



Meeting Book - AlexRenew Board of Directors Meeting - Virtual

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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: Board of Directors of Alexandria Renew Enterprises
FROM: Secretary-Treasurer
DATE: Tuesday, October 12, 2021
SUBJECT: Regular Board of Directors Meeting - Virtual

The Regular Meeting of the Board of Directors will be held virtually on Tuesday, October 19, at 6:00 p.m.

Attached is the October Monthly Board Meeting information for your review.

There are no items requiring Board action this month.

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

Alexandria's Water Transformers



Agenda
 Alexandria Renew Enterprises Board of Directors Meeting
 Tuesday, October 19, 2021@ 6:00 p.m.
 VIRTUAL

No.	Item	Presenter	Action Required
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Due to Covid-19 pandemic emergency, the October 19, 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 to undertake essential business.

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

Links: https://us06web.zoom.us/webinar/register/WN_Fyy5w2iyQ-Se1pfDAU8R8A

*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 (6:04 p.m.)	Mr. Rak	Information
4.	Public Comment Period (6:12 p.m.)	Chairman	
5.	Consent Calendar (6:15 p.m.)	Chairman	Approval
	A. Minutes (Meeting September 21, 2021) (Tab 1)		
6.	Unfinished Business (6:17 p.m.)	Chairman	Approval
	A. None		
7.	New Business (6:37 p.m.)	Chairman	Approval
	A. Legal Overview and Updates	Mr. Rak	
8.	AlexRenew Monthly Outcomes Update (6:47 p.m.) (Tab 2)	Ms. Pallansch	Information
9.	Adjourn (6:50 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 Finance & Audit Committee meeting is scheduled for Monday, November 8, 2021 @ 5:30 p.m.
 The next Board of Directors meeting is scheduled for Tuesday, November 16, 2021@ 6:00 p.m.***

Minutes of the 886th Meeting - Electronic
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
Tuesday, September 21, 2021

On Tuesday, September 21, 2021, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting electronically using the Zoom software and no members were physically present for the meeting. The meeting was recorded and a recording has been posted on the Alexandria Renew website. The following individuals attended electronically:

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 Project Manager
Ms. Lorna Huff, Secretary to the Board

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

Fairfax County Representative: Mr. William Barrack, Chief, Engineering Planning & Analysis Branch
Wastewater Planning & Monitoring Division

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

Consultants: Mr. Justin Carl, Brown & Caldwell, Owner’s Advisor

Call to Order

The Chairman called the meeting to order at 6:09 p.m.

Approval of Agenda

The Chairman requested that members review the Agenda and inquired if there were changes. There being no changes, the Chairman requested a motion to approve the Agenda. Mr. Beall moved and Mr. Dickinson seconded. The Board unanimously approved.

The Chairman recognized Mr. Rak who reviewed the procedures for holding an electronic meeting.

Explanation of Required Procedures for an Electronic Meeting

Due to the Covid-19 pandemic emergency, the September 21, 2021 Alexandria Renew Enterprises Board of Directors meeting is being held electronically pursuant to the electronic participation policy approved by the Board in June 2021. That policy allows for entirely electronic meetings with no form physically present when there is a local state of emergency. The Alexandria City Council has extended the local state of emergency for Covid-19 through January 2022. This enables the Board to meet electronically. We are following the same procedures as with previous meetings, with the meeting being recorded and notifying the public that if they wish to comment during the public comment period, they can do so through the Zoom platform. We are proceeding in accordance with the Board adopted policy.

Public Comment Period

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

Consent Calendar

The Chairman requested that members review the Minutes from the July 20, 2021 meeting. There being no questions or comments, the Chairman requested a motion to approve the Minutes. Ms. Caldarelli moved and Mr. Beall seconded. The Chairman called the roll with all members voting aye.

A. Board Minutes of July 20, 2021 Meeting

Unfinished Business

A. None

New Business

A. Presentation of Sanitary Sewer Master Plan Process (see attached)

Discussion

The Chairman recognized Ms. Bevis-Carver who reported that the current Sanitary Sewer Master Plan (SSMP) has been updated from 2013 with a focus on wet weather and sanitary sewer overflow mitigation.

Ms. Bevis Carver provided an overview of the current system noting the City operates 246 miles of sanitary and combined sewers and 85% of these pipes having a diameter of 12' or less. She reviewed growth forecasts provided by Planning & Zoning used to determine future capacity and wastewater treatment needs in coordination with AlexRenew, Fairfax and Arlington Counties. Capacity assessments through 2050 include an estimated increase at AlexRenew of 4 mgd and no expected increase at Arlington County. She reviewed improvements to Upper Holmes Run and the North Potomac Yard Small Area Plan.

Wet weather mitigation strategies include reduction of infiltration and inflow (I/I), expansion of wastewater treatment where possible, and private I&I programs. Ms. Bevis Carver discussed extreme wet weather events of short duration and high rainfall and their effects on stormwater sewer backups in certain areas of the City. Strategies to mitigate these events include a backflow preventer program, capacity upsizing projects and a framework for reducing private I/I gutter and

sump pump connections.

She reported that the updated SSMP recommends changing the basis of the City's sewer user fee from consumption to a winter quarter average effective July 1, 2022. Board members discussed shifting capacity from one treatment facility to another, stormwater issues, growth forecasts and major projects, and flow monitoring along the Potomac trunk sewer.

Ms. Bevis Carver provided a schedule for the SSMP from release of the draft plan through City Council public hearings and adoption.

There were no additional questions or comments and the Chairman thanked Ms. Bevis Carver for her presentation. Members look forward to future updates. There were no additional questions or comments and the Chairman recognized Ms. Pallansch for the CEO Monthly Outcome updates.

CEO Monthly Outcome Reports

Ms. Pallansch noted her August CEO Report and attachments and inquired if members had any questions or comments on the attachments or RiverRenew Dashboard.

Ms. Pallansch reported on AlexRenew's wastewater surveillance program with Howard University. She noted that AlexRenew did a summer program with Biobot under the CDC. The current program involves the Virginia Department of Health (VDH). Data from the program is difficult to interpret due to the Delta Variant. VDH receives data from all over the Commonwealth and results may be easier to interpret when that happens. Mr. Dickinson inquired about the City of Alexandria's interest in this project. Ms. Pallansch reported that the City focused on Covid-19 and then vaccine roll-out. The City participates on the panel with VDH to review the data. The Chairman inquired if there were additional questions on the outcome report.

Ms. Pallansch reported that members could remain up to date on RiverRenew construction by viewing the time-lapse camera located at the RiverRenew website. She noted that time lapse cameras will be available at all of the outfalls as construction begins. The Chairman encouraged members to visit the other sites as well as the plant. Mr. Beall inquired about the *Chloe the Tunnel Boring Machine* storybook. Ms. Pallansch reported that members will receive a copy of the book that is being used to engage young children and their parents.

Mr. Dickinson reported that SAG meeting presentations were excellent and noted member absences. Ms. Pallansch reported that the meeting was scheduled on the Jewish holiday and a few members were ill. SAG members are engaged in the process and provide valuable feedback to staff and consultants. The next Council Board Workgroup meeting is Thursday, September 23, at 5:30 p.m. The meeting will be virtual.

Ms. Pallansch noted the financial report and attached budget estimate for board approval. AlexRenew did not exceed its total bottom line; however, there were CIP issues due to RiverRenew spending at a faster rate than anticipated. Ms. Pallansch noted that AlexRenew is in the middle of the annual audit and wanted to commend Ms. McIntyre and her team for their hard work. AlexRenew is in single audit due to its usage of federal dollars for RiverRenew. This audit is more detailed and auditors ask different types of questions that staff has been able to answer. Staff has received positive feedback from the auditors. There is a virtual meeting of the Finance and Audit Committee on Monday, November 8, at

Ms. Pallansch reviewed dates for upcoming AlexRenew events.

Thursday, September 30 – Groundbreaking at Outfall on Pendleton Street. Masks are required and additional details will follow.

Friday, October 1 – Blood drive at Lost Boy Cider. Registration links will be provided after the Board meeting

September 26-October 2 – *Water Discovery Days virtual events*

The Chairman encouraged members to attend the groundbreaking if possible. Ms. Pallansch reported the event will be livestreamed. Staff is expecting about 100 attendees.

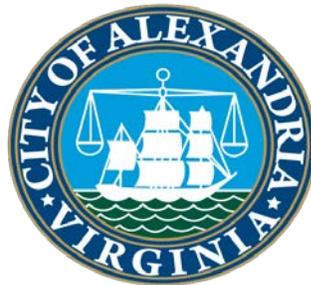
Mr. Johnson inquired about AlexRenew's cash reserve balance for the month. Ms. Pallansch reported that it is an anomaly of timing due to having received a large invoice from Traylor Shea. Ms. Pallansch further confirmed that while exceeding AlexRenew's cash reserves minimum policy is not optimal, it does not hurt the organization, as the Master Indenture Trust was not breached.

Mr. Johnson inquired about the consequences of the August high rainfall and sanitary sewer overflows. Ms. Pallansch reported that there have been no consequences from DEQ at this point.

There were no additional questions or comments and the Chairman requested a motion to adjourn. Mr. Johnson moved and Mr. Beall seconded. The Chairman called the roll with all members voting aye.

The meeting adjourned at 7:37 p.m.

Secretary-Treasurer



2021 Sanitary Sewer Master Plan Update

Alexandria Renew Enterprises Board Meeting
September 21, 2021



Master Plan Focus Areas

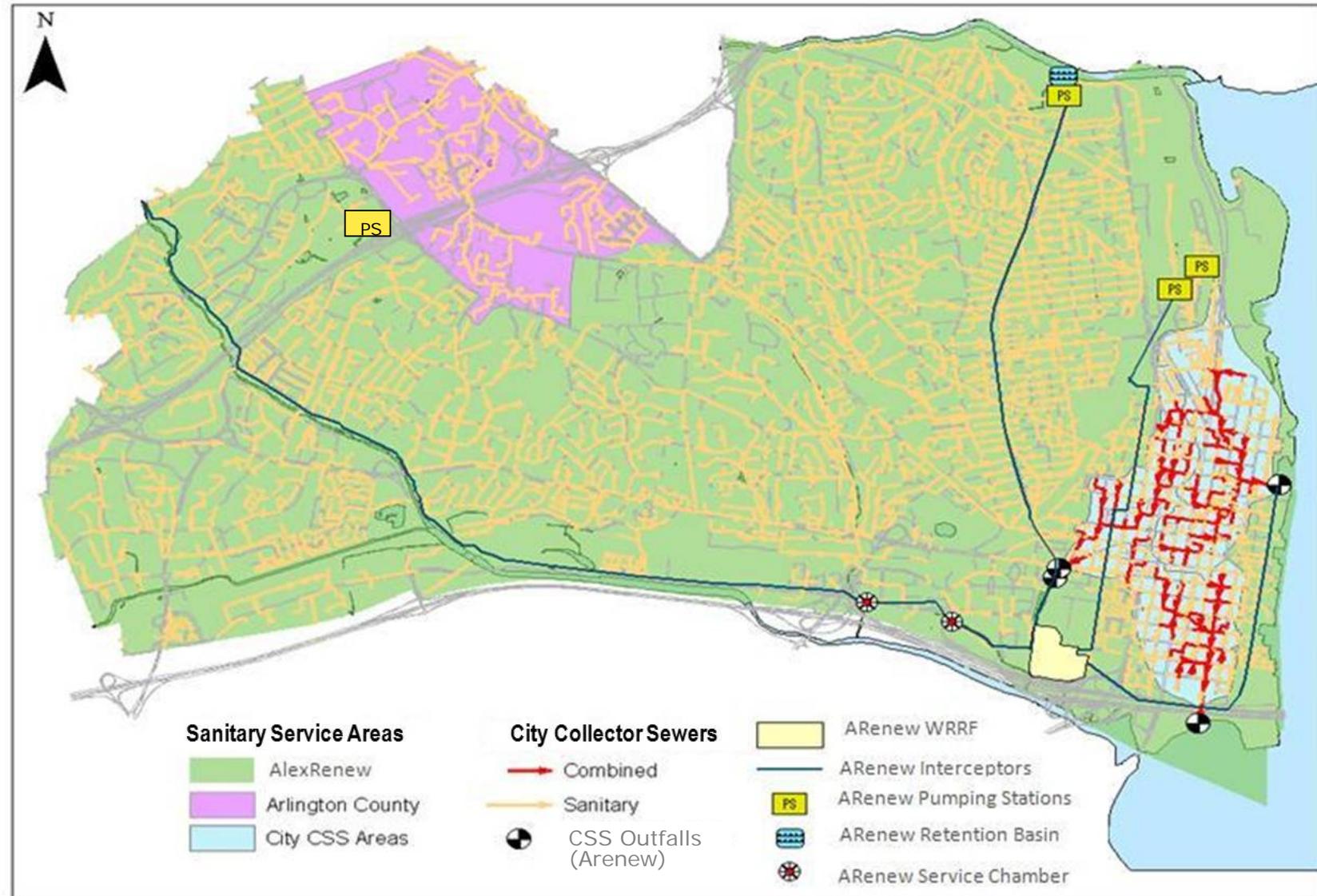
- System Overview
- Growth Forecasts
- Capacity Assessment
- Wet Weather Mitigation Strategies
- Fee Study Recommendations
- Schedule

System Overview

City owns and operates 246 miles of sanitary and combined sewer

About 85% of all sewers 12-inches in diameter or smaller

60 miles of sanitary sewer have been rehabilitated



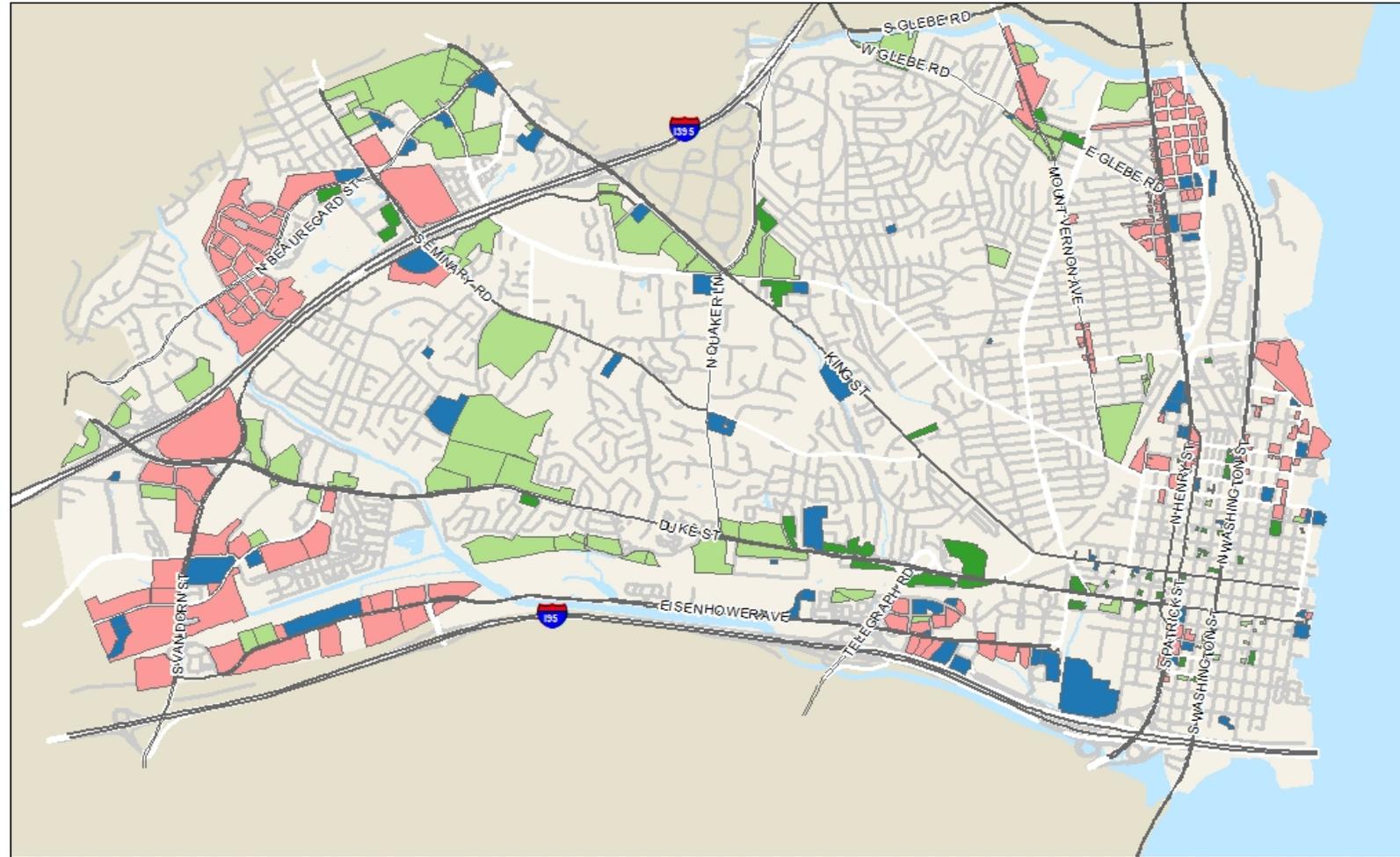
Growth Forecasts

Development Projects:
ongoing site plans

Infill Sites: small
individual sites,
development within 10-
20 years

Current Plans: Small
Area Plans, Coordinated
Development Districts,
etc. 20-30 year forecast

Long-Term Potential:
lots of uncertainty



- Development Projects
- Infill Sites
- Long-Term Potential
- Current Plans



0 0.25 0.5 1 Miles

Source: City of Alexandria Department of Planning and Zoning



Wastewater Treatment Capacity

No additional capacity needed at Arlington County; additional capacity need at AlexRenew in 2040

Alternatives for future study identified

- May require update to service agreement

City to continue to track flows from development and pace of development

Sewer Service Area	Current Allocation	Average Annual Wastewater Flow (million gallons per day)					
		Existing*	2030	2040	2050	Build-out	Additional Need
AlexRenew	21.4	17.14	19.63	21.36	23.23	25.31	3.71
Arlington	3.0	1.28	1.49	1.61	1.68	1.78	N/A

*Existing flow based on annual average between 2015-2018

Upper Holmes Run Improvements

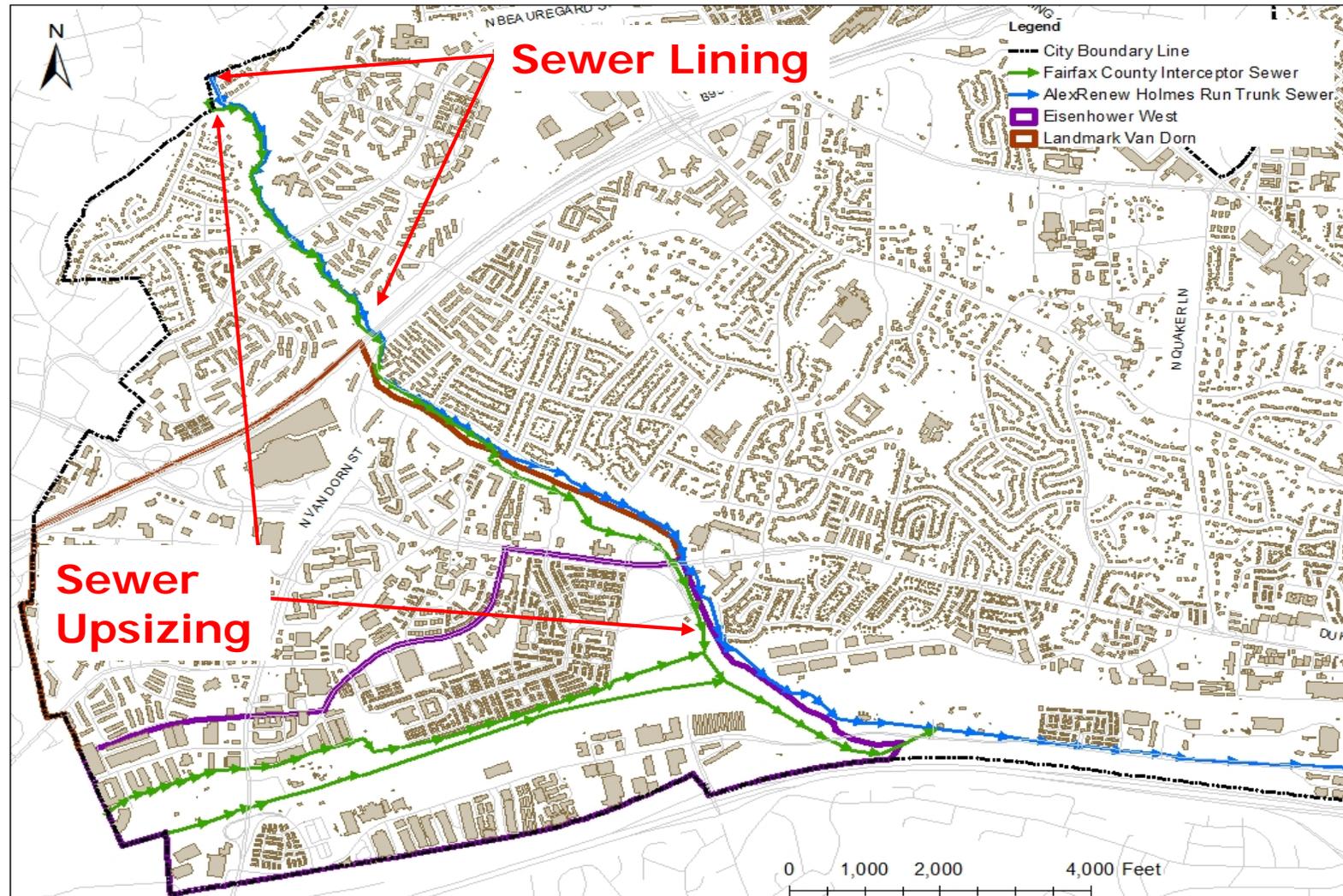
Interceptor study/modeling efforts date back to 1990s

- City and Fairfax conducted I/I investigations/rehab
- More recent study indicates need for capacity improvements

Study recommendations:

- Sewer lining on Holmes Run Trunk Sewer (AlexRenew asset)
- Sewer upsizing on Lower Holmes Run Sewer (Fairfax County asset)

Continue 3-party modeling, engineering and discussion



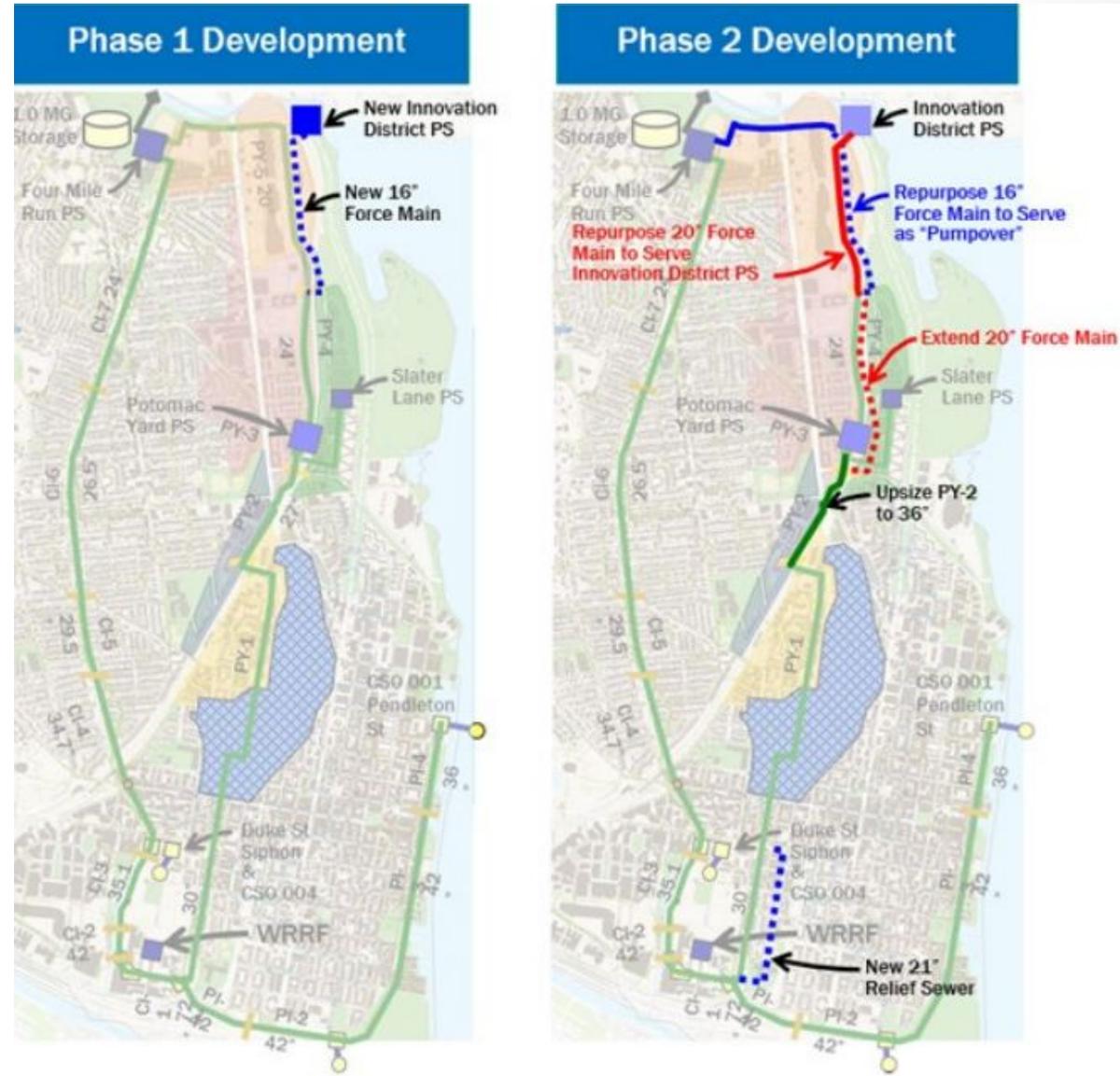
Potomac Yard

North Potomac Yard Small Area Plan approved 2020

Phase 1 development construction:
 Innovation District Pumping Station
 16-inch force main
 AlexRenew to own and operate once constructed

Phase 2 development construction:
 Force main extension (Developer)
 Upsize section of trunk sewer (Developer)
 21-inch relief sewer (City)

AlexRenew to continue to monitor the flows in the trunk sewer and work with City on timing of relief sewer construction



Collection System Capacity

31 model basins developed to date

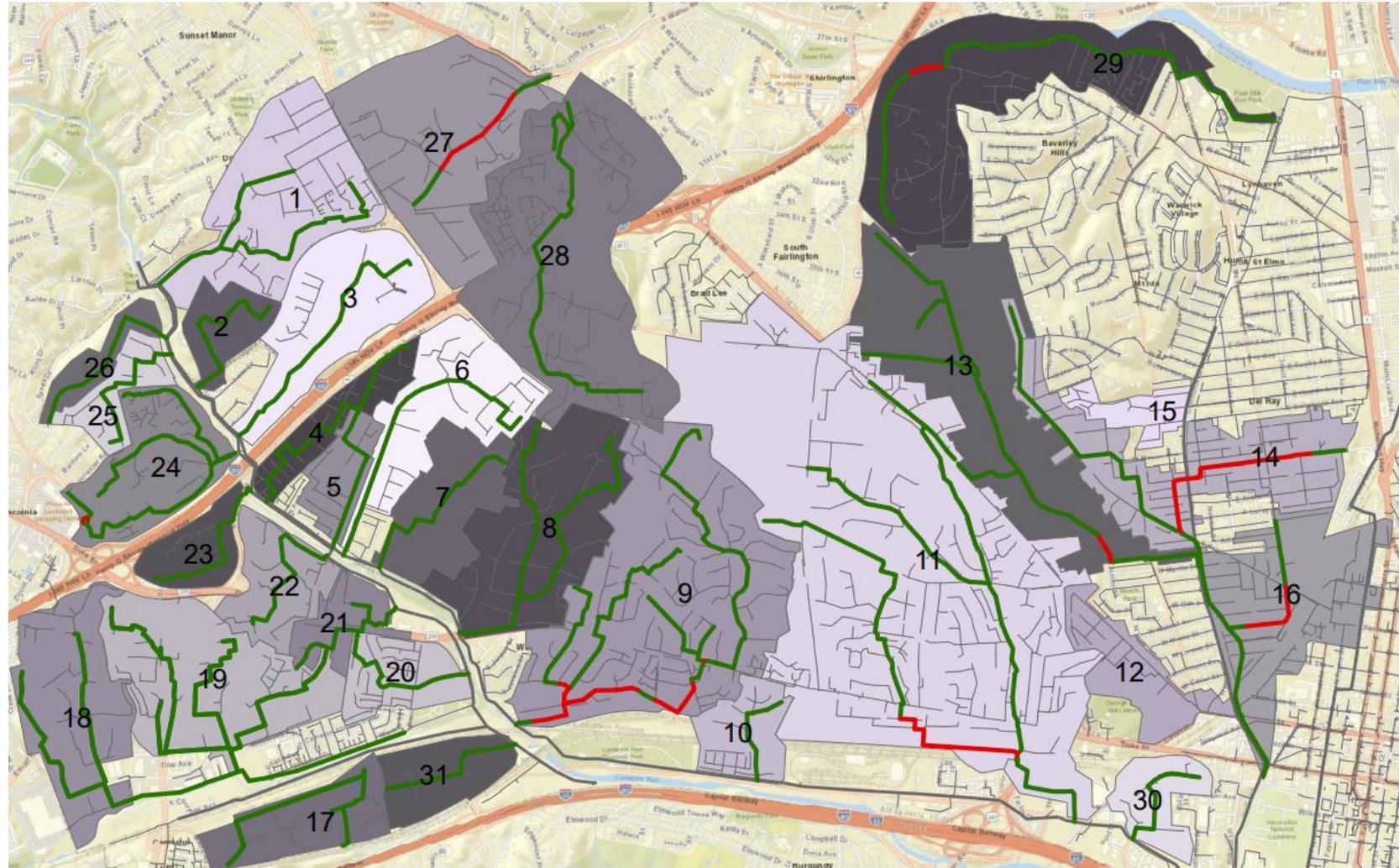
- Focus on areas where greatest amount of development anticipated

Model results show about 16,000 feet of sewer will need to be upsized

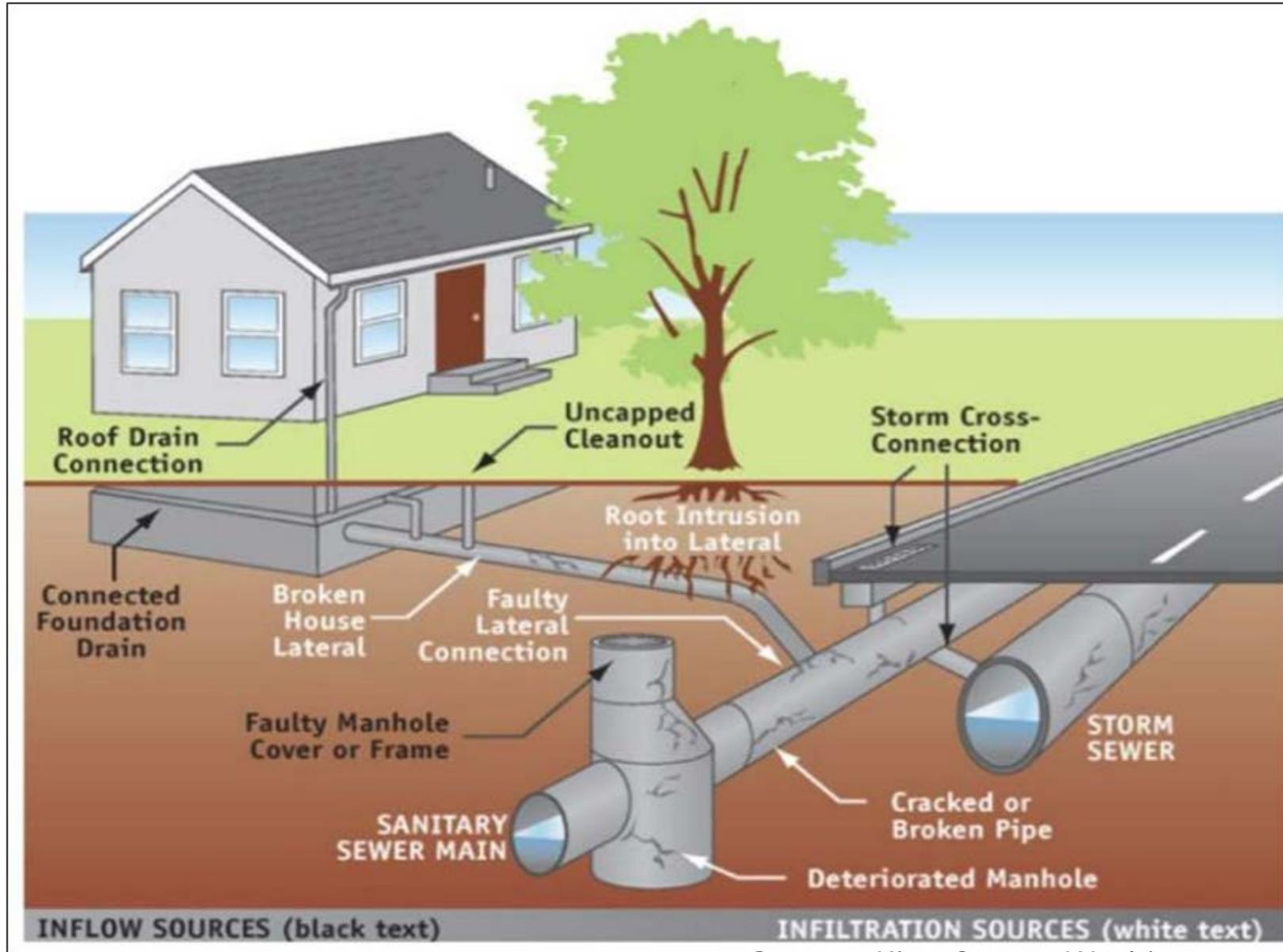
- City responsibility for existing capacity issues
- Growth related capacity issues to be constructed as a condition of development

Future work (starting in 2022)

- Expand model to include entire City (new model basins)
- Develop comprehensive plan for capacity upgrades



Sources of Infiltration and Inflow (I/I)



Source: King County Washington

Overview of City's I/I Program

Program initiated early 2000s following extensive flow monitoring program

- No current flow monitoring
- Multiple rain gauges installed

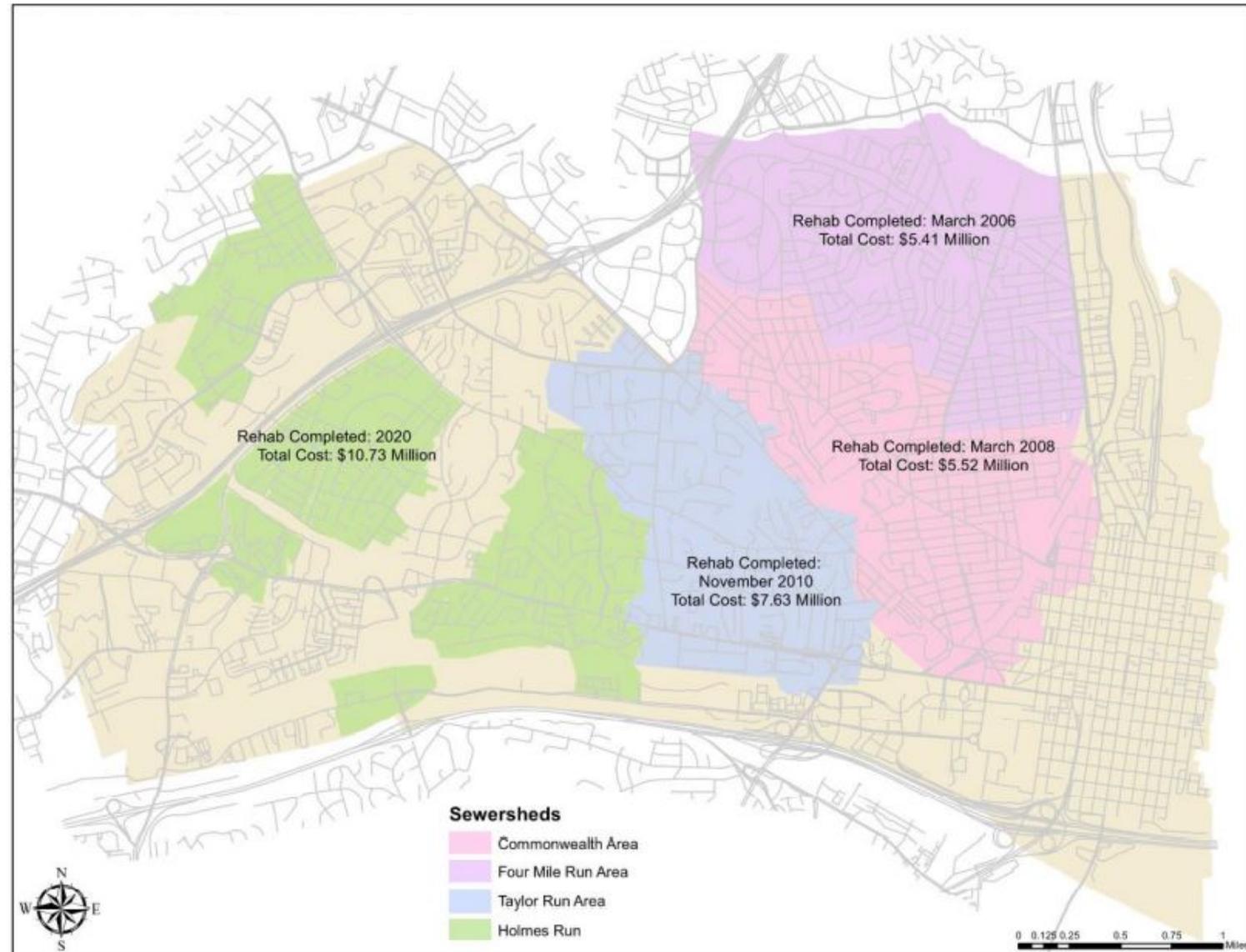
Progression: areas of highest I/I to lowest I/I (starting in Four Mile Run)

- Based on ratio of peak wet weather to average dry weather flows

Work completed to date:

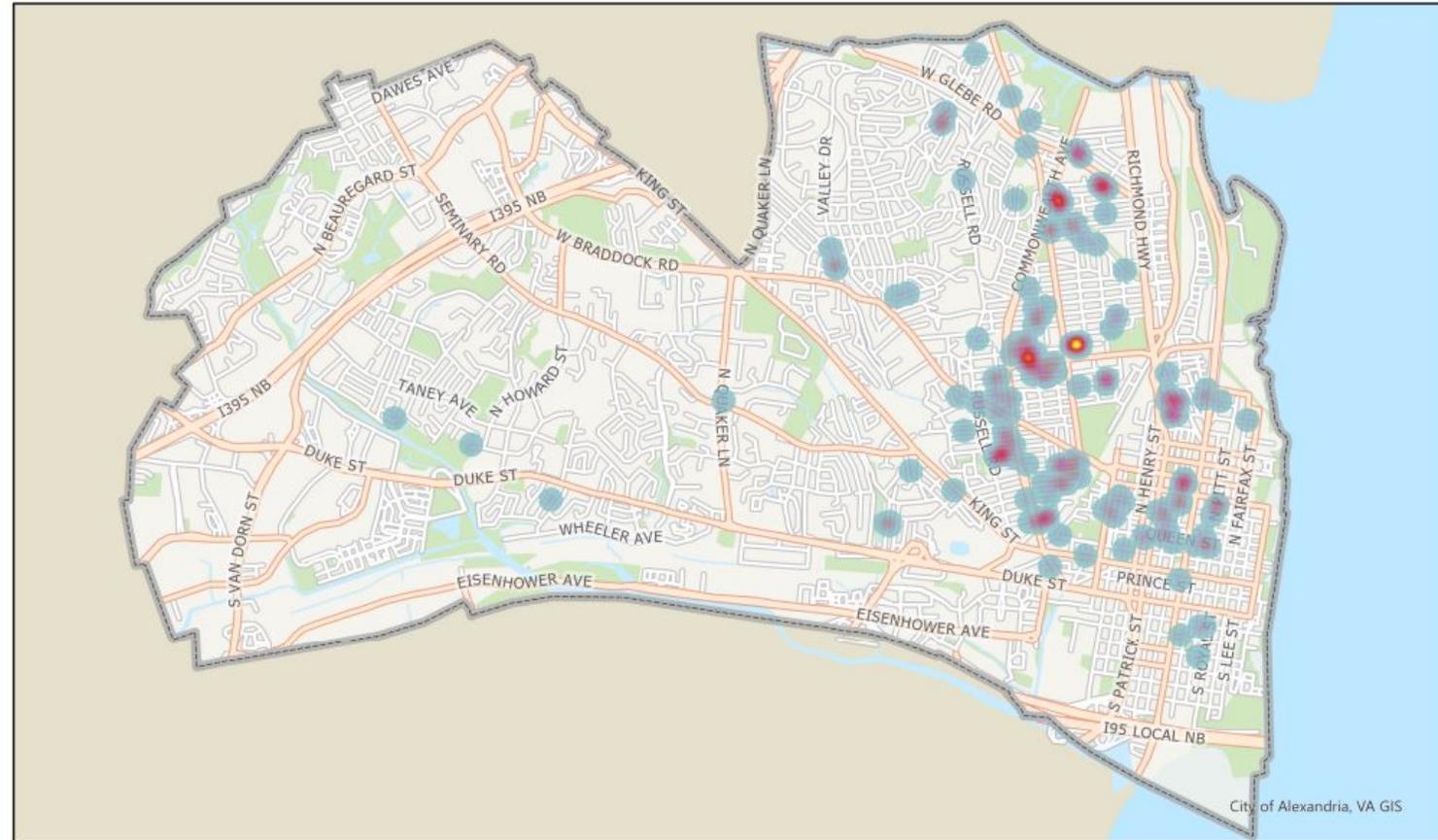
- 60 miles of sewers rehabilitated
- ~3,100 manholes rehabilitated
- Several hundred point repairs

\$29.3 million spent over 20-year implementation period



Wet Weather Impacts – Sewer Backups

- Wet weather events that have led to sanitary sewer backups
 - July 17, 2018
 - July 8, 2019
 - July 23, 2020
 - September 10, 2020
 - August 15, 2021 (map to be updated to include)
- Area map based on reports using Alex311
 - Reported through Call.Click.Connect prior to launch of 311

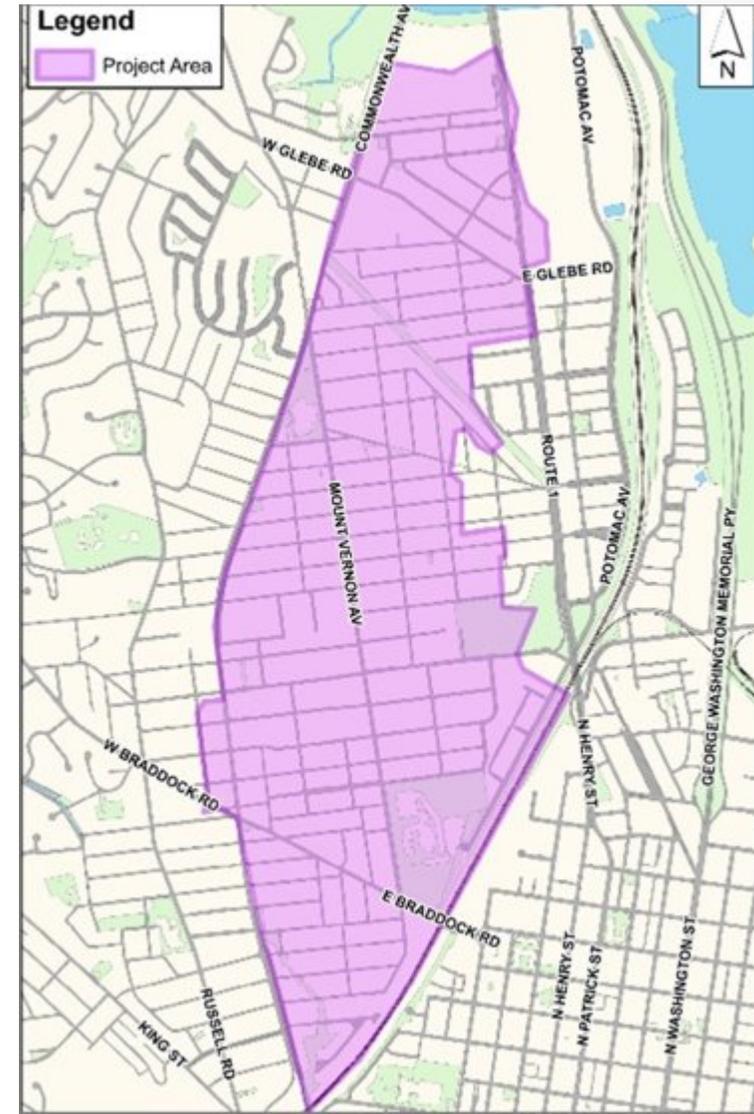


<h3>Areas Subject to Sanitary Sewer Backups</h3>			<p>0 200 400 600 800 1,600</p> <p>Feet</p> <p>1:10,000</p>	
<p>311 Sewer Backup Requests - July 2018 - Sept 2020</p>				
<p><small>This map was produced by the GIS Division of the Department of ITS, City of Alexandria, VA. Mapping Standards: Coordinate System - NAD83 State Plane Virginia North Projection - Lambert Conformal Conic. Map Units - Feet. Pursuant to Section 54.1-402 of the Code of Virginia, any determination of topography or contours, or any depiction of physical improvements, property lines or boundaries is for general information only and shall not be used for the design, modification or construction of improvements to real property or for flood plain determination. The maps provided hereunder are provided "as is" and the City expressly disclaims all warranties, LLC and otherwise, express or implied, including warranties as to accuracy of the maps and readability and fitness for a particular purpose, and further expressly disclaims responsibility for all incidents, consequential or special damages arising out of or in connection with the use or performance of the maps.</small></p>				

Moving Forward: Wet Weather Mitigation Strategies

Sanitary Sewer Asset Renewal Program

- Goal: Inspect 10% of sewer system each year, rehabilitation to follow
- Program initiated in areas where sewer backups have occurred due to extreme wet weather events
- Inspections consist of CCTV of sewers, City-owned portions of lateral sewers, manholes
- 2021: Inspections east of Commonwealth Ave
- 2022: Rehabilitation from 2021 inspections, next round of inspections to commence (west of Commonwealth Ave)



Moving Forward: Wet Weather Mitigation Strategies

Backflow Preventer Assistance Program

- Continue to fund in 2022
- 50% reimbursement up to \$2,000
- Program refinements as needed

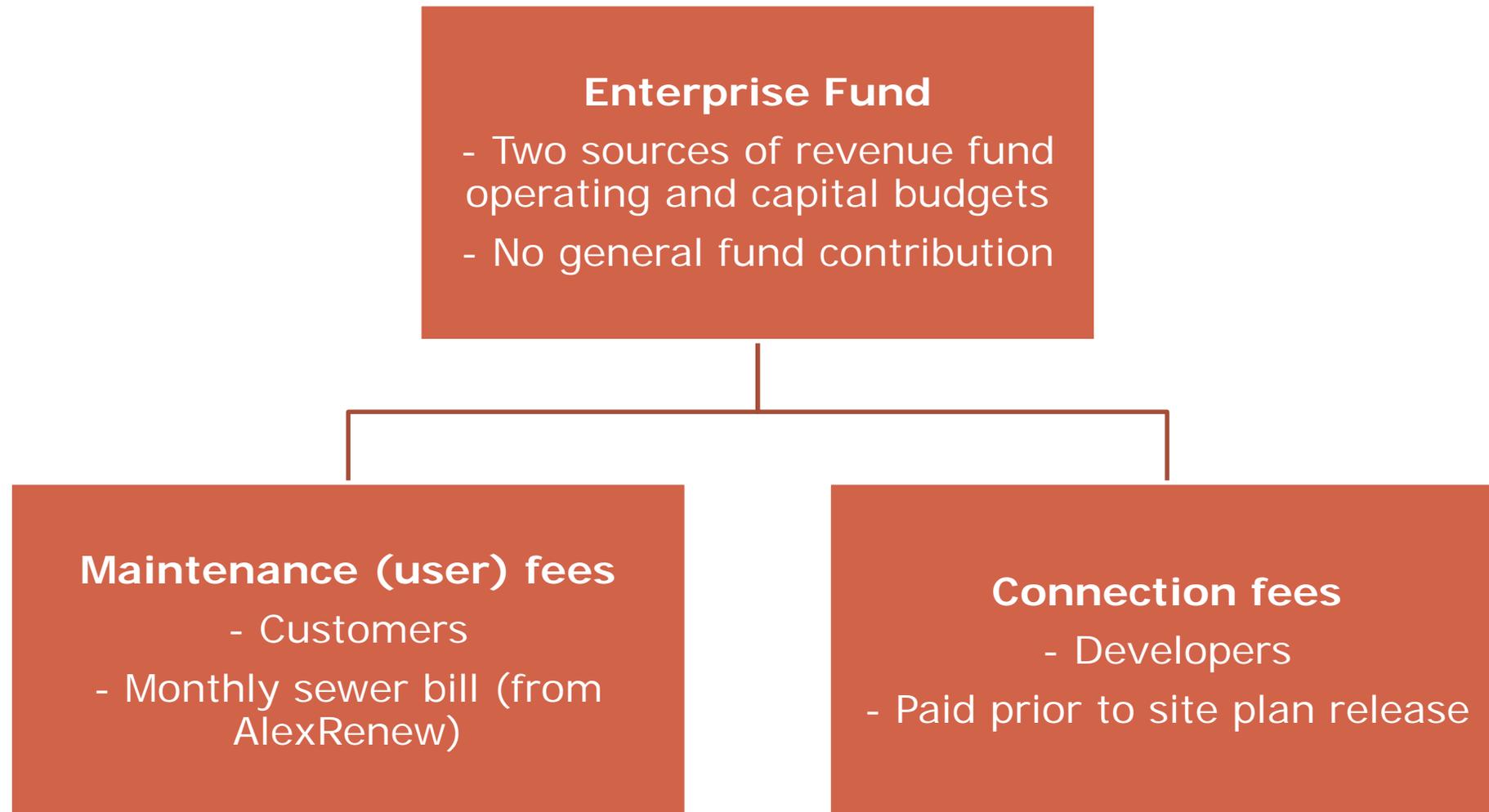
Sewer Capacity Upsizing Projects

- Implement in areas subject to repeat sanitary sewer backups
- To be proposed in FY2023 Capital Improvement Program (CIP)

Private I/I Program Framework

- Review of other jurisdiction programs
- Develop framework for City leaders to consider
- Potential implementation TBD

Sanitary Sewer Fee Study



Sewer User Fee

- Current fee = \$2.28/1000 gallons
 - Based on monthly water consumption
- Winter average basis
 - Basis for AlexRenew billing
 - Used by most surrounding jurisdictions
 - More accurately reflects flows in sewer system

Master Plan Recommendation: Update ordinance to winter average basis, changes to become effective July 1, 2022



Connection Fee (Developers)

Type of Connection	Fee unit calc	Existing Fee (FY2022)	Recommended Fee Changes
Single-Family	Per house	\$9,446	No change
Multi-Family (Apt, Condo)	Per unit	\$8,501	No change - 90% single-family rate
Hotel	Per room	\$8,501	No change - 90% single-family rate
Senior living	Varies	Depends on type of facility	Change to 75% single-family rate
Commercial	Water meter size	Varies based on meter size	Commercial fees increased based on water usage study
Teardown Credit	N/A	50 percent	100 percent - Increased to be consistent with neighboring jurisdictions

Note: Increases in connection fees may be required in the future to fund growth-related capital projects

Schedule

Draft plan released
August 2021

• alexandriava.gov/sewers

Outreach:
September-October
2021

Plan Adoption:
November 2021
(Planning
Commission and City
Council Public
Hearing)

Ordinance Updates:
December 2021

CEO Board Report September 2021

Dear Members of the Board of Alexandria Renew Enterprises,

Following the extension of the local state of emergency by City Council in September, the Alexandria Renew Enterprises (AlexRenew) Board of Directors met virtually on September 21, 2021. During the September 2021 Board meeting, members reviewed the City of Alexandria’s Sanitary Sewer Master Plan process.

Through the August and September timeframe, AlexRenew had one reported case of COVID-19. AlexRenew continues to follow evolving CDC guidance and comply with Virginia Department of Labor and Industry standards during the COVID-19 pandemic.

On September 30, AlexRenew broke ground on the RiverRenew Tunnel Project at the Pendleton Street Construction Staging Area. Pictures from the event are shown in Attachment 1. The event was shared with the community through five news stories by local press.

Operational Excellence

Precipitation for September at the Reagan National Airport was 4.03 inches of rain, which is above the Washington, D.C. historical average precipitation of 3.72 inches for the month.

Biosolids production for September was 1,813 wet tons, all of which was beneficially used through land application in the Virginia counties of Fauquier, Orange, Louisa, and Spotsylvania.

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

Treatment	Daily Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Dissolved Oxygen	Total Nitrogen ¹	Total Nitrogen LOAD	Total Phosphorus	Total Phosphorus LOAD
	MGD	(Monthly Average) mg/L	(Monthly Average) mg/L	(Monthly Average) mg/L	(Minimum) mg/L	(Annual Average) mg/L	(YTD) lb	(Monthly Average) mg/L	(YTD) lb
Permit	54.0	5.0	6.0	Seasonal ²	6.0	3.0	493,381	0.18	29,603
Reported	37.1	<QL	3.2	0.27	7.4	2.4	228,475	0.15	9,669

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

From September 26 – October 2, AlexRenew joined its One Water Alexandria partners – Virginia American Water and the City of Alexandria – to host the 5th Annual Water Discovery Days. The event included both in-person and virtual activities, created to celebrate how the water system works in the City of Alexandria, and encourage citizen engagement to support healthier waterways in Alexandria. The highlight of the week-long event was a kayak clean-up hosted by Four Mile Run Conservatory, which drew 17 volunteers who removed 90 pounds of mostly lightweight plastic and foam items from Four Mile Run.

Customer Service

Customer service received 903 calls in September with 44 percent opting for self-service. Average call answer time was 30 seconds. Call center staff answered 97 emails.

Social Media and Website

Seventy percent of the people who engaged with us on Facebook during September were from the City of Alexandria; the majority (66 percent) were women and 33 percent were men. We had 270 organic engagements on Facebook. We currently have 3,458 Facebook followers. AlexRenew had 234 organic engagements on Twitter, a significant increase from the previous month. We have a total of 3,310 followers on Twitter, 2,367 on LinkedIn, and 194 Instagram followers. Our website had 6,274 sessions and 10,173 page views in September. We had 23 visitors click through to our website from social media. The RiverRenew website had 1,241 visitors and 5,626 page views.

Watershed Stewardship

AlexRenew's Laboratory Team received a thank you from the Potomac Riverkeeper Network for collaboration through the water quality monitoring season. Each year from May to October, the Potomac Riverkeeper Network collect and analyze water quality samples along the Potomac River. Our Laboratory Team assisted with sample disposal and cleaning throughout the summer, allowing Potomac Riverkeeper Network to increase the number of monitoring sites this year.

See RiverRenew Dashboard. (Attachment 1)

Adaptive Culture

Since July 2021, AlexRenew has logged 31,838 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



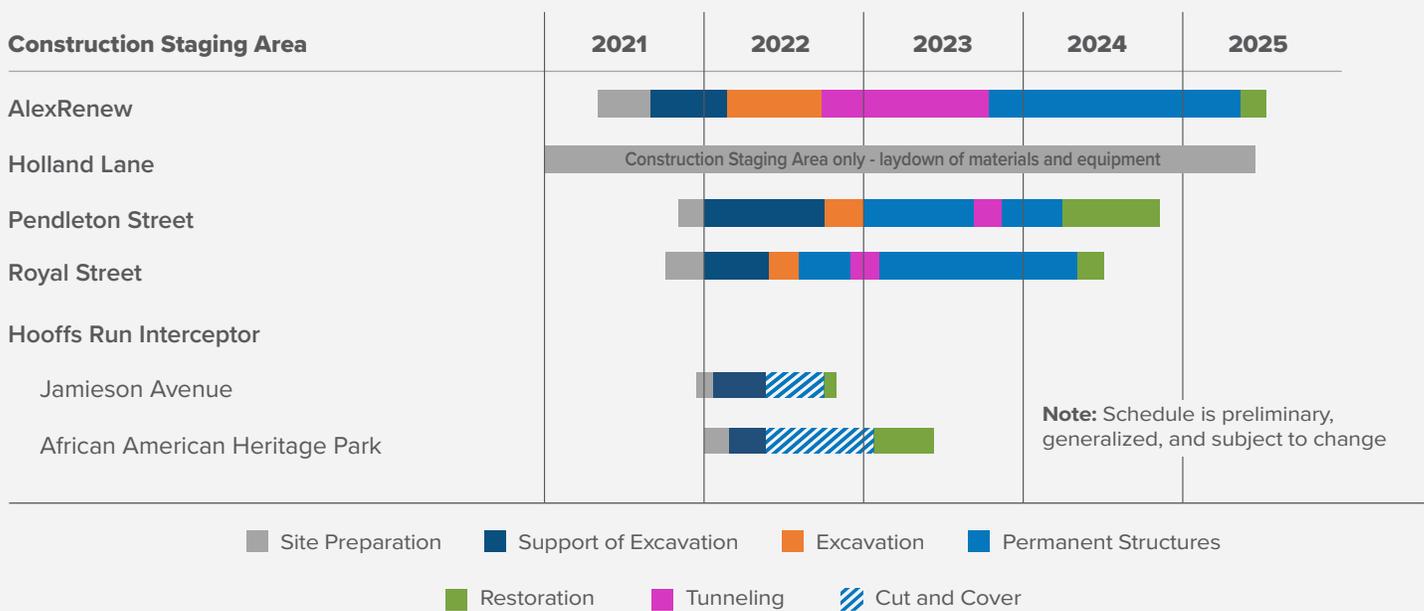
MONTH ENDING: SEPTEMBER 30, 2021

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

RiverRenew Overview

To improve the waterways that connect us, AlexRenew is implementing RiverRenew to prevent millions of gallons of combined sewage from polluting Alexandria's local rivers and streams each year. Three out of four RiverRenew projects were largely completed at AlexRenew's wastewater treatment plant in 2020. The remaining project includes the construction of a new tunnel to connect AlexRenew's wastewater treatment plant to the four existing combined sewer outfalls in Alexandria.

RiverRenew Tunnel Project Schedule



THREE-MONTH LOOK AHEAD	
Date:	Activity:
Ongoing	Permitting and Design
Ongoing	Field Surveys and Utility Locating
Ongoing	Site Preparation at AlexRenew
Oct. 4	Mobilization to Pendleton Street
Oct. 21	Imagine a Day Without Water
Nov. 18	2021-2022 RiverRenew Stakeholder Advisory Group (SAG) Meeting No. 5

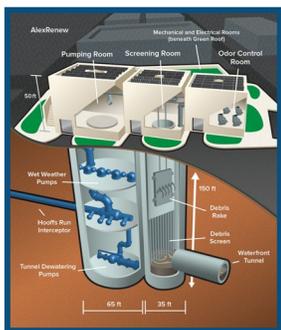
SUMMARY OF MAJOR DELAYS	
Date:	Activity:
Nov. 22	Mobilization to Royal Street
Nov. 22	Mobilization to Hooffs Run
Jan. 2022	Council-Board Workgroup (CBWG) Meeting No. 13

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.

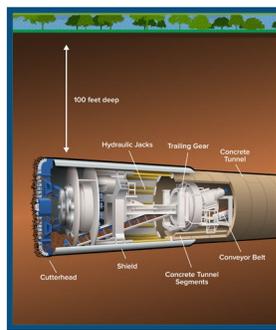


Hooffs Run Interceptor



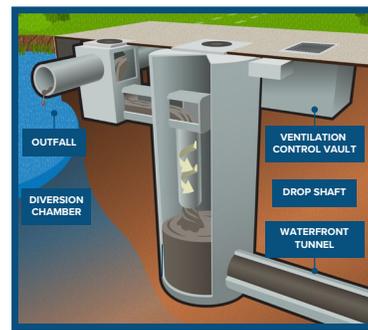
Pumping Station

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.

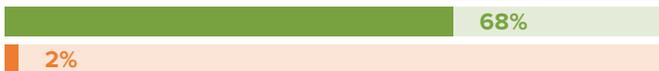
Status of RiverRenew Tunnel Project Components

■ Design
 ■ Construction

Waterfront Tunnel



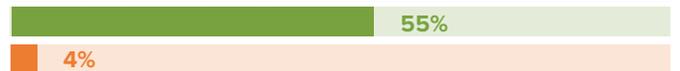
Update: Final design underway.



Pendleton Street Diversion Facility



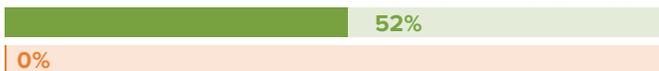
Update: Mobilization and site preparation underway.



Royal Street Diversion Facility



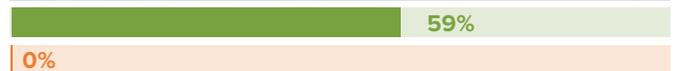
Update: Final design underway.



Hooffs Run Interceptor



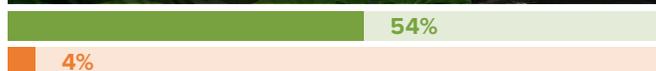
Update: Final design underway.



AlexRenew



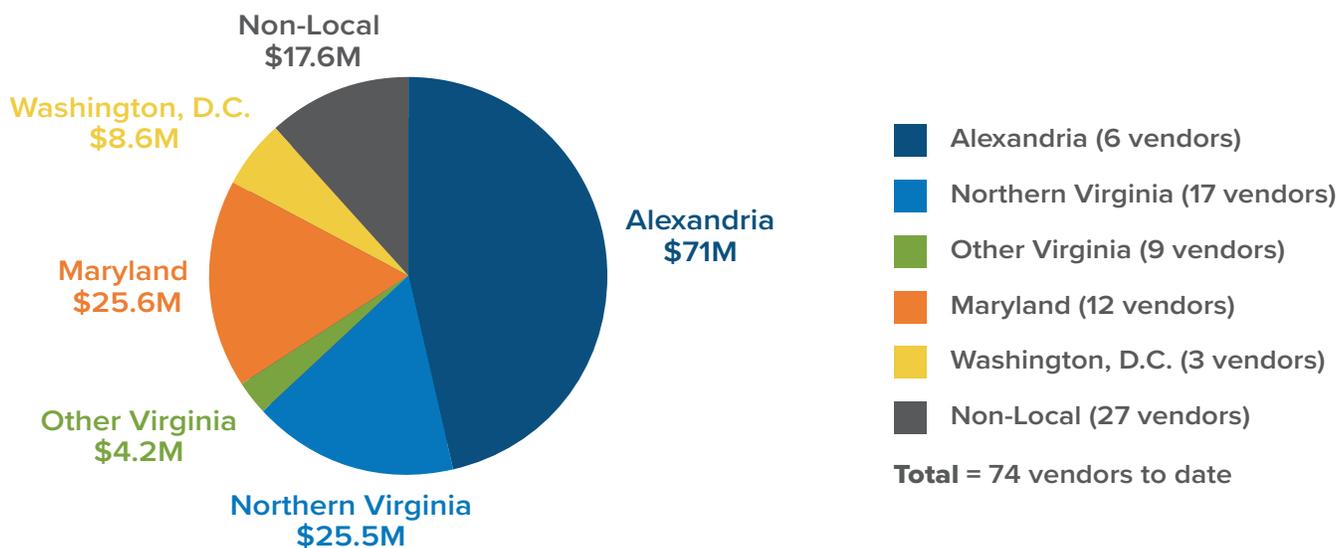
Update: Mobilization and site preparation underway. Final design ongoing.



Note: As of Pay Application No. 8 for the Tunnel Project, pending as of September 25, 2021.

RiverRenew Program Costs to Date

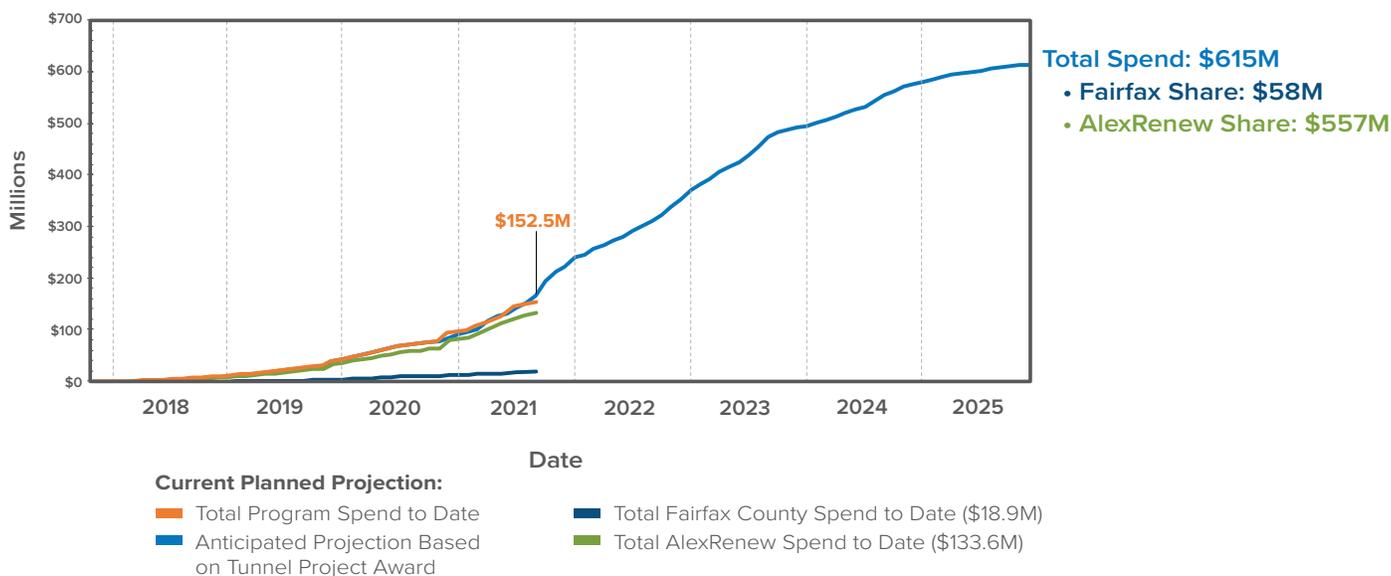
RiverRenew Spend to Date by Locality



RiverRenew Tunnel Project Contracts

Vendor	Role	Contract Type	Contract No.	Contract Date	Spent to Date (\$ millions)
Traylor-Shea Joint Venture	Design-Builder Tunnel System Project	Design-Build	19-079	Dec 2020	\$53.7
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$49.3
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$2.8
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$46.7

RiverRenew Cash Flow Analysis



Note: As of Pay Application No. 8 for the Tunnel Project, pending as of September 25, 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:

- Released [Cloe the TBM Builds a Tunnel](#), a RiverRenew storybook
- [Wayne the Crawler Crane's](#) Support of Excavation banners and graphics



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:

- 2021-2022 SAG Meeting No. 4: [September 16](#)

Looking Ahead:

- 2021-2022 SAG Meeting No. 5: [November 18](#)



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.



Community Days

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

Highlights:

- RiverRenew Tunnel Project Groundbreaking Ceremony: [September 30](#)

Looking Ahead:

- Imagine a Day Without Water: October 21, 2021



Digital Programming

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

Highlights:

- Livestreaming the RiverRenew Tunnel Project Groundbreaking Ceremony and promoting it on **social channels**
- A **program update** outlining upcoming mobilization efforts at RiverRenew Construction Staging Areas



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 No. 12: [September 23](#)

Looking Ahead:

- Council-Board Workgroup Meeting No. 13: January 2022



Community Events

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

Highlights:

- Water Discovery Days: September 26 - October 2, 2021

Monthly Construction Spotlight



AlexRenew Breaks Ground Toward Healthier Waterways

On September 30, AlexRenew officially kicked off construction on the RiverRenew Tunnel Project.

The groundbreaking ceremony took place at the [Pendleton Street Construction Staging Area](#), the future site of a diversion facility that will direct combined sewage into the Waterfront Tunnel.

While the groundbreaking ceremony marks the beginning of RiverRenew construction activity outside of our wastewater treatment plant, preparations have been ongoing since we assumed ownership of the City of Alexandria's combined sewer outfalls in 2018.

“Our team has worked incredibly hard to advance the largest infrastructure project in our city’s history to this point, and the best is yet to come,” said Karen Pallansch, AlexRenew General Manager. “In reaching this major milestone, we’re one step closer to bringing healthier waterways to our community members, wildlife, and future generations.”

Read more about the ceremony, check out photos from the event, and watch the recorded livestream at [RiverRenew.com/news/program-updates/livestream](https://www.riverrenew.com/news/program-updates/livestream).

Building for the Future of Alexandria’s Waterways

To learn more, visit www.RiverRenew.com



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

Monthly Financial Report



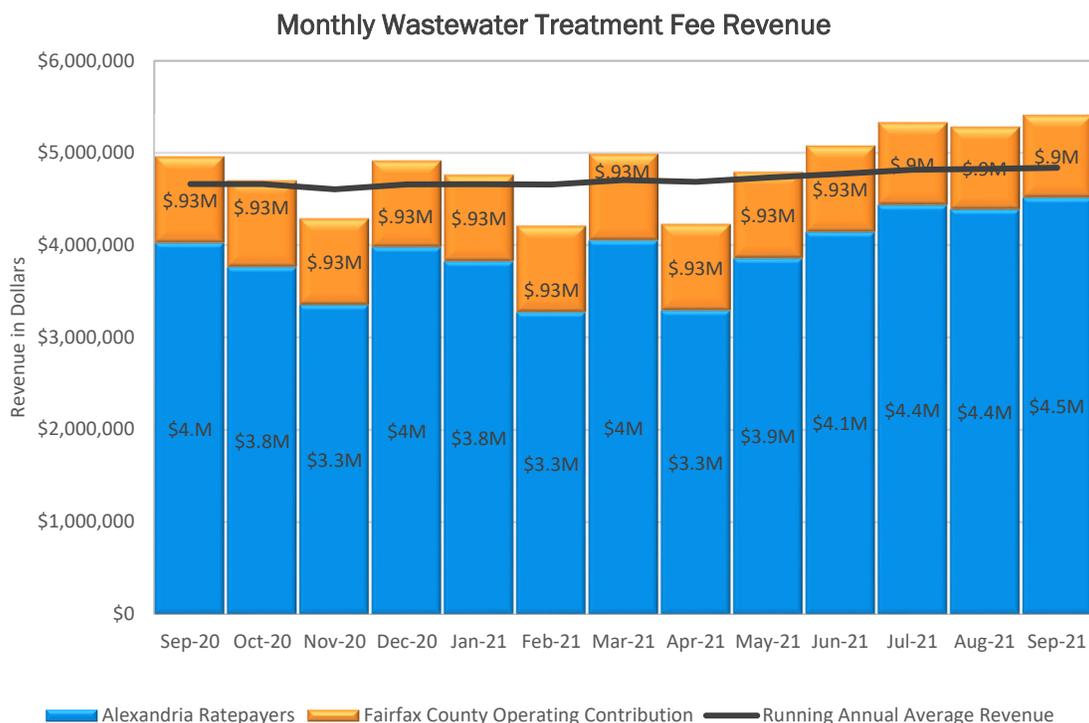
Month: September 2021

Overview

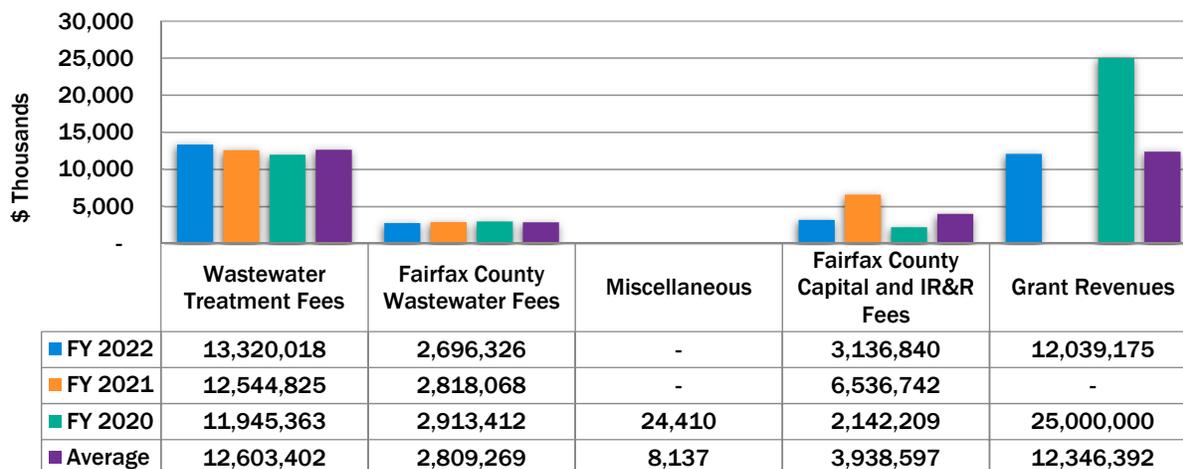
Monthly performance of AlexRenew’s annual approved budget is reviewed and evaluated against actual to planned spend rates, historical trends, appropriate benchmarks and internal financial policies, to ensure overall organizational financial stability.

Revenues

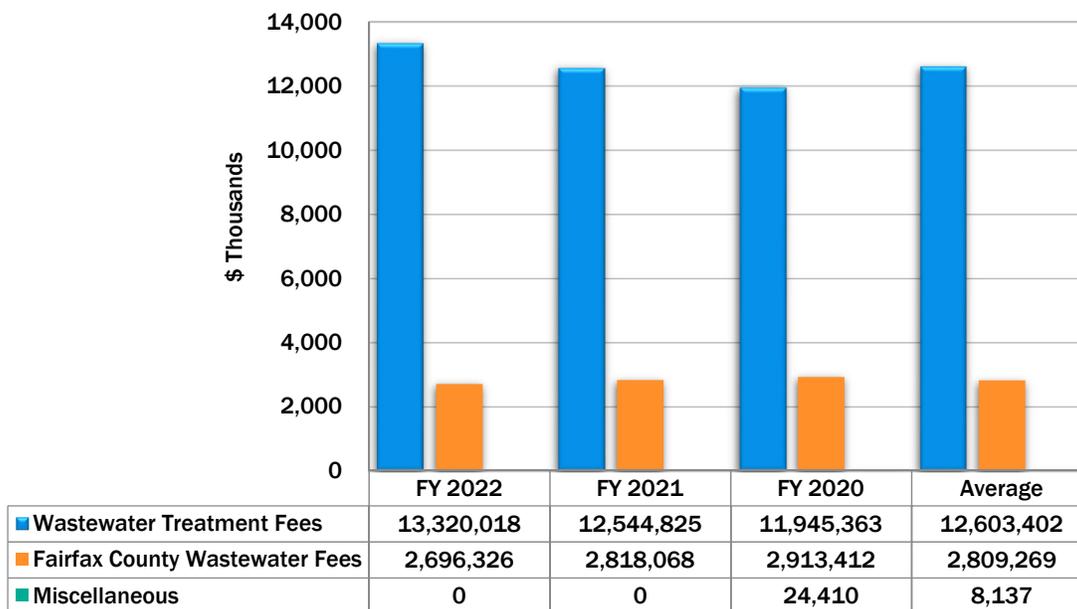
- FY22 operating revenues total \$16.0 million through the end of September with approximately \$13.3 million in Wastewater Treatment Charge revenue and \$2.7 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$0.8 million (6.18%) more compared to the same time period in FY21, and \$1.37 million (11.4%) above the Fiscal 2022 YTD budget. Data indicates an increase month-over-month in customer revenue in September 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.



Annual Revenue and Capital Contributions 3 Year Comparison



Annual Operating Fund Revenues 3 Year Comparison



Expenses

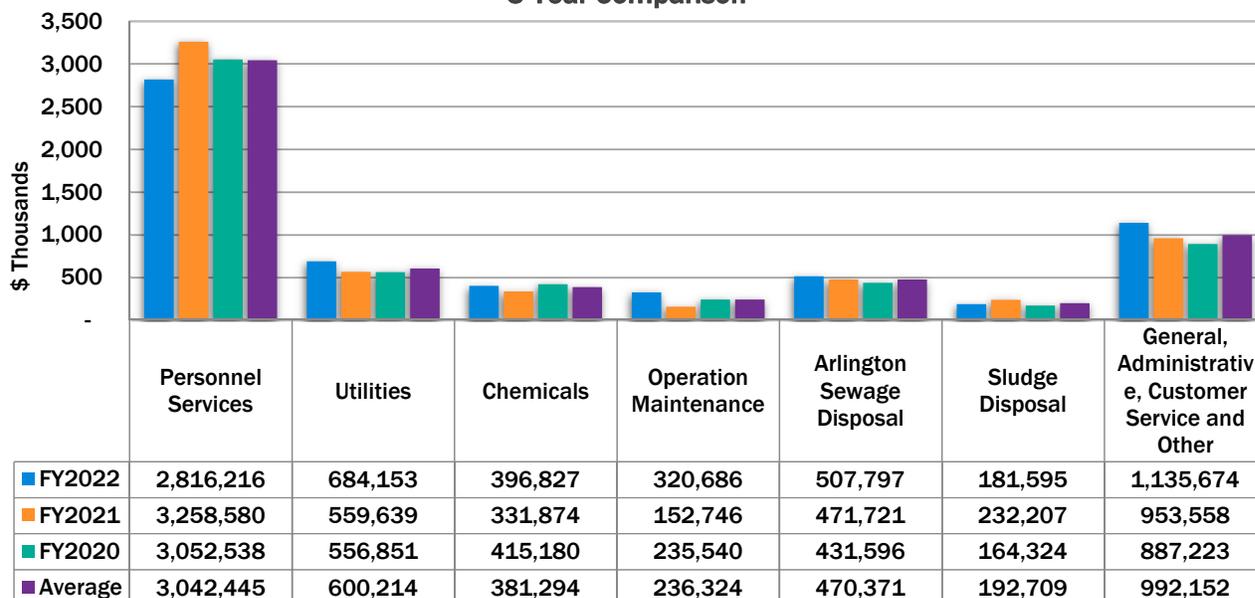
FY22 operating and maintenance expenses are approximately 17% or \$1.24 million under the year-to-date budget, representing a spend rate of 20.6%. An overall decrease in personnel services and sludge disposal accounts primarily for this variance.

Capital outlay expenses are \$8.24 million year-to-date, representing a spend rate of 7.7%. At three (3) months into the fiscal year, the overall spend rate is 11.2% of the total budget.

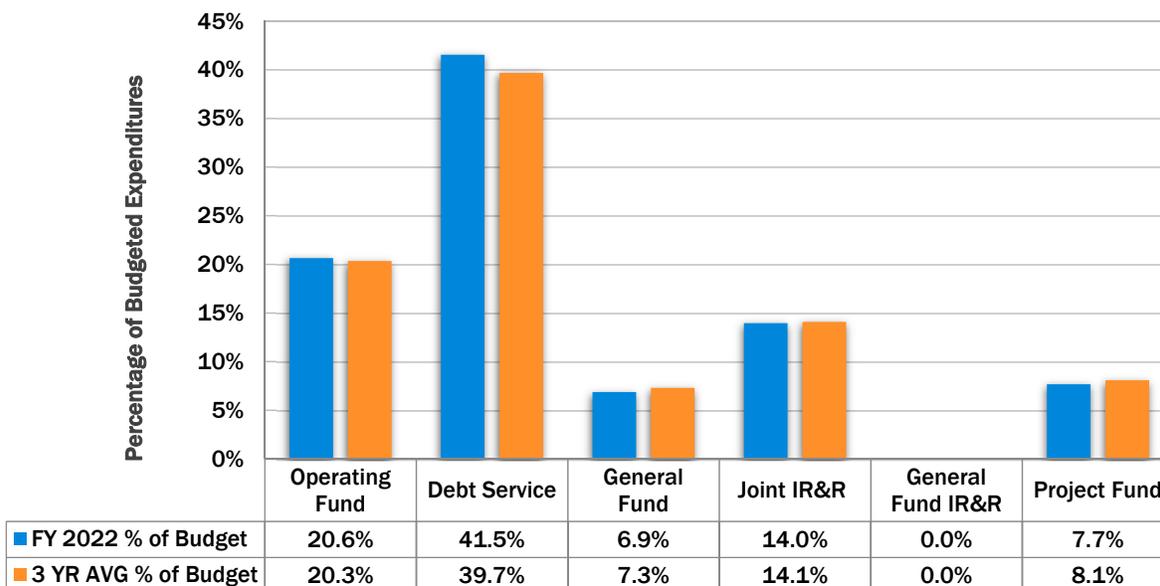
Expenses by Fund

ACTUAL VS. BUDGET Through September 2021					SPEND RATE		
(\$ Millions)	FY 2022	FYTD 2022	3 YR AVG	FYTD 2022	FY 2022	3 YR AVG	Variance FY22
Expenses (By Fund)	BUDGET	ACTUAL	ACTUAL	BUDGET	% of Budget	% of Budget	to 3 YR AVG
Operating Fund	\$ 28.39	\$ 5.86	\$ 5.78	\$ 7.10	20.6%	20.3%	0.3%
Debt Service	13.92	5.78	5.59	3.48	41.5%	39.7%	1.9%
General Fund	72.40	4.97	1.86	18.10	6.9%	7.3%	-0.4%
Joint IR&R	5.70	0.80	0.73	1.43	14.0%	14.1%	-0.1%
General Fund IR&R	0.12	-	-	0.03	0.0%	0.0%	0.0%
Project Fund	107.50	8.24	5.67	26.88	7.7%	8.1%	-0.4%
Total	\$ 228.03	\$ 25.64	\$ 19.62	\$ 57.01	11.2%	13.7%	-2.4%

Annual Operating Expenses 3 Year Comparison

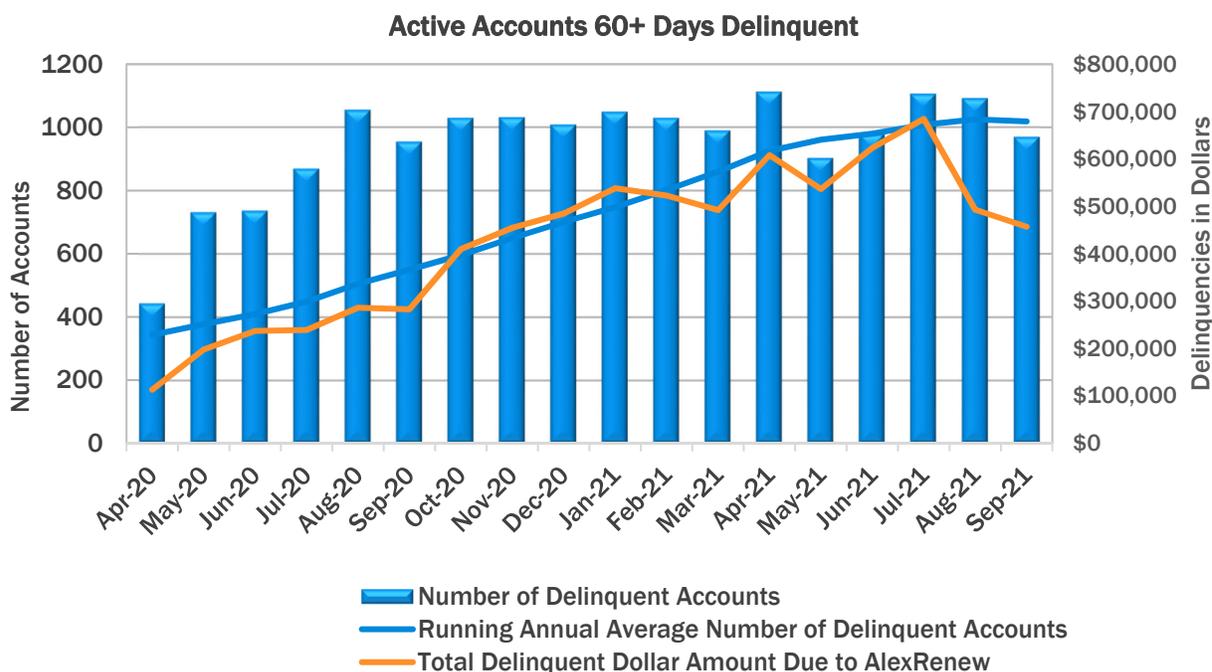


Expenditure Budget Comparison By Fund FY 22 vs. 3 Year Average



Delinquencies

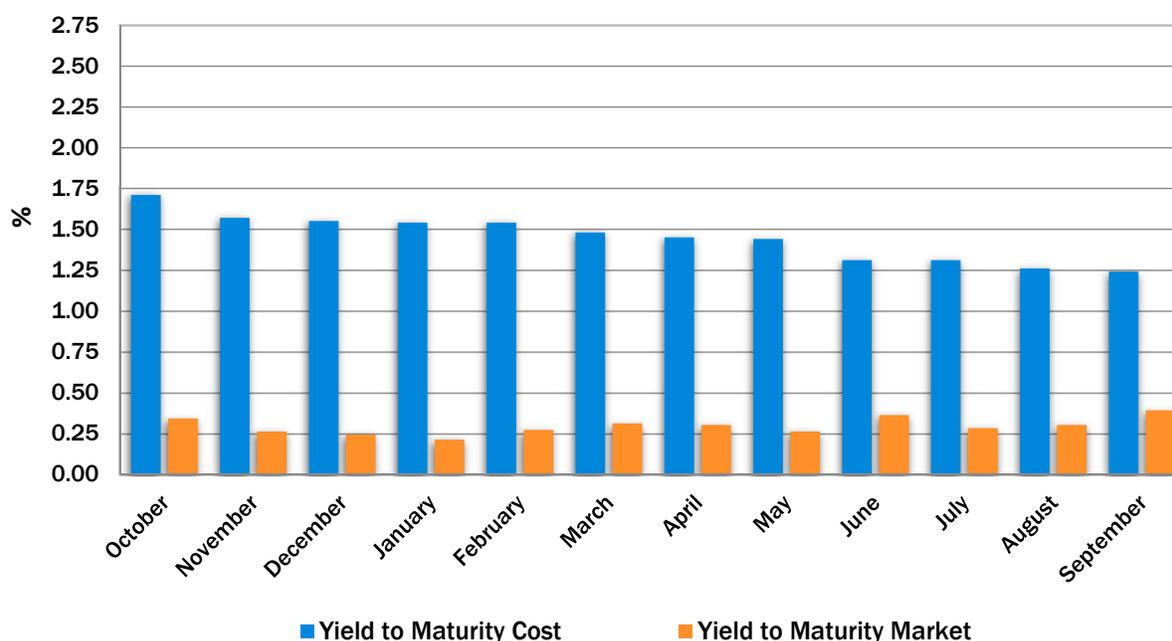
The number of accounts that are delinquent by more than 60 days decreased month-over-month, from 1,091 accounts in August to 969 in September. The total dollar amount owed to AlexRenew from these accounts decreased to \$456,859, which was primarily driven by the award relief funding to over 180 customers in the month of September. AlexRenew continues to work with customers with unpaid bills to establish payment plans, evaluate eligibility for relief programs, and otherwise assist them in bringing their accounts current.



Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew's \$29.0 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.24%; a level significantly higher than general bank deposit earnings rates.

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

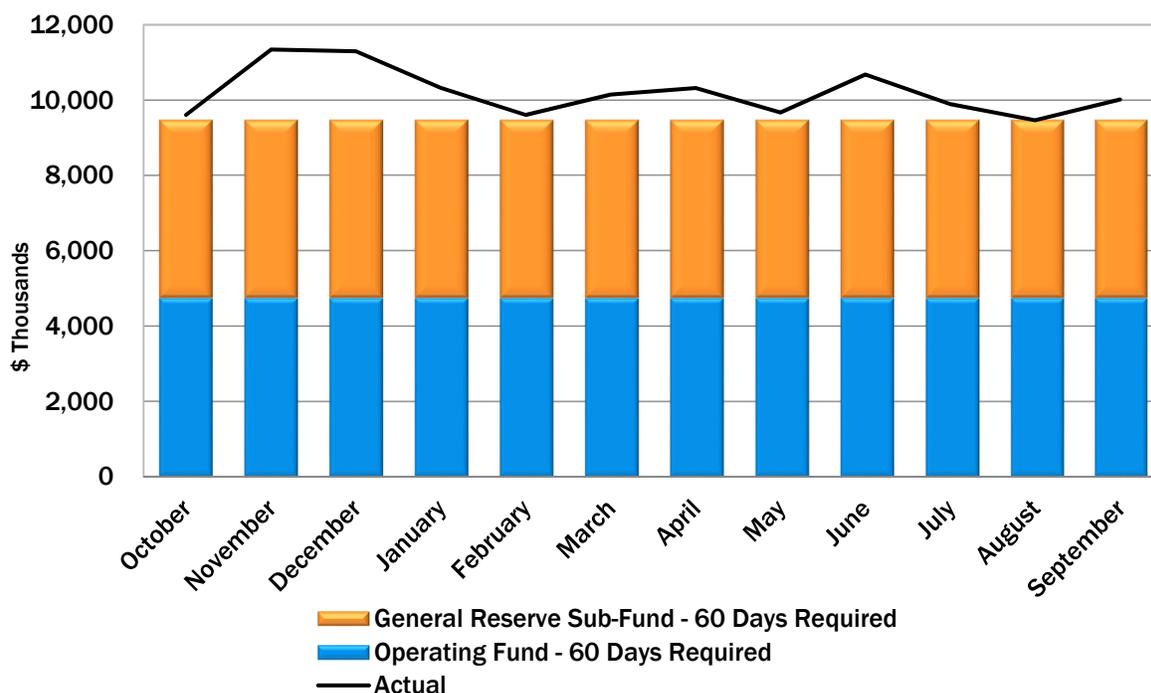


Cash Reserves

AlexRenew's Indenture requires that it maintain a balance on deposit in the Operating Fund equal to not less than 60 days of budgeted operating expenses. AlexRenew's Financial Policy requires a balance on deposit in the 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 FY22 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 September, 2021		
Total Operating Cash	\$ 2,496,504	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,862,988	
CARE ACT COVID19 Funding Balance	\$ (72,023)	
Total Operating Cash	<u>\$ 5,287,469</u>	
Total General Reserve Sub-Fund Cash	<u>4,731,167</u>	
Total Operating and General Reserve Sub-Fund Cash	<u>10,018,636</u>	106%

Cash Reserve Policy



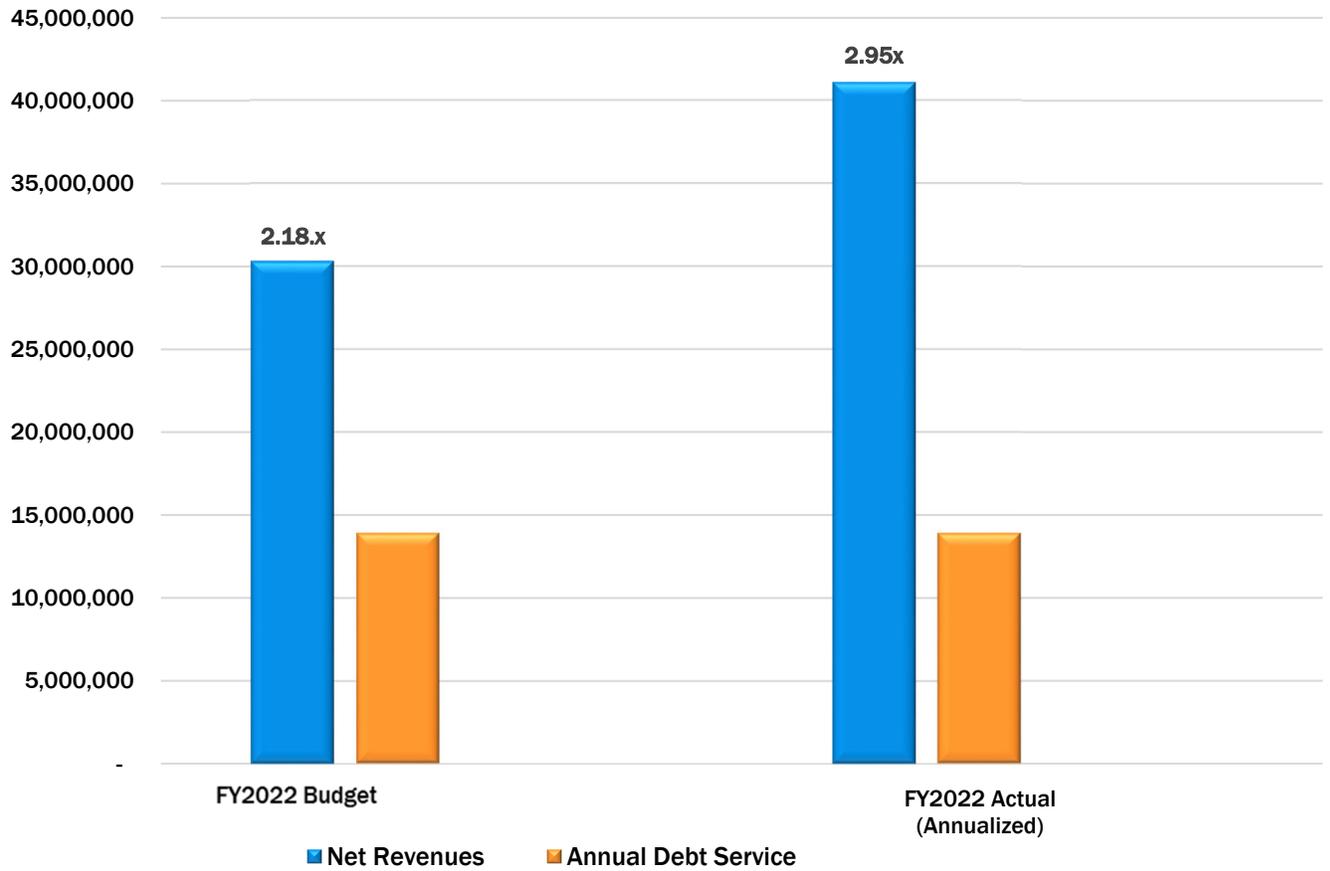
Debt Service Coverage

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 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 below. The 2.18x designated in the graph below represents projected coverage for FY22 based on original FY22 budget expectations. At three months into the fiscal year, annualized results would indicate coverage of at 2.95x, ahead of the budgeted projection of 2.18x.

Financial Policy Compliance - All-In Debt Service Coverage	FY 2022 Actual	FY 2022 Budget
Gross Revenues Available for Debt Service Coverage:		
Wastewater Treatment Charges - Alexandria Ratepayers	53,280,070	47,814,540
Fairfax County Operating Expense Charge	10,785,305	10,785,305
Reimbursement from other systems	-	-
Investment Income	441,348	115,000
Less Restricted Investment Income	-	-
Total	64,506,724	58,714,845
LESS Operating Expenses	(23,430,791)	(28,386,991)
Net Revenues [a]	41,075,933	30,327,854
Annual Debt Service [b]	13,919,620	13,919,620
Calculated All-In Debt Coverage [a/b]	2.95x	2.18x
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.