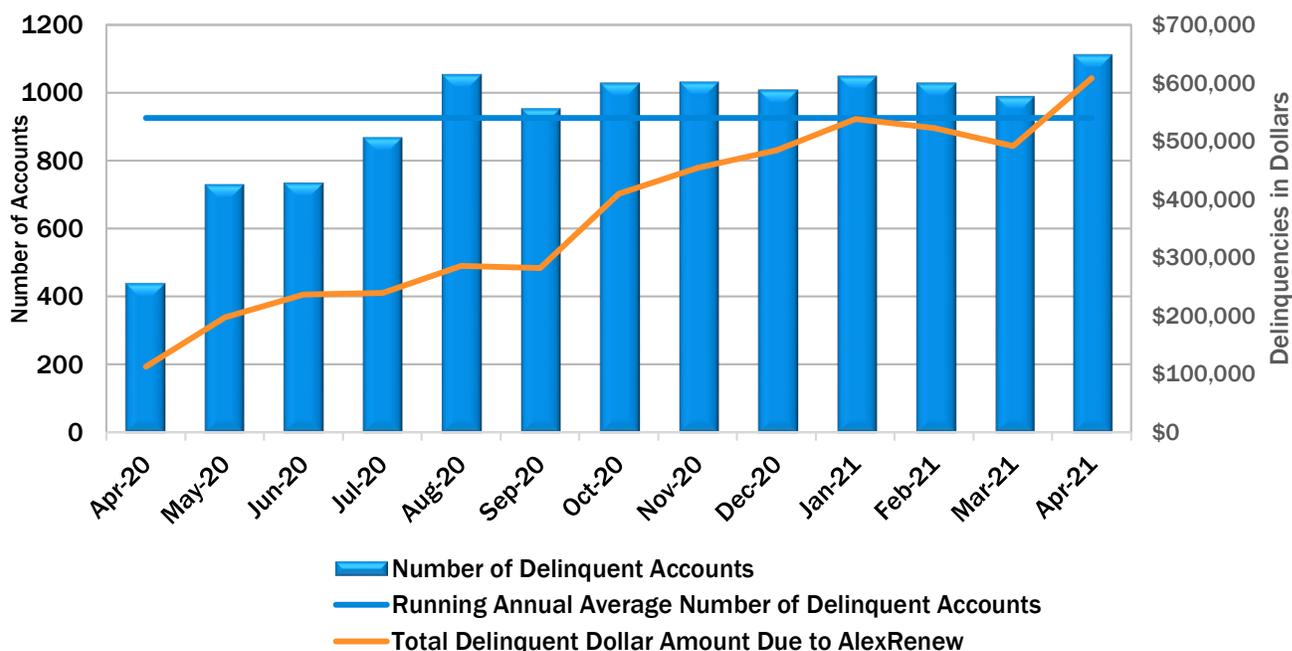


* Increase in General Fund expenditures due to Alexandria-only RiverRenew easement payments

Delinquencies

The number of accounts that are delinquent by more than 60 days increased month-over-month, from 989 accounts in March to 1,112 in April. The total dollar amount owed to AlexRenew from these accounts increased to \$608,174. As with all delinquent customers, AlexRenew’s customer service professionals continue to help customers bring accounts current, initiate a payment plan and/or evaluate eligibility for relief funding.

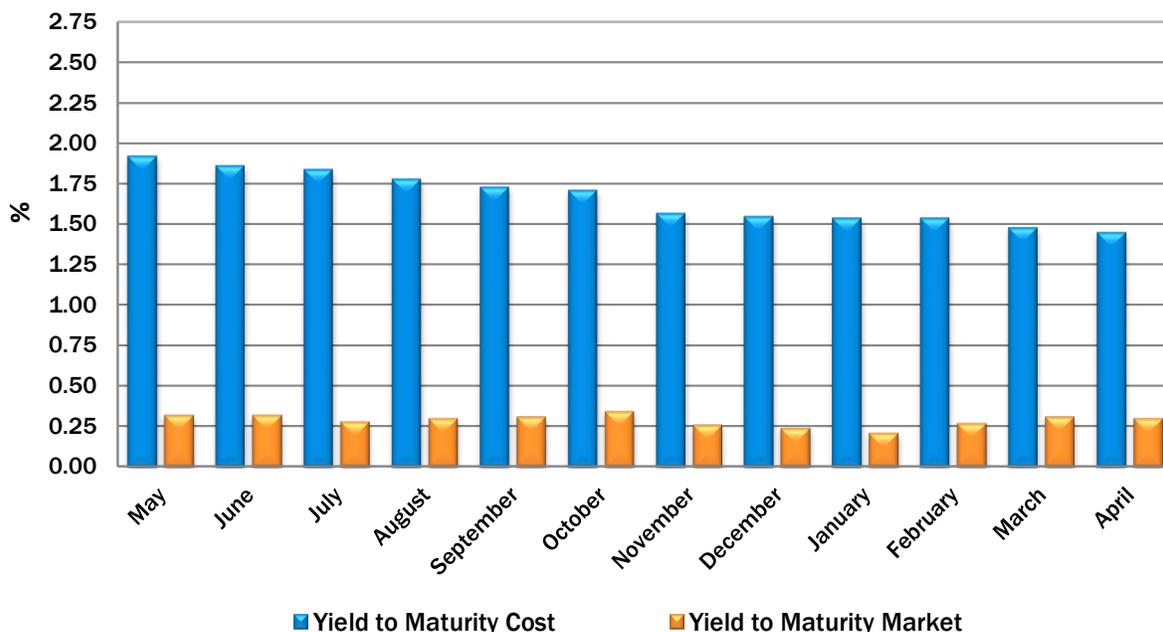
Active Accounts 60+ Days Delinquent



Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew’s \$28.0 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.45%; a level significantly higher than general bank deposit earnings rates.

**Investment Yield Percentage to Maturity
 (Investments managed by PFM)
 Through April 2021**

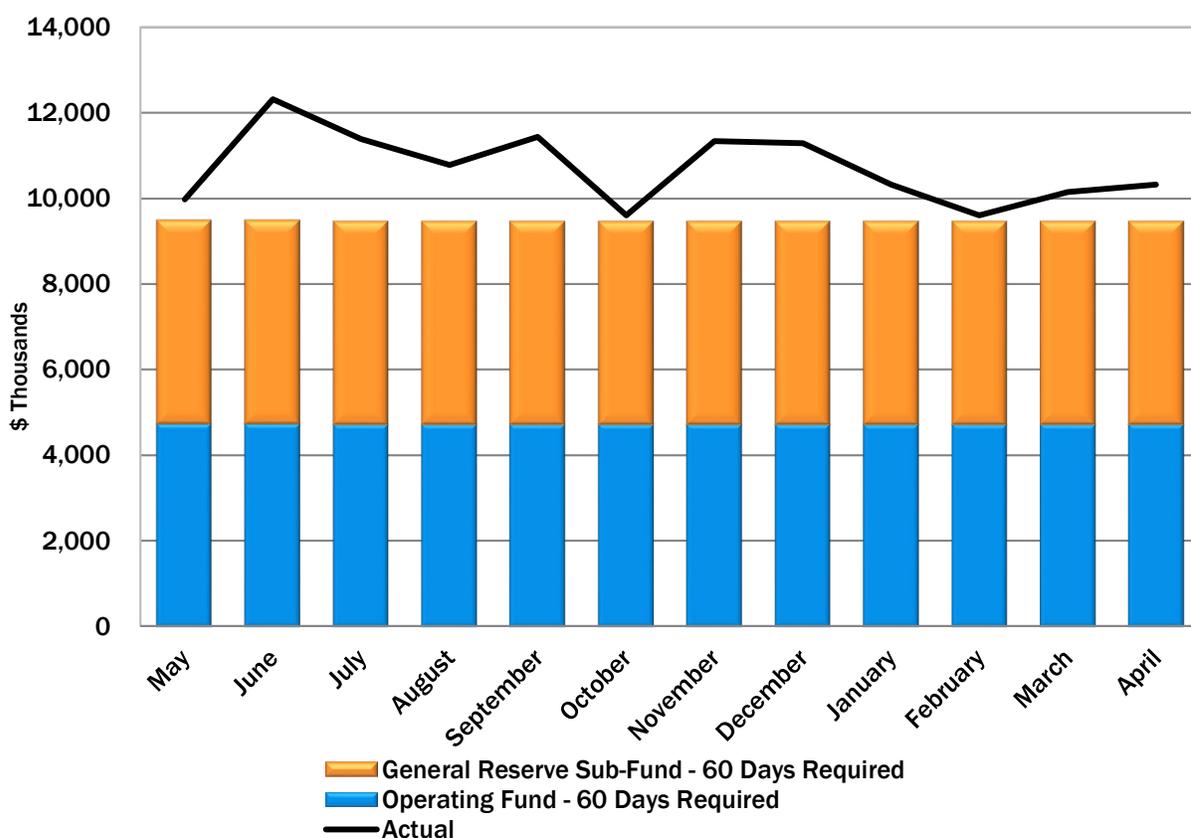


Cash Reserves

The Indenture requires that we maintain a balance on deposit in our Operating Fund equal to not less than 60 days of budgeted operating expenses. AlexRenew’s Financial Policy requires a balance on deposit in our General Reserve sub-Fund also equal to not less than 60 days of budgeted operating expenses. In total, these combined compliance conditions require AlexRenew to maintain at least 120 days’ cash on hand, and for FY21 this equals a minimum of \$9,462,334. The chart and graph below demonstrate that AlexRenew currently exceeds this requirement.

Board Policy 120 Days Cash Reserves	Actual	Percentage of Goal
As of April, 2021		
Total Operating Cash	\$ 3,012,547	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,861,587	
CARE ACT COVID19 Funding Balance	\$ (285,107)	
Total Operating Cash	<u>\$ 5,589,027</u>	
Total General Reserve Sub-Fund Cash	<u>4,731,167</u>	
Total Operating and General Reserve Sub-Fund Cash	<u>10,320,194</u>	109%

Cash Reserve Policy



Debt Service Coverage

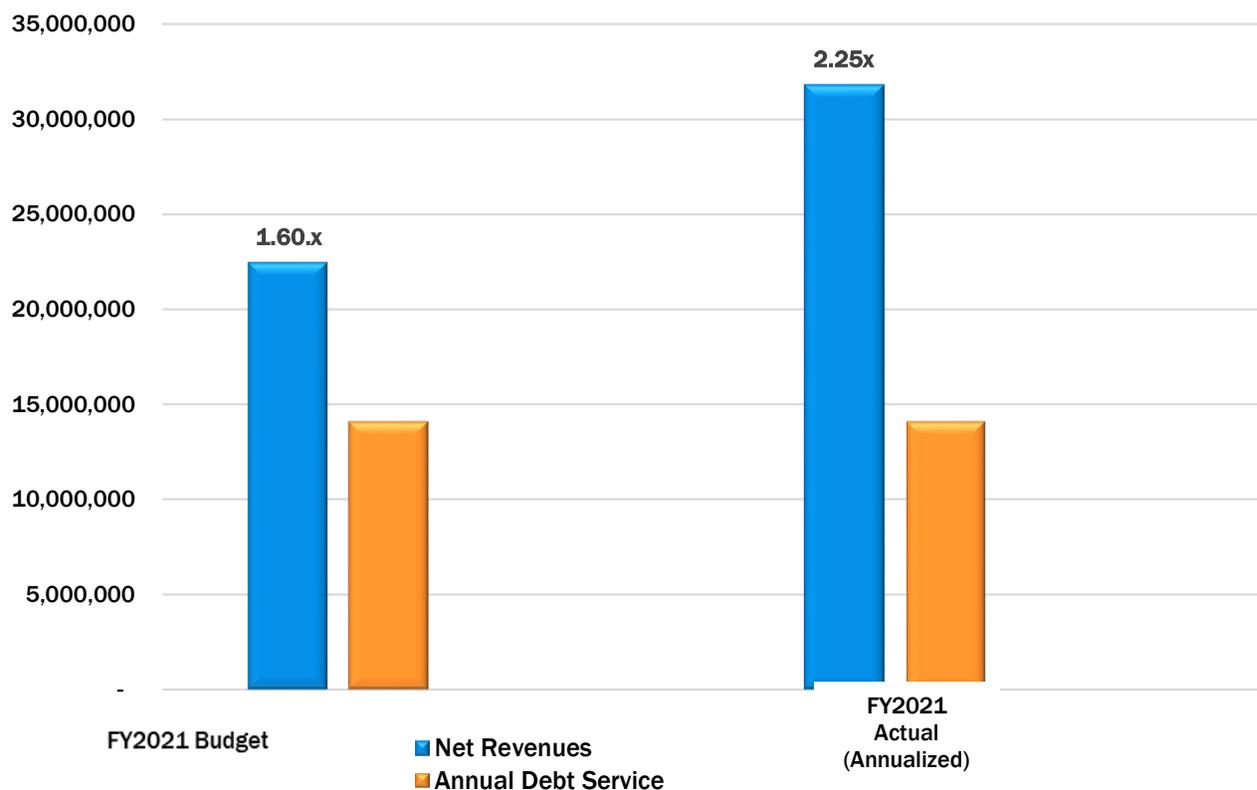
The Indenture also requires AlexRenew to maintain minimum debt service coverage such that Revenues less Operating Expenses or Net Revenues (each term as defined in the Indenture) is at least 1.10x the parity debt service due in any fiscal year. Compliance with our Board-approved financial policies requires AlexRenew to maintain a higher minimum debt service coverage of at least 1.50x applying the same criteria as defined above.

In both cases, AlexRenew currently exceeds its compliance standard as indicated in the graph below. The 1.6x designated in the graph below represents projected coverage for FY21 based on actual

results to date. Note the anticipated coverage of 2.25x based on original FY21 budget expectations. As a result, AlexRenew is currently trending ahead of budgeted projections and minimum coverage policy.

Financial Policy Compliance - All-In Debt Service Coverage	FY 2021 Actual	FY 2021 Budget
Gross Revenues Available for Debt Service Coverage:		
Wastewater Treatment Charges - Alexandria Ratepayers	45,656,299	39,492,000
Fairfax County Operating Expense Charge	11,272,272	11,272,272
Reimbursement from other systems	-	-
Investment Income	500,202	115,000
Less Restricted Investment Income	-	-
Total	57,428,773	50,879,272
LESS Operating Expenses	(25,608,384)	(28,386,991)
Net Revenues [a]	31,820,390	22,492,281
Annual Debt Service [b]	14,123,976	14,123,976
Calculated All-In Debt Coverage [a/b]	2.25x	1.60x
Financial Policy Target	≥1.50x	≥1.50x

All-in Debt Service Coverage Net Revenues to Annual Debt Service



Glossary:

Revenue Fund

All revenue receipts of Alexandria Renew are deposited in the Revenue Fund.

The Operating Fund

The Operating Fund accounts for the administration and maintenance of the wastewater treatment system. By Board policy, the Operating Fund shall maintain 120 days of cash in reserve as established by Board Policy.

Parity Debt Service Fund

The Parity Debt Fund shall have deposited in it one-twelfth (1/12th) of the annual required debt payment due within the budget year. Deposits are restricted funds for use to make semiannual payments in accordance with the Alexandria Renew Trust Agreements.

Joint Improvement, Renewal & Replacement (IRR) Fund

The IR&R Fund receives deposits directly from Fairfax County (60% of IR&R budget) and from AlexRenew customer revenue (40% of IR&R budget) for asset renewal of joint use facilities. The contribution to the IRR Fund is 0.7% of the total amount of capital expenditures made subsequent to October 1, 1997, for the joint portion of the system, as set forth by the service agreement with Fairfax County.

Project Fund

The Project Fund records the cost of each joint use capital project included in the Alexandria Renew Capital Improvement Plans (CIP).

The plans for current and future capital projects, both joint and City only, is summarized in a Ten-Year CIP. City use only CIP are accounted for within the General Fund.

General Fund

The General Fund serves as reserve fund to be used for any lawful purpose of the Authority. Deposits to the General Fund are made from the Revenue Fund after all other fund expenditures and requirements have been satisfied. Alexandria Renew principally uses the General Fund to finance specific capital improvements and to provide sufficient reserves in accordance with policy.



**Rates, Rules and Regulations
Alexandria Renew Enterprises
Effective: July 1, 2021 (proposed)**

Revised & Approved: June 18, 2013
Revised & Approved: July 23, 2013
Revised & Approved: Aug 19, 2014
Revised & Approved: Dec 16, 2014
Revised & Approved: Apr 21, 2015
Revised & Approved: Sep 20, 2016
Revised & Approved: May 21, 2019
Revised & Approved: July 1, 2019

Table of Contents

I. Rates, Fees and Charges..... 1

 SECTION 1 - RATES FOR SERVICE..... 2

 SCHEDULE A – WASTEWATER..... 2

 SCHEDULE B – REUSE (RECLAIMED) WATER 3

 SECTION 2 – OTHER RATES, FEES AND CHARGES 3

 SCHEDULE A – PRETREATMENT PERMIT FEE 4

 SCHEDULE B – DEDUCT METERS CHARGE..... 4

 SCHEDULE C – NEW ACCOUNT ACTIVATION FEE..... 4

 SCHEDULE D – SERVICE TERMINATION FEES 4

II. Rules and Regulations..... 5

 Rule No. 1 – Definitions 5

 Rule No. 2 – General 6

 Rule No. 3 – Special Contracts 7

 Rule No. 4 – Extension of Public Sewers 7

 Rule No. 5 – Quantity and Quality Determinations for Continuing Service Charge 7

 Rule No. 6 – Meters and Meter Installation 8

 Rule No. 7 – Sewer Meters..... 8

 Rule No. 8 – Deduct Meters 8

 Rule No. 9 – Customer's Liability for Charges..... 9

 Rule No. 10 – Bills for Service 9

 Rule No. 11 – Terms of Payment 9

 Rule No. 12 – Abatement..... 10

 Rule No. 13 – Service Termination Fee..... 10

 Rule No. 14 – Discontinuance of Service..... 10

 Rule No. 15 – Restoration of Service 11

 Rule No. 16 – Water Leaks and Adjustments 12

 Rule No. 17 – Refund policy..... 12

 Rule No. 18 – Adjustment of Fixed Charges Based on Oversized Meters 13

III. Amendment and Interpretation..... 13

IV. Effective Date..... 13

The Rates, Rules and Regulations as herein set forth, and as they may hereafter be amended, shall govern the rendering of wastewater service as defined herein. Every customer with premises connected to the City of Alexandria sewer collection system shall be bound by these Rates, Rules, and Regulations.

I. Rates, Fees and Charges

SECTION 1 - RATES FOR SERVICE

SCHEDULE A – WASTEWATER

This schedule shall apply to all individually metered residential customers and commercial customers discharging sewage to and/or requiring wastewater treatment service by Alexandria Renew Enterprises (wastewater customers). Commercial wastewater customers include all commercial, industrial, government and other public agencies, master-metered residential, and all other accounts or customers not classified as individually metered residential customers.

The wastewater customer’s monthly bill for wastewater collection, treatment and disposal services (sewer service) shall be based upon the sum of: i) the base charge and ii) the wastewater treatment charge calculated based on water meter readings at the customer premise. The base charge shall serve as the minimum monthly bill for sewer service for all customers receiving wastewater service from Alexandria Renew Enterprises.

Wastewater Treatment Charge - A charge per 1,000 gallons of water consumption will be billed monthly for wastewater customers at the rates shown below.

Description	Meter Size	Current Effective July 1, 2020	Proposed Effective July 1, 2021	Proposed Effective July 1, 2022
		Per 1,000 Gallons	Per 1,000 Gallons	Per 1,000 Gallons
Individually Metered Residential Service - Wastewater Treatment Charge*	All Meters	\$8.13	\$8.69	\$9.26
Commercial Service - Wastewater Treatment Charge	All Meters	\$8.13	\$8.69	\$9.26

*The Individually-metered Residential Wastewater Treatment Charges are based upon the lesser of: a) a customer’s actual monthly metered water use; or b) the customer’s determined monthly wastewater treatment billing cap as further defined in subsequent sections of the Rates Rules and Regulations.

Base Charge - a charge per account predicated on the size of the meter size serving the customer premise, will be billed to all wastewater customers at the rates shown below.

Description	Meter Size	Current Effective July 1, 2020	Proposed Effective July 1, 2021	Proposed Effective July 1, 2022
Residential Base Charge	All Meters	\$11.54	\$12.34	\$13.14
Commercial Base Charge	5/8"	\$34.63	\$37.02	\$39.42
	¾"	\$34.63	\$37.02	\$39.42
	1"	\$86.59	\$92.55	\$98.55
	1-1/2"	\$173.17	\$185.10	\$197.10
	2"	\$277.08	\$296.16	\$315.36
	3"	\$519.52	\$555.30	\$591.30
	4"	\$865.87	\$925.50	\$985.50

	6"	\$1,731.74	\$1,851.00	\$1,971.00
	8"	\$2,770.79	\$2,961.60	\$3,153.60
Minimum Deposit Based on Meter Size		\$0.00	\$0.00	\$0.00
New Residential Customer		\$15.00	\$15.00	\$15.00

Monthly Wastewater Treatment Billing Cap:

Individually metered residential (single family) customers may use water for outdoor uses such as to irrigate lawns, plants, and other landscaping during non-winter months. This flow does not typically enter the wastewater collection system; as such, Wastewater Treatment Charges for residential customers are based on water used during the winter period to obtain a more representative measure of indoor water use that better approximates the true quantity of wastewater entering the wastewater collection system from the individually metered residential (single family) customer’s premise for treatment and disposal by Alexandria Renew Enterprises.

The individually metered residential (single-family) customer’s monthly Wastewater Treatment Charges shall be based on water meter readings at the customer’s premise. Individually-metered Residential Customers shall be billed the Wastewater Treatment Charges utilizing a monthly wastewater treatment billing cap that shall be determined annually. The wastewater treatment billing cap per customer shall be established based on the greater of: a) 4,000 gallons a month; or b) the customer’s average monthly metered water consumption (gallons) recognized on bills rendered during the winter period which is defined as the months of December, January, and February. The monthly wastewater treatment billing cap is not effective for bills rendered during the winter period months. If no bills are rendered to the customer for water service during the winter period, then the monthly wastewater treatment billing cap shall be established at 4,000 gallons a month until a winter period average can be established.

The Wastewater Treatment Charges billed to Commercial customers will be determined based on the total metered water delivered to the premise and shall not be eligible for the monthly “wastewater treatment billing cap”. To the extent a Commercial customer has a water-only meter serving the property such metered water consumption would not be charged the Wastewater Treatment Charge. An example of a water-only service would include a meter exclusively used by the customer to measure outdoor water irrigation.

Customers receiving wastewater service only and obtaining water from sources other than Virginia American Water Company shall install a water meter on their water supply which will be read as the basis for calculating wastewater treatment charges. A charge shall be added to each bill to offset the cost of reading the independent customer’s water meter.

SCHEDULE B – REUSE (RECLAIMED) WATER

Customers which receive reclaimed water service from Alexandria Renew will pay a charge of \$1.77 per 1,000 gallons of metered reclaimed water delivered to the customer premise. All reclaimed water to be delivered to a customer premise will be metered.

SECTION 2 – OTHER RATES, FEES AND CHARGES

SCHEDULE A – PRETREATMENT PERMIT FEE

In accordance with US EPA Regulations (40 CFR 403) and the Code of the City of Alexandria,

Virginia, 1981, as amended, Alexandria Renew maintains and regulates an industrial pretreatment program.

Industrial users are those customers meeting the definition in Section 5-6-102(mm) of the Code of the City of Alexandria, Virginia, 1981, as amended.

Non-significant industrial users are those industrial users meeting the definition in Section 5-6-102(mm)(3) & (4) of the Code of the City of Alexandria, Virginia, 1981, as amended.

The annual Pretreatment Permit Fee for permitted industrial users shall be:

Significant Industrial User - \$1,500 per year.

Non-significant Industrial User - \$500 per year.

Additionally, the permit application fee is \$100 with an additional \$100 charged in the event of a permit revision. A permit includes pretreatment requirements, discharge limits, and special conditions for significant industrial user or categorical sites. The fee covers AlexRenew's costs in administering the permit and the permits are issued for up to five years. Lastly, Letters of Approval are issued for one time discharges of limited duration for a fee of \$100.

SCHEDULE B – DEDUCT METERS CHARGE

Alexandria Renew Enterprises commercial and industrial customers that have a portion of their wastewater flow that does not enter the wastewater collection system may apply for a deduct meter. The application for a deduct meter must be certified by an independently licensed plumber. Customers participating in the deduct meter program shall receive flow adjustments for the billing of the Wastewater Treatment Charges only through the proper operation of the approved deduct meter(s). Residential customers are not eligible for deduct meters.

When a deduct meter permit is issued by Alexandria Renew Enterprises to allow for a new connection and/or meter to be installed, a deduct meter permit fee shall be paid by the applicant. The permit fee is designed to defray the cost of the required deduct meter inspection at the time of meter installation and to establish the customer billing and service requirements at the time of installation.

The Deduct Meter Permit fee for users shall be \$500, paid in full at the time of application. This is a one- time application fee.

The charge for reading the Deduct Meter is \$50 per reading per account if all of the deduct meters billed to the account have the same premise address. If an account has different premise addresses associated with its Deduct Meters, there is a \$50 charge per reading at each specific premise address. This charge will be in addition to the payment of Base Charges for those Commercial customers that have been approved for and have installed a deduct meter.

The charge for inspecting the Deduct Meter by Alexandria Renew Enterprises shall be \$100 per inspection for each inspection performed after the installation of the Deduct Meter. An inspection of the Deduct Meter will be required every 2 years to verify the flow accuracy of the meter, condition, and other aspects associated with providing this service.

SCHEDULE C – NEW ACCOUNT ACTIVATION FEE

All Residential Customers opening a new account to i) establish wastewater service or ii) re-establish wastewater treatment service will be charged a \$15.00 new account activation fee.

SCHEDULE D – SERVICE TERMINATION FEES

All customers whose water service has been disconnected for non-payment for wastewater service or for violation of these Rules and Regulations will be assessed a non-negotiable service termination fee of \$45.00 added to the account. This charge, together with any arrears that may be due Alexandria Renew Enterprises, shall be paid before the utility service will be turned on. In addition, a service restoration fee of \$45.00 will be assessed and added to the account for a request to restore wastewater treatment service.

Customers will be charged a \$35.00 returned check fee per occurrence.

II. Rules and Regulations

Rule No. 1 – Definitions

Unless the context specifically indicates otherwise, the meaning of terms used in this publication of Rates, Rules and Regulations shall be as follows:

- a. "Alexandria Renew" shall mean the City of Alexandria, Virginia Sanitation Authority d/b/a Alexandria Renew Enterprises.
- b. "City of Alexandria" shall mean the City of Alexandria, Virginia.
- c. "City Sanitary Sewer Maintenance Fee" shall mean City of Alexandria's sanitary sewer maintenance fee calculated by multiplying the number of thousands of gallons of water consumption (based on water meter readings) by the rate established by the City of Alexandria from time to time and which rate is applied to all customers on a "per 1,000 gallons of billed water consumption" which will also serve as the same basis for billing the Wastewater Treatment Charges by Alexandria Renew Enterprises. Amounts collected from this fee will be remitted to the City of Alexandria to fund the operations and maintenance of the City's sanitary sewer system and are not for use or considered as revenue by Alexandria Renew Enterprises.
- d. "Customer" shall mean every property owner or tenant whose Premises are connected to the City of Alexandria wastewater collection system and shall be responsible for paying for the cost of receiving wastewater service. Normally, a customer is provided potable water by the Water Company. Each customer shall be served by a separate service connection.
 - i. "Residential Customer" shall mean every Customer whose Premises is a single-family dwelling connected to a water meter that serves only that dwelling.
 - ii. "Commercial Customer" shall mean every other Customer whose Premises is not a single family dwelling individually connected to a water meter that serves only that dwelling. Commercial Customers include, but are not limited to, multi-family dwellings, whether the dwellings are leased or in a condominium form of ownership, other uses such as retail, office, government and other public agencies, and industrial, and all other accounts or customers not classified as (individually metered) residential customers.
- e. "Person" shall mean any individual, firm, company, association, society, corporation, or group.
- f. "Interceptor" shall mean a sewer conveyance line which is owned and controlled by

Alexandria Renew.

- g. "Public Sewer" shall mean a sewer conveyance line that is, owned and maintained by the City of Alexandria.
- h. "Sewer Service Connection" shall mean the fittings through which the building sewer is joined to the public sewer and constitutes the point of service for Alexandria Renew Enterprises. A "Cross-Connection" is an actual or potential link between the potable water supply (water safe for human consumption) and a non-potable source (any other type of liquid, gas or substance not fit for consumption and that can affect water quality).
- i. A "Sewer Meter" is a device utilized to measure the quantity of sewer discharge into the Public Sewer from a premise.
- j. "Deduct Meter" shall mean the meter that is installed on the Commercial Customer property subsequent or downstream from the primary water meter that measures the amount of water that does not enter the wastewater collection system for such Customer. All water use by the Customer is assumed to be discharged to the wastewater collection system for treatment unless specifically identified through metering pursuant to a Deduct Meter. Water measured by the Deduct Meter is subtracted from the total water measured by the primary water meter to calculate the Wastewater Treatment Charges for the Customer.
- k. "Premises" shall mean:
 - i. Each residential dwelling structure.
 - ii. Each residential dwelling unit in a duplex, triplex, apartment building, or in any other building that is used for residential purposes.
 - iii. Each unit contained in a structure serving more than one tenant, lessee, or owner; and used for any purpose other than residential.
 - iv. Each structure or group of contiguous structures, that is owned, rented, or leased by one person and occupied by that person. The following shall also be considered one premise:
 - 1. Residence used as a rooming house
 - 2. Dwelling or building for transients
 - 3. Apartment building or residential condominium where the water utility bill is included in the rent or condominium fee.
- l. An "Extended Absence" is any absence greater than 60 days.
- m. "Water Company" shall mean Virginia American Water Company, its successors or assignees which provide potable water to customers within the City of Alexandria.

Rule No. 2 – General

- a. There shall be no free service rendered by Alexandria Renew, and, if any local, state, or federal government, or any department, agency or instrumentality thereof, or any other public body shall desire service to be rendered by Alexandria Renew, it shall apply for and receive such service pursuant to the rules and regulations herein contained and shall pay for the same at the established rates, fees, and other charges.

- b. The service pipes, building sewers, meters, piping and fixtures on the Customer's Premises shall be accessible to Alexandria Renew for observation or inspection at reasonable hours.
- c. Employees or agents of Alexandria Renew are expressly forbidden to demand or accept any compensation for any service rendered to its customers except as covered by its Rates, Rules and Regulations.
- d. No employee or agent of Alexandria Renew shall have the right or authority to bind it by any promise, agreement, or representation contrary to the letter or intent of these Rules and Regulations.
- e. Any complaint against the service or employees of Alexandria Renew should be made in writing or electronically to Alexandria Renew.

Rule No. 3 – Special Contracts

Alexandria Renew may enter into contracts with any person, firm, or corporation, including municipalities, sanitary districts and other political subdivisions and public bodies, for the rendering of any wastewater service; provided, however, that the rates or charges to be paid thereunder shall not be less than an amount which is fair and equitable, taking into account the cost to Alexandria Renew for providing such service.

Rule No. 4 – Extension of Public Sewers

Applicants for service to a premises not already having direct access to an adequate existing public sewer must make application to the City of Alexandria to extend and/or upgrade the public sewer system. In addition to City ordinance requirements, applicants must provide, free of charge to Alexandria Renew, any easement necessary for installation, operation and maintenance of sanitary sewers or other facilities owned by Alexandria Renew.

Connections to the public sewers shall be regulated and authorized by the City of Alexandria. No private connection shall be permitted to any Interceptor or other facility owned or operated by Alexandria Renew unless expressly authorized in writing by Alexandria Renew.

It is the responsibility of the Water Company to establish and maintain cross-connection control programs to detect, prevent, and eliminate cross-connections that may create an imminent and substantial danger to the public health.

Rule No. 5 – Quantity and Quality Determinations for Continuing Service Charge

- a. The quantity of sewage discharged into the public wastewater system shall be assumed to be equal to the quantity of water registered by the water meter or meters measuring the entire flow to the premises; less those flows that are separately metered by Alexandria Renew through the installation of a Deduct Meter that serves only appliances and/or facilities that are not connected to the public sewer in any manner.
- b. Where discharge to the public sewer from a specific appliance or process is of significantly lesser volume than that registered by the meter, the quantity discharged may be measured as the basis for the quantity of sewer service. Alexandria Renew reserves the right, at its sole discretion, to estimate the quantity of sewer service required by such specialized appliance or process.

- c. Alexandria Renew reserves the right to determine the quantity and/or quality of sewage by any accurate method of measurement and/or analysis of discharge from the premises sewer. If the quantity is found to be in excess of the quantity measured by the customer's water meter or meters, the customer shall be back charged not less than six months on the basis of the greater flow and shall be required to install meter or meters in such a manner as may be specified by Alexandria Renew.
- d. If the quality of wastewater discharge does not comply with the requirements of Alexandria Renew, immediate steps shall be taken by the customer to comply, and costs of necessary analysis and compliance shall be paid by the customer.

Rule No. 6 – Meters and Meter Installation

- a. All water meters except Deduct Meters are installed, owned, maintained and read by the Water Company. All customer meters are read monthly by the Water Company and the billed water use measured in thousand gallons and meter size used to service the Customer as provided by the Water Company is provided to and relied upon by Alexandria Renew for purposes of billing its Customers the monthly Wastewater base charges and wastewater treatment charges. Alexandria Renew reserves the right to estimate the amount of wastewater flow if the water meter readings are considered inaccurate; Alexandria Renew will correct billings to its Customers upon the receipt of subsequent corrected information as an adjustment in the subsequent bill for wastewater service or on some other basis as may be determined by Alexandria Renew.
- b. Deduct Meters will be read monthly by Alexandria Renew or its designee.
- c. The customer shall promptly notify Water Company and Alexandria Renew of any calibration failure, defect in, or damage to the meter or its connection.

Rule No. 7 – Sewer Meters

- a. Alexandria Renew may, at its sole discretion, enter into agreements with Commercial Customers to measure its sewer service through the use of a sewer meter or meters.
- b. The sewer meter shall be installed by the applicant, in a place readily accessible to Alexandria Renew for reading. If access is deemed unsafe by Alexandria Renew or its designee, Customer will be responsible for moving the sewer meter to an accessible location. Upon installation of the meter by the applicant, the sewer meter shall be contributed to and become the property of Alexandria Renew.

Rule No. 8 – Deduct Meters

- a. Where Alexandria Renew is to issue a permit for the use of a Deduct Meter, an application for Deduct Meter service shall be made by the property owner or their designated agent at the offices of Alexandria Renew.
- b. All customers with Deduct Meters are responsible for maintaining the Deduct Meter and remote read device in a good working condition. Meter shall be calibrated annually by an appropriate licensed contractor and results submitted to Alexandria Renew; if a Customer does not provide Alexandria Renew a copy of the deduct meter calibration results, Alexandria Renew reserves the right to discontinue the recognition of the deduct meter water flows in the application of Wastewater

Treatment Charges.

- c. Alexandria Renew staff shall review the application fee from time to time and make a recommendation for any changes. All customers with Deduct Meters are responsible for the sub-meter and remote meter device and for readings to be performed.
- d. Should any meter and/or its appurtenances become damaged, including any damage that may result from allowing the meter to become frozen, it shall be the responsibility of the property owner to get the meter repaired. No Deduct Meter credit adjustment will be made for or during the period when the Deduct Meter is out of service for repair.

Rule No. 9 – Customer's Liability for Charges

- a. A Customer who has made an application for or received service at a Premises shall be held liable for all service furnished to such premises until such time as the Customer has properly notified the Water Company to discontinue the service for the account.

Rule No. 10 – Bills for Service

- a. Customers are responsible for furnishing their correct addresses and corresponding service information to the Water Company.
- b. Failure to receive bills will not be considered an excuse for nonpayment nor permit an extension of the date when the account will be considered delinquent.
- c. If bills are to be sent to an address other than the Premises served, the Water Company shall be notified by the Customer of any change of address.
- d. If requested in writing by the owner-customer, Alexandria Renew will send bills to and receive payments from agents or tenant-customers. However, this accommodation will in no way relieve the owner-customers of the liability for all charges, in accordance with the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Section 5100 et seq., Code of Virginia, 1950 as amended.)
- e. Payments shall be made by mail to the lockbox provider selected by Alexandria Renew or such other places or methods as may be designated by Alexandria Renew.
- f. Alexandria Renew reserves the right to correct any bills rendered in error.
- g. Each Customer, as defined in Rule No. 1, shall be billed separately for service.
- h. Bills will be rendered monthly.

Rule No. 11 – Terms of Payment

- a. Bills for sewer service shall be payable on or before stated due date.
- b. If a bill is not paid within twenty-one (21) days after the billing due date, and payable, and after notice has been properly provided by Alexandria Renew to the Customer of record, water and wastewater service may be discontinued, and the wastewater

deposit, if any, may be applied against such bill and any other arrears due by the Customer.

- c. There may be a lien upon the real estate for the amount of any rates, fees, and other charges made by Alexandria Renew to the owner or lessee or tenant of such real estate for the services rendered by Alexandria Renew to such real estate from and after the time when such rates, fees, and other charges are due and payable and for the interest which may accrue thereon.
- d. There shall be a handling charge corresponding to bank fees for all returned checks which have been submitted to Alexandria Renew for payment of any applicable charges.
- e. A late payment charge of ten percent of the unpaid balance on accounts not paid within 21 days of their billing date may be charged and collected by Alexandria Renew.
- f. Alexandria Renew may report the failure of a Customer to make payments within 95 days to appropriate credit reporting agencies in accordance with federal and state law.

Rule No. 12 – Abatement

There shall be no abatement of the service charges in whole or in part by reason of an extended absence of the customer, unless service has been discontinued at his request.

Rule No. 13 – Service Termination Fee

If any premise violates these Rules and Regulations and it has become necessary to discontinue water service, a non-negotiable service termination fee will be assessed and added to the account. In cases where service disconnection has occurred, this charge, together with any arrears that may be due Alexandria Renew, shall be paid before the water will be turned on.

Rule No. 14– Discontinuance of Service

- a. As per Va. Code Section 15.2-5138, water service may be discontinued by Alexandria Renew, through the Water Company after ten (10) days' notice for any of the following reasons:
 - i. Willful or indifferent waste of water due to any cause.
 - ii. Failure to protect and maintain the service pipe or plumbing fixtures including the water meter and its protective devices, and drainage system on the property of the customer in a condition satisfactory to Alexandria Renew.
 - iii. Tampering by the Customer or others with the knowledge of the customer, with any meter, connection, service pipe, curb stop, seal, drainage system, piping or any other appliance of the Water Company or Alexandria Renew controlling or regulating the Customer's water supply or sewage flow.
 - iv. Failure to provide Alexandria Renew's and/or the Water Company's employees free and reasonable access to the premises served, or for

- obstructing the way of ingress to the meter or other appliances controlling or regulating the Customer's water supply or sewage flow.
- v. Nonpayment of any account for wastewater service, or for any fee or charge accruing under these Rates, Rules and Regulations.
 - vi. Violation of any rule or regulation of Alexandria Renew.
 - vii. Failure to correct cross connection violations as identified by Alexandria Renew, in accordance with Rule 4 herein.
 - viii. In case of death of the Customer, in whose name the account is opened, parties that continue service at a premise must contact the Water Company to change the account Customer name. Failure to change the named customer is a violation of Alexandria Renew's "Rates, Rules and Regulations".
- b. Service may be discontinued by one of the following methods:
 - i. Where water is supplied by the Water Company, supply will be cut off and the meter removed.
 - ii. Where water is furnished by the owner, or by other than the Water Company, Alexandria Renew reserves the right to (a) remove the sewer meter used for measuring the flow to the wastewater facilities, (b) seal the building drain or sewer, or (c) remove the connection to the public sewer.
 - c. Discontinuing wastewater service or the supply of water to a premises for any reason shall not prevent Alexandria Renew from pursuing any lawful remedy by action at law or otherwise, for the collection of monies from the Customer.
 - d. When service to a customer has been terminated for any of the above stated reasons, other than temporary vacancy of the premises, it will be renewed only after the conditions, circumstances, or practices which caused the service to be discontinued are corrected to the satisfaction of Alexandria Renew and may require payment of all charges due and payable by the Customer in accordance with these Rates, Rules and Regulations.

Rule No. 15 – Restoration of Service

- a. When it becomes necessary to discontinue service to any Customer because of a violation of these Rules and Regulations or because of nonpayment of any bill, charges shall be made as follows:
 - i. If service was discontinued only by turn-off of water supplying the Premises, the Customer may pay a connection charge as presented in Section 2, Schedule D of these Rates, Rules, and Regulations for turning on the water plus any arrears that may be due to Alexandria Renew for charges related to turn-off/turn-on and associated administrative costs.
 - ii. If service was discontinued by removal of the meter, or by sealing the building drain, or by removal of the connection to the public sewer, Customer shall pay as a charge the actual cost of restoring the service, including all labor, materials, and overhead plus 100% of said actual costs including labor,

materials and overhead. Said charge shall be estimated by Alexandria Renew upon application for restoration of service and the Customer shall pay the amount of the estimate prior to restoration of service. Any adjustments in actual cost will be made upon completion of restoration of service.

- b. Restoration of service for nonpayment of wastewater service will only occur during regular business hours for Alexandria Renew Enterprises. Same-day water service restoration will not be provided. It is the Customer's responsibility to ensure payment has been received by Alexandria Renew.
- c. If at the time of such discontinuance of service for nonpayment of bill the customer has not made a deposit, Alexandria Renew may require a deposit, whether Customer is property owner or not, as a guarantee of payment of future bills. Deposit shall equal the amount of the estimated bill for two regular billing periods and, in no case, be less than the minimum deposit established codified by these Rates, Rules, and Regulations, before the water and the corresponding wastewater service will be turned on. The deposit will be refunded when service has been discontinued, after deducting any charges due on final settlement of the Customer's account.
- d. When a Customer has requested discontinuance of water service because of temporary vacancy, wastewater service is being furnished by Alexandria Renew, and where all bills have been paid, Alexandria Renew may charge a turn-on fee as presented in Section 2, Schedule D for the restoration of both water and wastewater service.

Rule No. 16 – Water Leaks and Adjustments

- a. In the event of a water leak, the Customer shall immediately notify the Water Company.

Alexandria Renew is not responsible for maintaining the public water main and water service connection or individual Customer notifications.

- b. Alexandria Renew may consider, on a case-by-case basis, whether to adjust wastewater bills based on documented water leaks. Among the factors to be considered will be whether the Water Company accepts responsibility for the leak or potential misread of the meter. If an adjustment is made, the maximum amount will be 50% of the bill and a one-time courtesy adjustment will be allowed per Customer account owner.
- c. If a leak is found not to be the responsibility of Alexandria Renew, the Customer will be notified and shall have the leak repaired by a registered plumber at his expense.

Rule No. 17 – Refund policy

Customers that overpay an account in error shall not receive a refund of the over-payment unless the over payment is greater than two (2) times the average billing amount. Over-payments shall be credited to a Customer account and used to offset/pay the next bill due. In a situation where a refund is appropriate, Alexandria Renew will apply credits to the same credit card accounts rendering the payment. Customers making payments by check may apply for a check refund that may be made after a 30 day clearing period (no exceptions).

Rule No. 18 – Adjustment of Fixed Charges Based on Oversized Meters

Upon request of a Customer, the Chief Executive Officer (CEO) may apply the fixed charge for a smaller meter, if the CEO determines at his/her discretion that:

- a. The Customer's actual water usage over the multiple billing periods is significantly less than the typical consumption for the size of water meter installed; and
- b. The potential for significantly higher water usage in the future is unlikely based on one or more of the following factors:
 - i. Whether the meter combines fire flow and potable water uses;
 - ii. The size and use classification of the structure served limited water usage; and
 - iii. Other legally binding use restrictions limit water usage.

Alexandria Renew further reserves the right to apply the fixed charge for the actual meter size if any of these factors change in the future.

III. Amendment and Interpretation

Alexandria Renew reserves the right to revise and/or amend these Rates, Rules, and Regulations to interpret the meaning of all statements made herein.

IV. Effective Date

The Rates, Fees, and Other Charges; Rules and Regulations herein contained shall become effective as revised on July 1, 2021 and shall remain in effect thereafter until further revised.