

# Meeting Book - Regular Board of Directors Meeting

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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, January 11, 2022  
SUBJECT: Regular Board of Directors Meeting - Virtual

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The Regular Meeting of the Board of Directors will be held virtually on Tuesday, January 18, at 6:00 p.m.

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

There is one new business item requiring Board action this month.

- ◆ New Board Member Welcome



**Agenda**  
 Alexandria Renew Enterprises Board of Directors Meeting  
 Tuesday, January 18, 2022 @ 6:00 p.m.  
 VIRTUAL via Zoom

No.	Item	Presenter	Action Required
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*Due to Covid-19 pandemic emergency, the January 18, 2022 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\\_Fyy5w2lyQ-Se1pfDAU8R8A](https://us06web.zoom.us/webinar/register/WN_Fyy5w2lyQ-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](mailto: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 Agenda (6:15 p.m.)	Chairman	Approval
	A. Minutes (Meeting December 21, 2021) (Tab 1)		
6.	Unfinished Business (6:17 p.m.)	Chairman	Approval
	A. None		
7.	New Business (6:19 p.m.)	Chairman	Approval
	A. New Board Member Welcome	Chairman	
8.	AlexRenew Monthly Outcomes Update (6:35 p.m.) (Tab 2)	Ms. Pallansch	Information
9.	Adjourn (6:40 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.*

***The next Board of Directors meeting is virtual and scheduled for Tuesday, February 15, 2022 @ 6:00 p.m.  
 The Governance Committee will meet virtually on Thursday, January 27, 2022 @ 5:00 p.m.***

Chairman- John Hill • Vice Chairman- Jim Beall  
 • Secretary-Treasurer-William Dickinson  
 • Members- Adriana Caldarelli

Minutes of the 889th Meeting - Electronic  
***“Celebrating Over 60 Years of Continuous Environmental Excellence”***  
Alexandria Renew Enterprises  
Tuesday, December 21, 2021

On Tuesday, December 21, 2021, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting electronically using the Zoom software with no members physically present. 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. Lorna Huff, Secretary to the Board

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

Fairfax County Representative: Mr. Shahram Mohsenin, Director,  
Wastewater Planning & Monitoring Division

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

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

Call to Order

The Chairman called the meeting to order at 6:00 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. Ms. Caldarelli 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 December 21, 2021, Alexandria Renew Enterprises Board of Directors meeting is being held electronically pursuant Virginia Code Section 2.2. 3708 (A)(3) and the local state of emergency declared by the Alexandria City Council. The meeting is being recorded and a recording will be posted to the Alexandria Renew website. The public has been notified 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 Agenda.

### Consent Agenda

The Chairman requested that members review the Consent Agenda and if there were no questions or changes, he requested a motion to approve. Mr. Dickinson moved and Ms. Caldarelli seconded. The Board unanimously approved the Consent Agenda which contained the following item:

- A. Minutes of the November 16, 2021, meeting

### Unfinished Business

- A. None

### New Business

- A. Recognize the Service of Outgoing Board Member, Mr. Bruce Johnson

#### Discussion

The Board of Directors recognized the service of departing member, Mr. Bruce Johnson with the following resolution.

#### ALEXANDRIA RENEW ENTERPRISES BOARD OF DIRECTORS' RESOLUTION RECOGNIZING CONTRIBUTIONS OF MR. BRUCE JOHNSON

Whereas, Mr. Bruce Johnson was appointed to the Board in January 2014. He served as Secretary-Treasurer from 2015-2016, and as Vice Chairman of the Board from 2016 to 2019. He has served as the chair of the Finance & Audit Committee since the beginning of his tenure.

Whereas, Mr. Johnson's prior roles as Budget Director, Chief Financial Officer, and Acting City Manager for the City of Alexandria have provided valuable assistance to the Authority and has been vital to establishing and maintaining positive relationships in the City and local community.

Whereas, Mr. Johnson's expertise in the areas of finance and government greatly improved the presentation of financial information to the Board using charts and tables to illustrate the Authority's monthly financial statements.

Whereas, Mr. Johnson during his tenure as Finance & Audit Committee Chairman provided financial guidance on the Authority's budget document and process, making an improved budget document that was both transparent and informational.

Whereas, Mr. Johnson's thoughtful and probing questions during meetings proved valuable as the Authority reviewed rates and financing options for the Authority's Environmental Center and newly acquired CSO assets.

Whereas, Mr. Johnson has represented the Authority at various conferences and seminars sharing both his insights and knowledge base with representatives from a wide variety of companies as well as his Board peers.

Whereas, The Board of Directors of Alexandria Renew Enterprises wishes to acknowledge and thank Mr. Bruce Johnson for his work on behalf of Alexandria Renew Enterprises.

The Chairman recognized Mr. Johnson who discussed his prior experience working on budget issues in the federal government. He reported that it was a pleasure and privilege to serve on the Board and represent the citizens of Alexandria.

The Chairman recognized Mr. Dickinson who reported that he could not think of anyone more qualified to be on the Board and praised Mr. Johnson for his knowledge of the City. He further reported that Mr. Johnson is well-regarded in the Community.

Mr. Beall and Ms. Caldarelli praised Mr. Johnson's thanking him for his service and contributing his expertise in finance. They both enjoyed working with him and wished him well in the future. There were no additional comments and the Chairman presented Mr. Johnson with his Song of the Sewer plaque.

There were no additional questions or comments and the Chairman recognized Ms. Pallansch

#### CEO Monthly Outcome Reports

The CEO, on behalf of the staff, and the Chief Financial Officer thanked Mr. Johnson for his Board service. She reported that he taught staff a lot and they appreciate everything he has done to help AlexRenew continue its progress toward being the best authority and utility in the country.

Ms. Pallansch noted her written report and inquired if members had questions or comments. She reported that Mr. Johnson's position has been listed and closes on December 31<sup>st</sup>. It is a quick turnaround. She encouraged members to share the vacancy announcement and reported that City Council will vote on this on January 11<sup>th</sup>. Ms. Pallansch had no additional comments but is happy to answer questions.

The Chairman inquired about the usage of the lobby space for the election. Ms. Pallansch reported that the City's elections office has used the lobby space previously for elections. They also use the 6<sup>th</sup> floor

for training. Staff gets positive feedback.

Mr. Dickinson noted that AlexRenew is his polling place that things went well and people took time to view some of the exhibits.

The Chairman inquired if the safety statistics in the CEO Report include RiverRenew construction. Ms. Pallansch reported that the workplace safety stats do not include RiverRenew. Those are separate from AlexRenew and are indicated on the RiverRenew Dashboard.

Mr. Dickinson reported that he was pleased regarding the wastewater surveillance item and inquired if the City of Alexandria is availing themselves of this data. Ms. Pallansch reported that Alexandria participates in the study with the Virginia Department of Health (VDH) and that information gets handed over to the City health department.

Ms. Pallansch reported that the Governor announced he's investing \$1 billion dollars into water quality and various water quality projects. Included in that is the \$40 million grant that the State has agreed to give AlexRenew. The challenge is to ensure that grant funding stays given the changes in the Governor's office and General Assembly.

Mr. Johnson inquired on the schedule of Hooffs Run on the RiverRenew Dashboard and permits. Ms. Pallansch reported that the Hooffs Run is an upsizing of the existing interceptor from 36 inches to 72 inches and due to easement agreements, this work had to be performed early. Ms. Pallansch reported that we have a good working relationship with the City and permitting is a high priority to keep the project on time.

Mr. Beall inquired on the work being performed at Holland lane. Ms. Pallansch reported that work is Traylor Shea's construction staging area. The team is well ahead of what they had planned and design is moving faster than anticipated.

The Chairman commended the CEO on the RiverRenew Dashboard.

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

The meeting adjourned at 6:34 p.m.

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**Secretary-Treasurer**

## CEO Board Report December 2021

Dear Members of the Board of Alexandria Renew Enterprises,

The Alexandria Renew Enterprises (AlexRenew) Board of Directors met virtually on December 21, 2021. The meeting was the final meeting in of Mr. Johnson’s Board term. During the meeting, the Board reviewed a resolution recognizing the contributions of Mr. Bruce Johnson.

In December, AlexRenew had 14 reported cases of COVID-19. AlexRenew continues to adapt its policies to ensure that it follows CDC guidance and is in compliance with Virginia Department of Labor and Industry standards to maintain a healthy work environment during the COVID-19 pandemic.

### Operational Excellence

Precipitation for December at the Reagan National Airport was 0.63 inches of rain, which is below the Washington, D.C. historical average precipitation of 3.05 inches for the month.

Biosolids production for December was 1,571 wet tons, all of which was beneficially used through land application in the Virginia counties of Hanover, King George, and King William.

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

Treatment	Daily Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Dissolved Oxygen	Total Nitrogen <sup>1</sup>	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 <sup>2</sup>	6.0	3.0	493,381	0.18	29,603
Reported	30.2	<QL	2.7	0.05	8.4	2.6	256,956	0.13	10,844

### NOTES

1. Total Nitrogen expressed as year-to-date average.
2. Ammonia has seasonal limits: November - January: 8.4 mg/L

### Public Engagement and Trust

#### **Tours and Events**

During December, one event occurred at the Environmental Center for an Alexandria Girl Scout troop with 18 total visitors.

#### **Customer Service**

Customer service received a total of 923 calls with 50 percent opting for self-service. Average call answer time was 24 seconds. Call center staff answered 97 emails.

#### **Social Media and Website**

70 percent of people who engaged with us on Facebook during December were from the City of Alexandria; the majority (66 percent) were women and 33 percent were men. We had 252 organic engagements on Facebook. We currently have 3,459 Facebook followers. AlexRenew had 130 organic engagements on Twitter and 1 on LinkedIn. We have a total of 3,315 followers on Twitter, 2,384 on LinkedIn, and 203

Instagram followers. Alexrenew.com had 5,694 sessions and 7,982 page views during December. We had 28 visitors click through to our website from social media. The RiverRenew website had 474 visitors and 1,754 page views.

*Watershed Stewardship*

See RiverRenew Dashboard. (Attachment 1)

*Adaptive Culture*

Since July 2021, AlexRenew has logged 71,615 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: DECEMBER 31, 2021

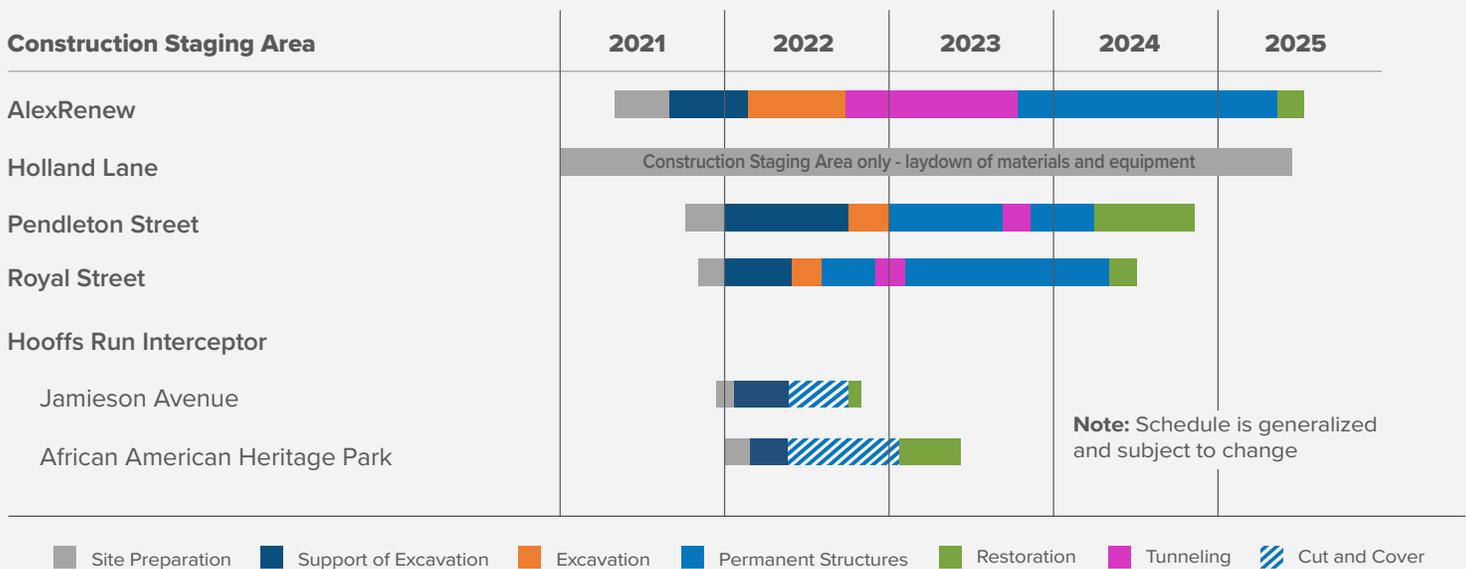
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

## 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 RiverRenew projects at AlexRenew's wastewater treatment plant are complete. The remaining project includes the construction of a new tunnel to connect AlexRenew's wastewater treatment plant to the four existing combined sewer outfalls in Alexandria.

The Tunnel Project is illustrated on Page 4 of this Dashboard. Construction associated with the Tunnel Project started in early 2021 and will continue through 2025 at five primary locations in Alexandria. The phases of construction at each location are illustrated in the schedule below.

## RiverRenew Tunnel Project Schedule



■ Site Preparation ■ Support of Excavation ■ Excavation ■ Permanent Structures ■ Restoration ■ Tunneling ■ Cut and Cover

## Summary of Major Tunnel Project Delays

Date:	Activity:
12/2021	Monitoring potential supply chain issues due to ongoing pandemic
12/2021	COVID outbreak at tunnel segment mold plant in Slovenia. Manufacturing for tunnel segment molds relocated to Turkey. Anticipated one-month delay on tunnel segment molds.

# RiverRenew Tunnel Project Design-Build Progress

## Overall Project Progress

(Design and Construction)



▲ DEC 2020

▲ JUL 2025



**Pendleton Street**  
Sheeting installation underway

### Design Progress



### Construction Progress



JUN 2022 ▲

▲ NOV 2024



**Royal Street**  
Site mobilization underway

### Design Progress



JUN 2022 ▲

### Construction Progress



▲ JUL 2024



**Hooffs Run**  
Site mobilization underway north of Jamieson Ave

### Design Progress



JUN 2022 ▲

### Construction Progress



▲ JUN 2023



**Waterfront Tunnel**  
TBM fabrication underway

### Design Progress

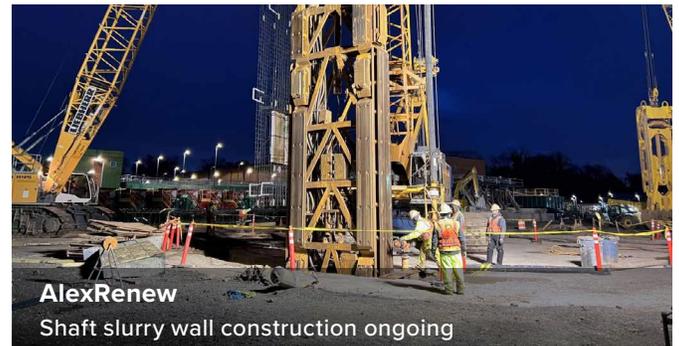


▲ APR 2022

### Construction Progress



▲ SEP 2023



**AlexRenew**  
Shaft slurry wall construction ongoing

### Design Progress



▲ MAY 2022

### Construction Progress



▲ JUL 2025

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

Actual progress as of December 30, 2021. Planned Progress bars are representative of updates to Baseline Schedule.

# RiverRenew Tunnel Project Six-Month Look-Ahead

## Community Outreach

Event	Date
Council-Board Workgroup Meeting No. 13	Jan 19, 2022
2021-2022 RiverRenew SAG Meeting No. 6	Jan 20, 2022
Community Listening Session	Jan 26, 2022
2021-2022 RiverRenew SAG Meeting No. 7	Mar 17, 2022
2021-2022 RiverRenew SAG Meeting No. 8	May 19, 2022
Community Listening Sessions	July 2022

## Royal Street

### MAJOR WORK ACTIVITIES

Activity	Date
Install instrumentation	Jan 2022
Finalize site preparation activities	Apr 2022
Shaft support of excavation	May 2022

### PERMITS

Permit	Date
Building Permit - Shaft Support of Excavation	Mar 2022
DSUP Final Site Plan Approval	Apr 2022
Building Permit - Shaft Liner and Base Slab	Jun 2022
Building Permit - Near Surface Structure and SOE	Jun 2022
Building Permit - Shaft Roof	Jun 2022

## Waterfront Tunnel

### MAJOR WORK ACTIVITIES

Activity	Date
Tunnel segment liner design	Feb 2022
Install instrumentation	Mar 2022
Tunnel boring machine	
Shield fabrication	Dec 2021
Trailing gear fabrication	Jan 2022
Cutterhead fabrication	Feb 2022
Assembly	Feb 2022
Commissioning	Apr 2022
Factory testing	Apr 2022
Shipping	May 2022

## Pendleton Street

### MAJOR WORK ACTIVITIES

Activity	Date
Install support of excavation in river	Ongoing through Jan 2022
Install backfill	Apr 2022
Install guide walls	Apr 2022

### PERMITS

Permit	Date
DSUP Final Site Plan Approval	Apr 2022
Building Permit - Shaft Support of Excavation	May 2022
Building Permit - Shaft Liner and Base Slab	May 2022
Building Permit - Permanent Seawall	May 2022

## Hooffs Run

### MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Site preparation with intermittent sidewalk and lane closures along Duke St and Jamieson Ave	Ongoing through Jan 2022
Support of excavation	Feb 2022
African American Heritage Park	
Site preparation	Feb 2022
Install sheeting	May 2022

### PERMITS

Permit	Date
Grading Plan	Jan 2022
DSUP Final Site Plan Approval	Mar 2022

## AlexRenew

### MAJOR WORK ACTIVITIES

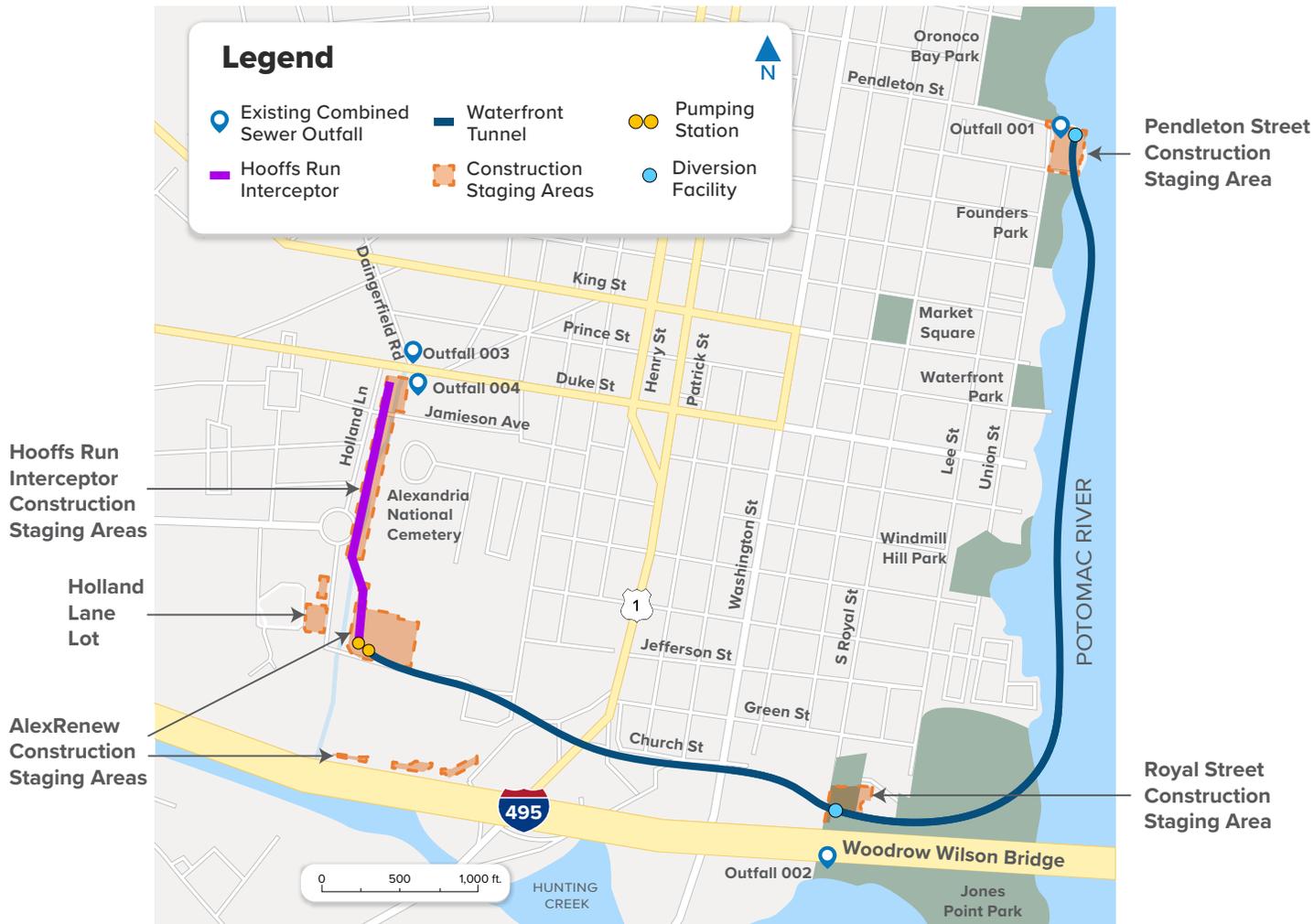
Activity	Date
Shaft support of excavation	Ongoing through Mar 2022
Shaft excavation	Apr 2022
HGL control structure support of excavation	Apr 2022
Construct screening shaft base slab	May 2022
HGL control structure deep foundations	May 2022

### PERMITS

Permit	Date
DSUP Final Site Plan Approval	Apr 2022
Building Permit - Shaft Liner and Base Slab	Apr 2022
Building Permit - Superstructure Architectural	Jun 2022

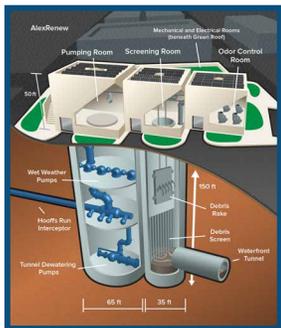
# RiverRenew Tunnel Project Snapshot

The Tunnel Project includes the following major components: a two-mile-long, 12-foot-wide, 100-foot-deep tunnel; a six-foot-wide sanitary sewer interceptor; diversion facilities to capture combined sewer discharges; and two pumping stations.



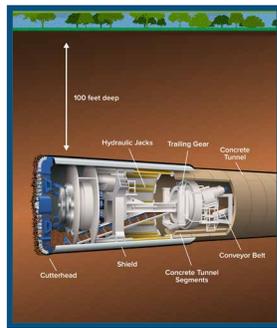
**Hooffs Run Interceptor**

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



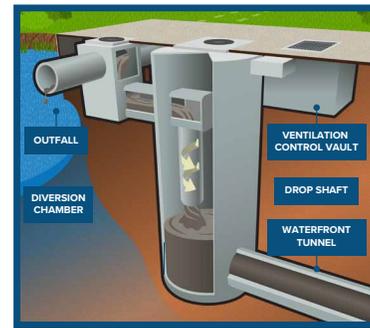
**Pumping Station**

Click [here](#) to take a 3D tour of RiverRenew's future pumping station.



**Waterfront Tunnel**

Click [here](#) to watch an animated video about RiverRenew and learn how the Waterfront Tunnel will be constructed.

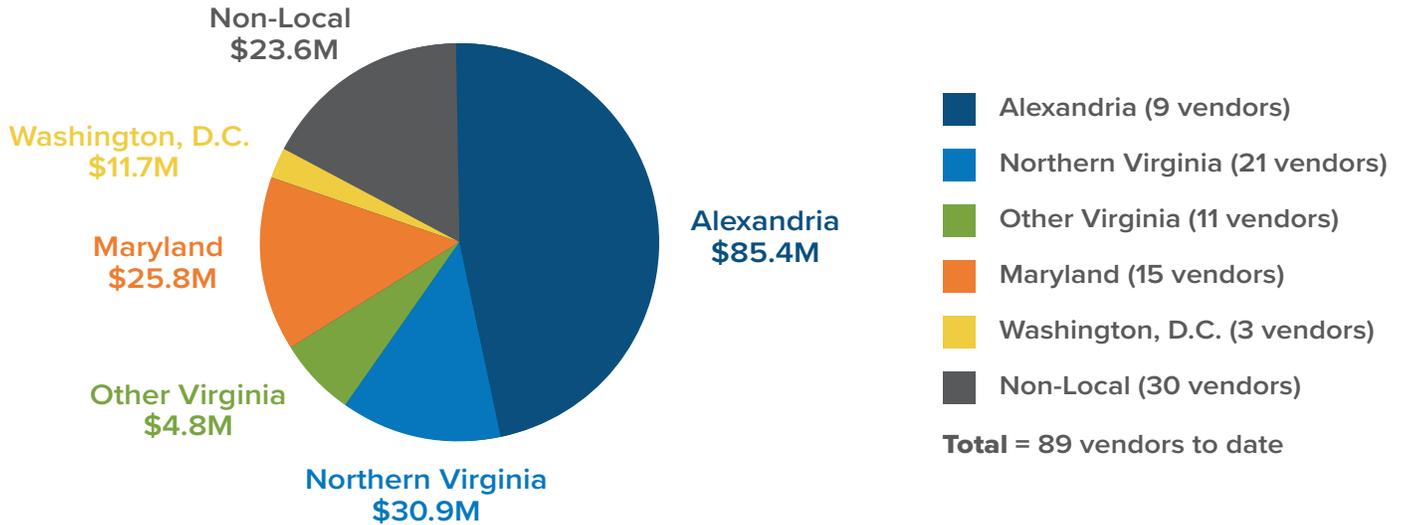


**Diversion Facility**

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

# RiverRenew Program Costs to Date

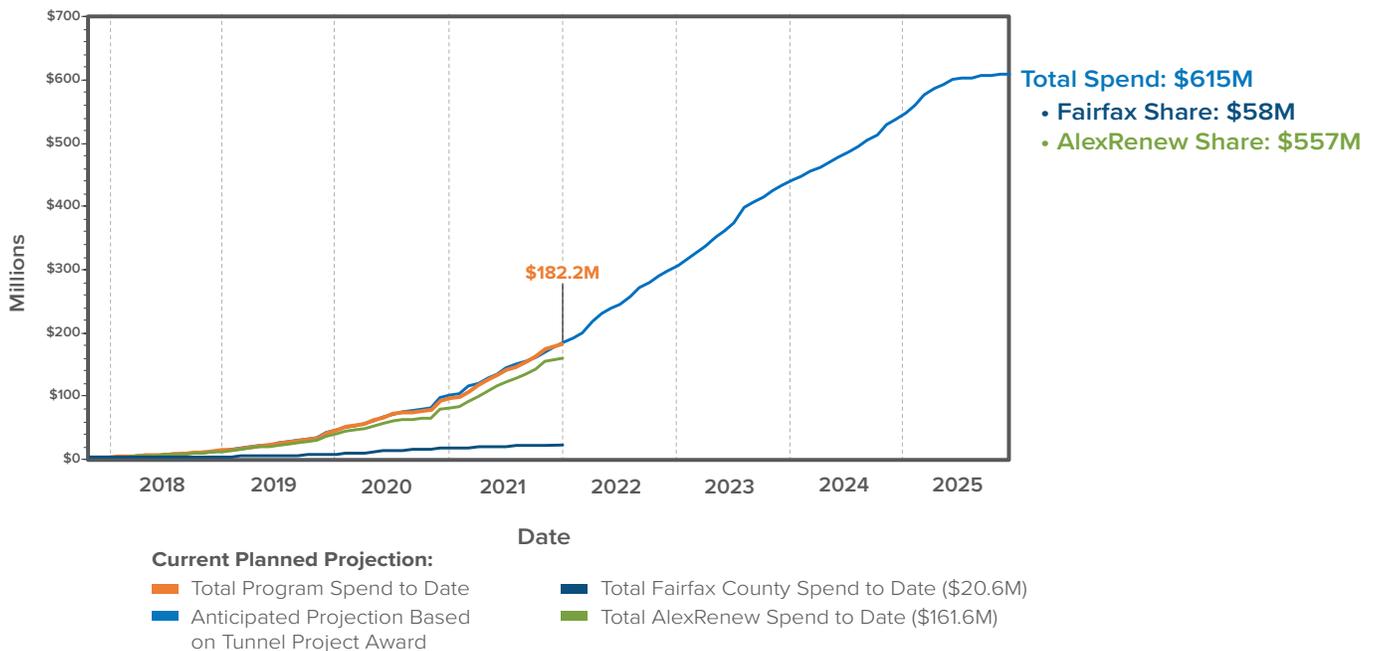
## RiverRenew Spend to Date by Locality



## RiverRenew Tunnel Project Contracts

Vendor	Role	Contract Type	Contract No.	Contract Date	Spent to Date (\$ millions)
Traylor-Shea Joint Venture	Design-Builder Tunnel System Project	Design-Build	19-079	Dec 2020	\$78.9
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$52.3
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$3.7
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$47.2

## RiverRenew Cash Flow Analysis



Note: As of December 30, 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:

- Created and promoted a [holiday activity book](#)
- [Set up Sip 'n See](#) stations at Pendleton Street and Hooffs Run to answer questions about construction



## 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:

- Carlyle Towers Briefing on the Hooffs Run Interceptor: December 8

### Looking Ahead:

- 2021-2022 RiverRenew SAG Meeting No. 6: [January 20](#)
- RiverRenew Community Listening Session: [January 26](#)
- Community Listening Sessions: July 2022
- 2021-2022 RiverRenew SAG Meeting No. 7: [March 17](#)



## 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.

### Looking Ahead:

- TBM Unveiling Ceremony: Spring 2022



## 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:

- A [social post](#) showing progress photos of the RiverRenew TBM’s assembly
- A [social post](#) and alert email highlighting mobilization activity at Hooffs Run
- A [holiday video](#) sharing warm holiday wishes



## Council-Board Workgroup

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

### Looking Ahead:

- Council-Board Workgroup Meeting No. 13: [January 19](#)



## Community Events

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

### Looking Ahead:

- Alexandria Earth Day Celebration: April 2022
- Sip 'n See events ongoing

### Highlights:

- Sip 'n See events at Pendleton Street: Wednesdays from 10 a.m. to 1 p.m.
- Sip 'n See events at Hooffs Run: Tuesdays between 10 a.m. and 1 p.m. [Attachment 1](#)

# Monthly Construction Spotlight



## Sheeting installation is halfway complete at Pendleton Street!

This month, RiverRenew crews have been installing sheeting within Oronoco Bay. Sheeting is necessary to support the ground, hold back the river, and build a new diversion facility that will prevent the pollution of the Potomac River from millions of gallons of combined sewage.

Most of the sheeting along Oronoco Bay was completed in December, and crews are now installing sheeting along the Potomac River.

This critical work to keep the RiverRenew Tunnel Project on schedule is anticipated to be completed during the week of January 17.

To learn more and see a map of where sheeting will be installed, visit [RiverRenew.com/news/program-updates/sheeting](https://www.RiverRenew.com/news/program-updates/sheeting)

## Building for the Future of Alexandria's Waterways

To learn more, visit [www.RiverRenew.com](https://www.RiverRenew.com)



# Monthly Financial Report



**Month:** December 2021

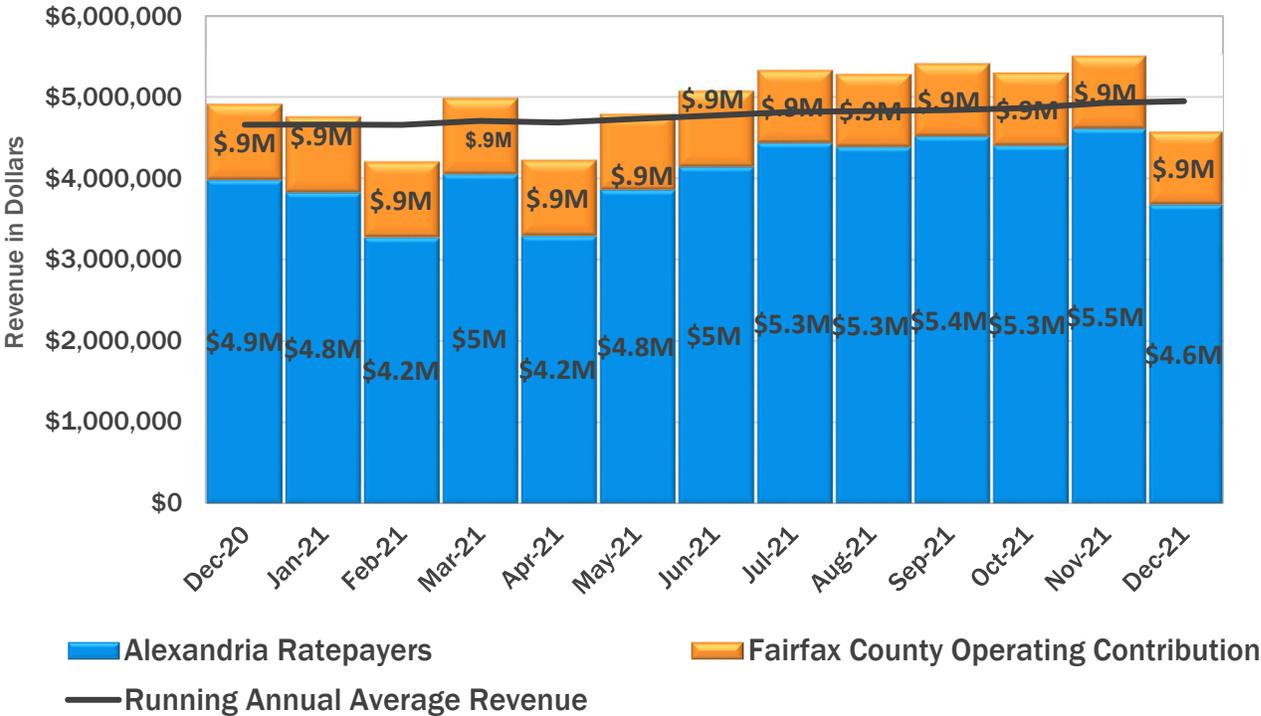
**Overview**

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.

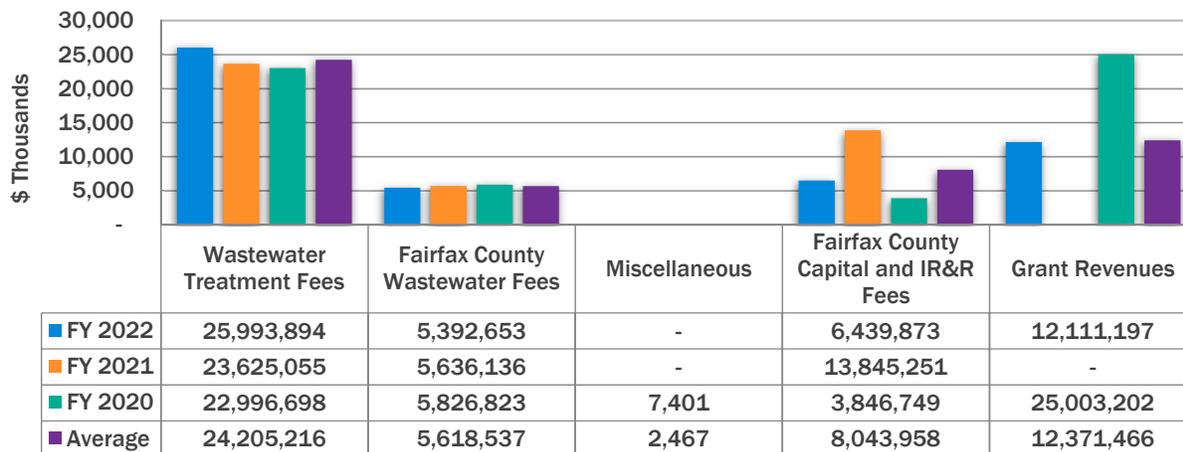
**Revenues**

- FY22 operating revenues total \$31.4 million through the end of December with approximately \$26.0 million in Wastewater Treatment Charge revenue and \$5.4 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$2.4 million (10.03%) more compared to the same time period in FY21, and \$2.1 million (8.73%) above the Fiscal 2022 YTD budget. Data indicates a slight increase month-over-month in customer revenue. 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.

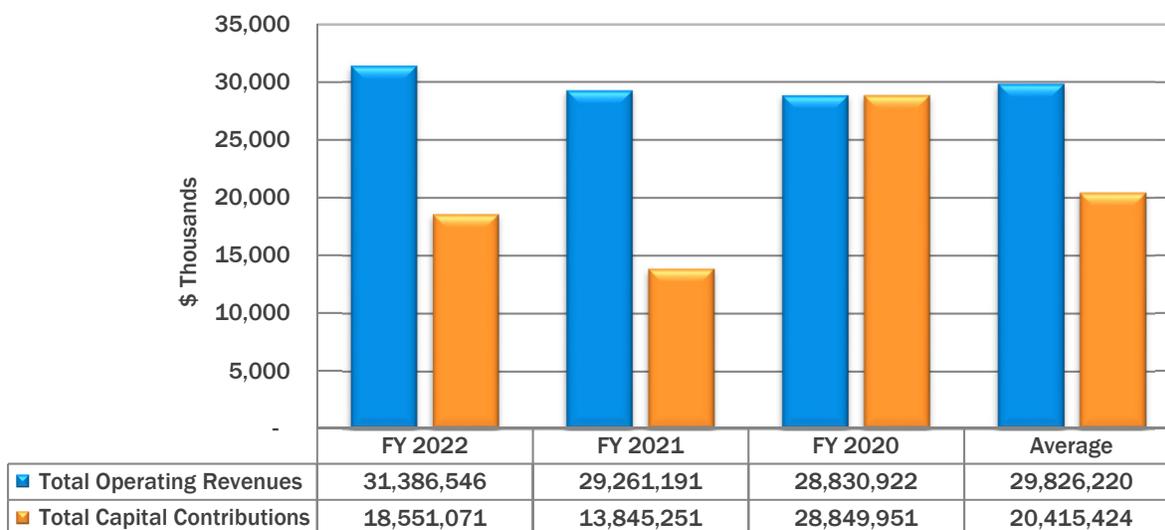
## Monthly Wastewater Treatment Fee Revenue



### Annual Revenue and Capital Contributions 3 Year Comparison



### Operating Revenue vs. Capital Contributions



## Expenses

FY22 operating and maintenance expenses are approximately 16% or \$2.28 million under the year-to-date budget, representing a spend rate of 42.0%. An overall decrease in utilities and personnel services accounts primarily for this variance.

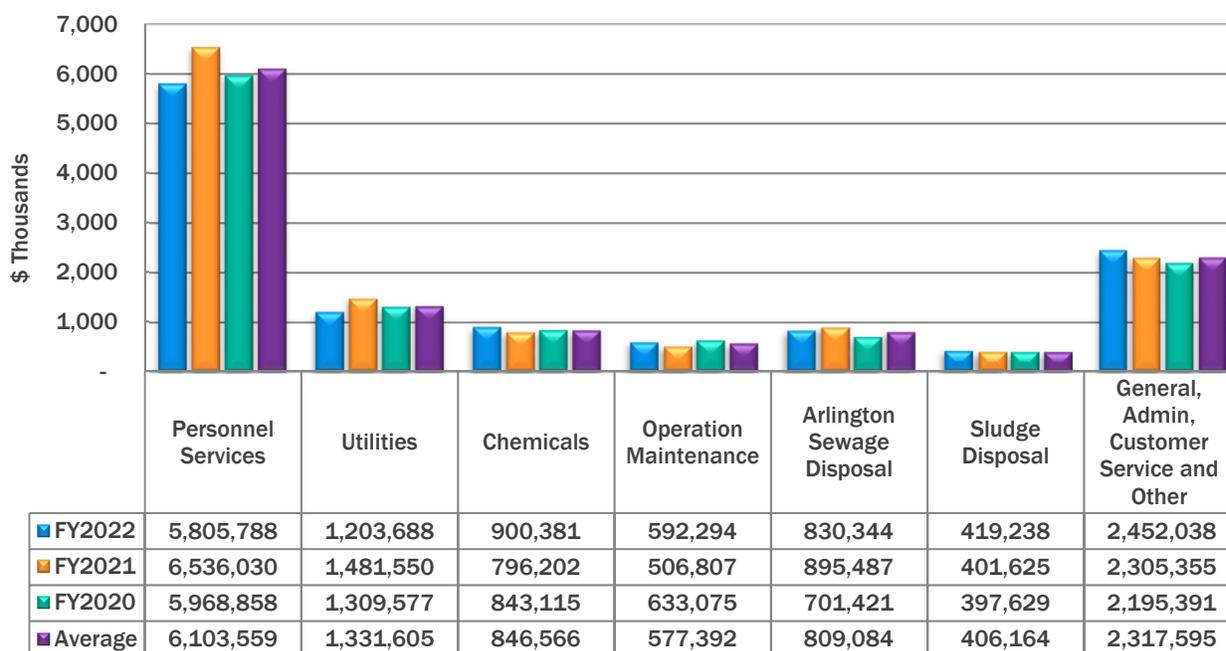
Capital outlay expenses are \$24.3 million year-to-date, representing a spend rate of 22.6%.

At six (6) months into the fiscal year, the overall spend rate is 29.4% of the total budget.

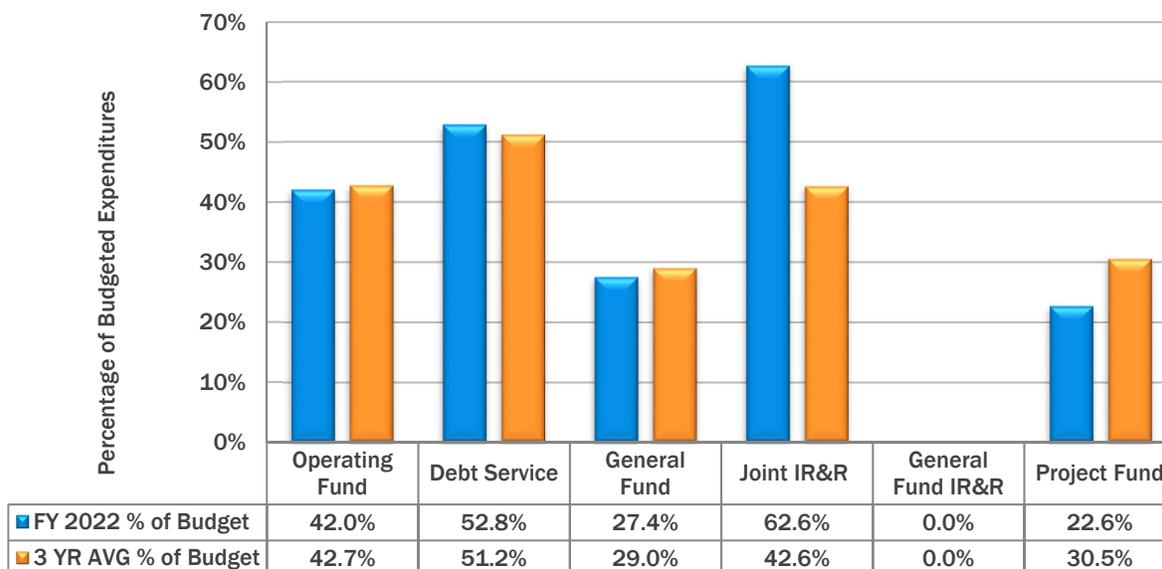
### Expenses by Fund

ACTUAL VS. BUDGET Through December 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	\$ 11.91	\$ 12.13	\$ 14.20	42.0%	42.7%	-0.8%
Debt Service	13.92	7.35	7.21	6.96	52.8%	51.2%	1.6%
General Fund	72.40	19.84	7.39	36.20	27.4%	29.0%	-1.6%
Joint IR&R	5.70	3.57	2.22	2.85	62.6%	42.6%	20.1%
General Fund IR&R	0.12	-	-	0.06	0.0%	0.0%	0.0%
Project Fund	107.50	24.27	21.45	53.75	22.6%	30.5%	-8.0%
<b>Total</b>	<b>\$ 228.03</b>	<b>\$ 66.94</b>	<b>\$ 50.40</b>	<b>\$ 114.02</b>	<b>29.4%</b>	<b>35.1%</b>	<b>-5.7%</b>

### Annual Operating Expenses 3 Year Comparison

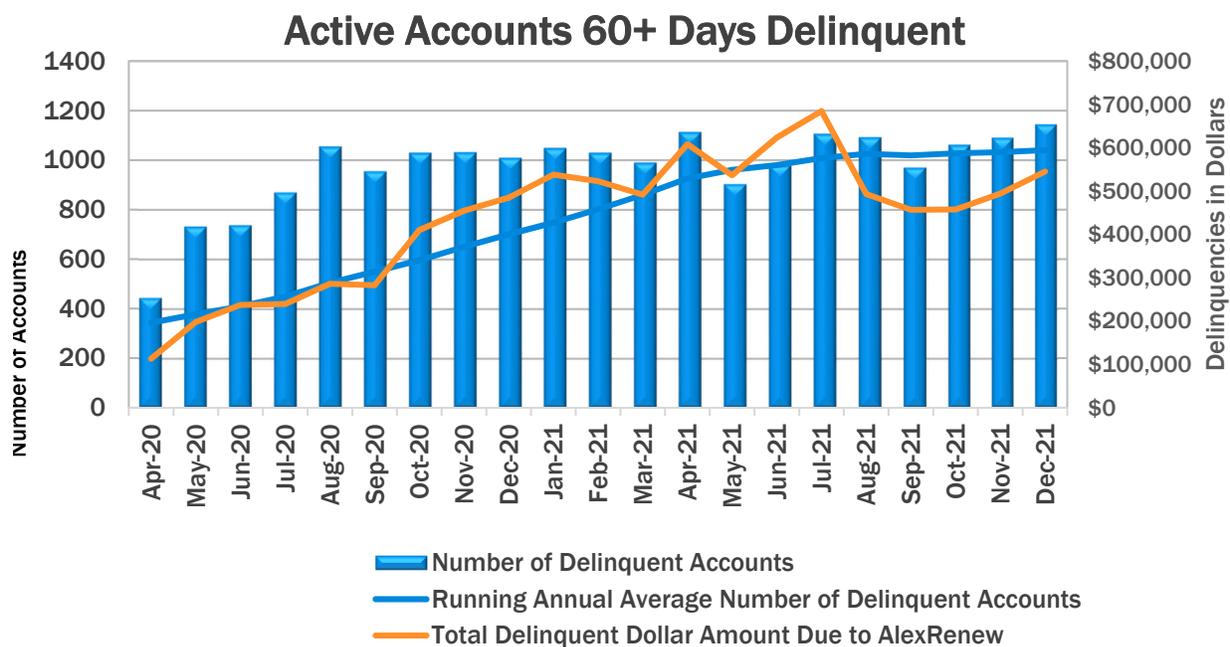


## Expenditure Budget Comparison By Fund FY 22 vs. 3 Year Average



### Delinquencies

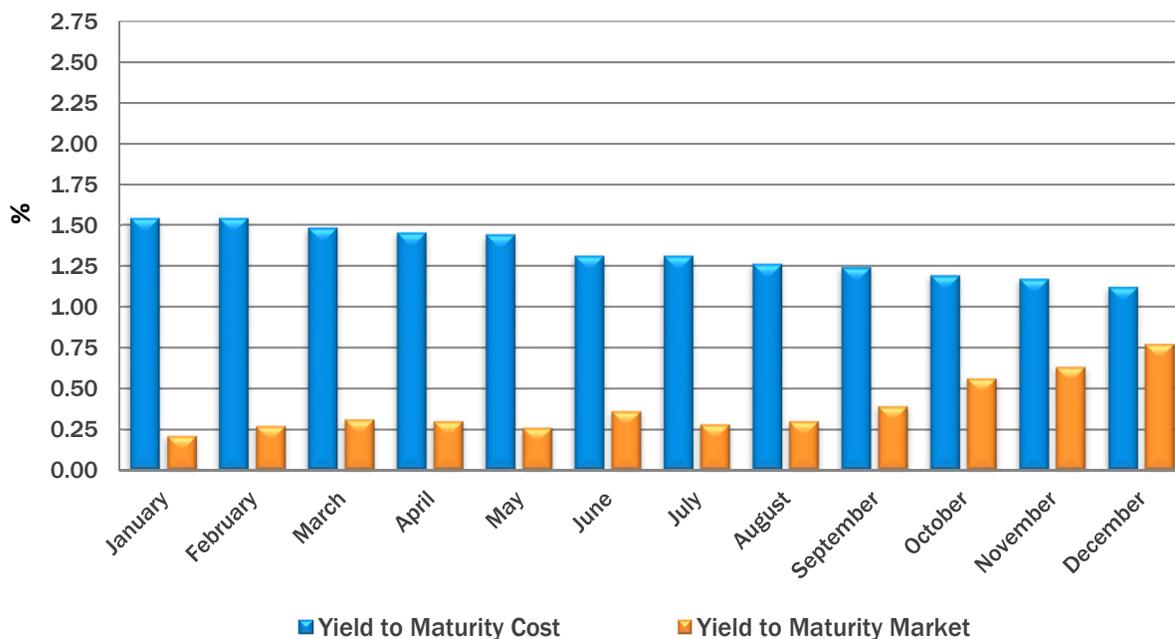
The number of accounts that are delinquent by more than 60 days was 1,143 in December and increased slightly month-over-month. The total dollar amount owed to AlexRenew from these accounts increased slightly to \$544,929, which was primarily driven by no award relief funding to any customers in the month of December. 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 \$28.0 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.12%; a level significantly higher than general bank deposit earnings rates.

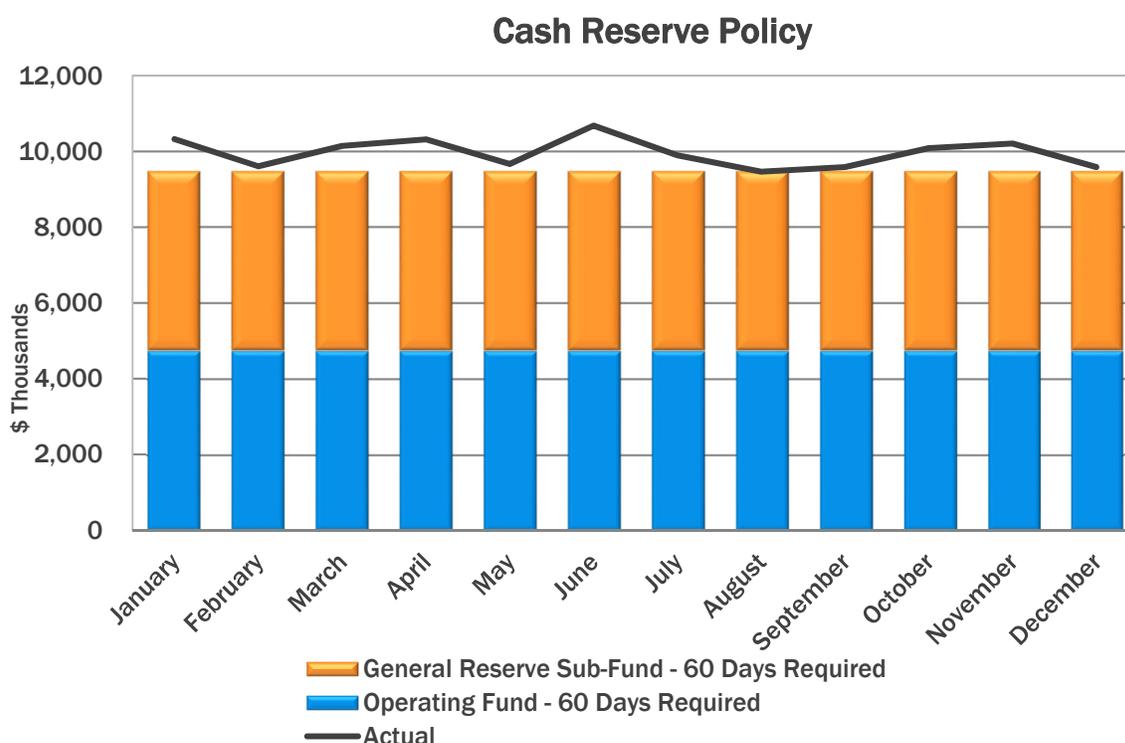
**Investment Yield Percentage to Maturity  
 (Investments managed by PFM)  
 Through December 2021**



**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
<b>As of December, 2021</b>		
Total Operating Cash	\$ 1,994,213	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,863,866	
CARE ACT COVID19 Funding Balance	\$ -	
Total Operating Cash	<u>\$ 4,858,079</u>	
Total General Reserve Sub-Fund Cash	<u>4,731,167</u>	
Total Operating and General Reserve Sub-Fund Cash	<u>9,589,246</u>	101%



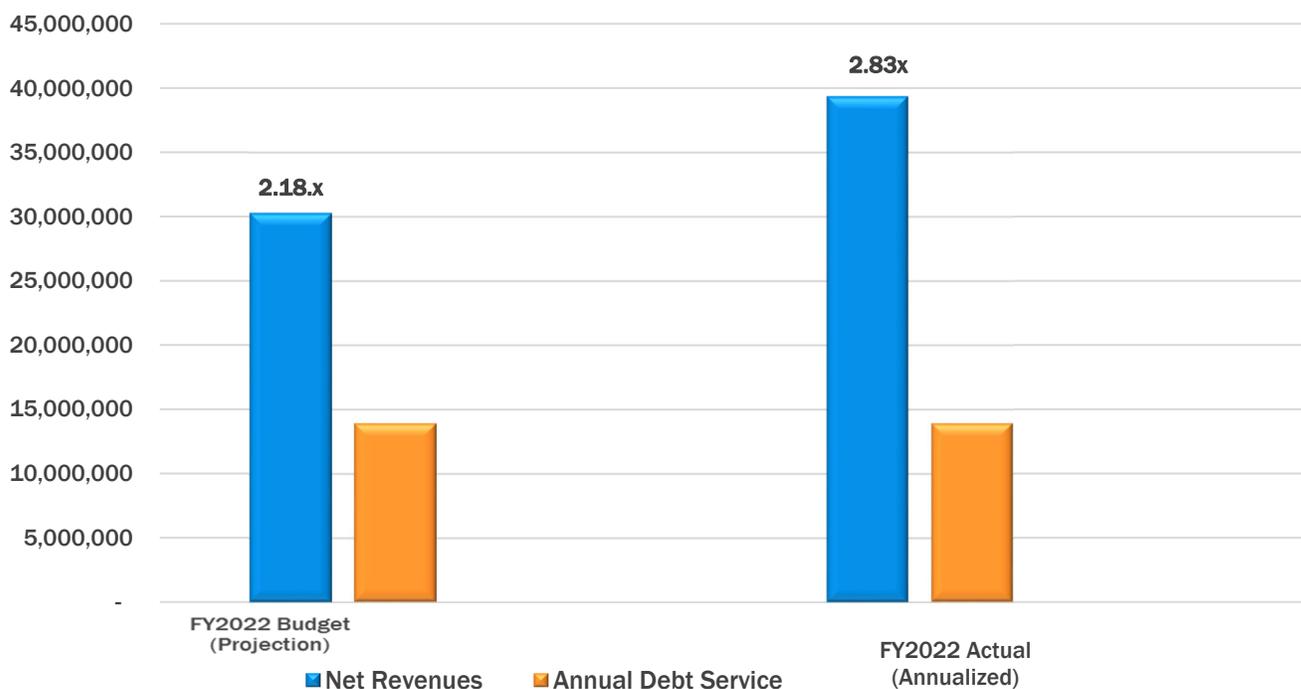
### Debt Service Coverage

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 six months into the fiscal year, annualized results would indicate coverage of at 2.83x, ahead of the budgeted projection of 2.18x.

Financial Policy Compliance - All-In Debt Service Coverage	FY 2022 Actual	FY 2022 Budget
<b>Gross Revenues Available for Debt Service Coverage:</b>		
Wastewater Treatment Charges - Alexandria Ratepayers	51,987,787	47,814,540
Fairfax County Operating Expense Charge	10,785,305	10,785,305
Reimbursement from other systems	-	-
Investment Income	410,736	115,000
Less Restricted Investment Income	-	-
<b>Total</b>	<b>63,183,828</b>	<b>58,714,845</b>
<b>LESS Operating Expenses</b>	<b>(23,824,813)</b>	<b>(28,386,991)</b>
<b>Net Revenues [a]</b>	<b>39,359,015</b>	<b>30,327,854</b>
<b>Annual Debt Service [b]</b>	<b>13,919,620</b>	<b>13,919,620</b>
<b>Calculated All-In Debt Coverage [a/b]</b>	<b>2.83x</b>	<b>2.18x</b>
<b>Financial Policy Target</b>	<b>≥1.50x</b>	<b>≥1.50x</b>

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



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## **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.

### **Parity Debt Service Fund**

The Parity Debt Service 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 AlexRenew 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.

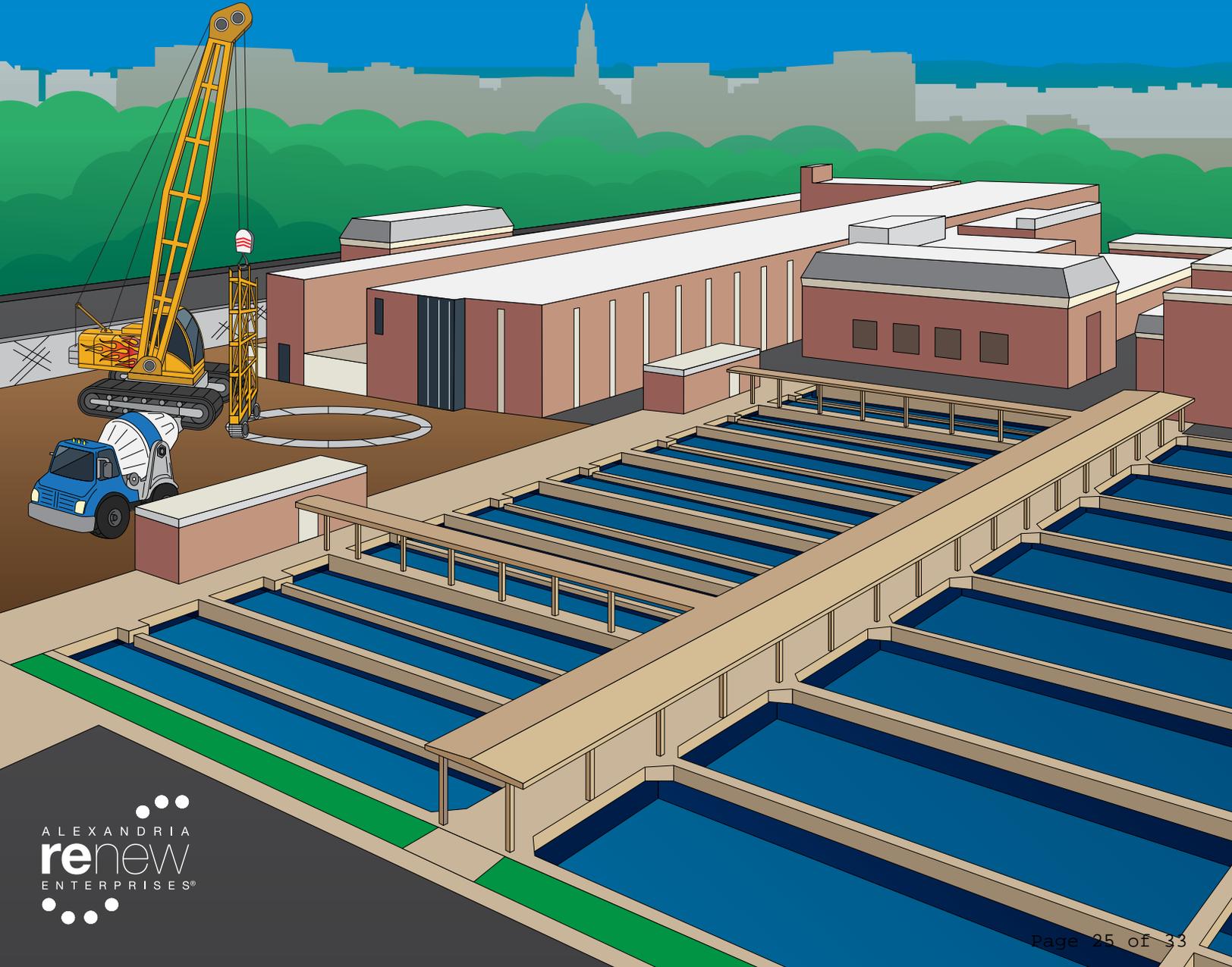
### **General Fund**

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.

DRAFT

# ANNUAL REPORT 2021

Building for the Future of Alexandria's Waterways



### What's happening on the front cover?

In FY21, AlexRenew finished preparations at our wastewater treatment plant for the **RiverRenew Tunnel Project**, a water quality project designed to prevent millions of gallons of combined sewer overflows from polluting Hooffs Run, Hunting Creek, and the Potomac River. Use of our plant is essential to constructing and operating the Project. All tunnel mining will occur at AlexRenew, a commitment made to the community to minimize construction impacts near their homes and businesses.

At completion, the tunnel will convey captured combined flows to AlexRenew for treatment. At the time of this report's issuance, construction had begun on two 12-story-deep shafts needed to launch the machine that will build the tunnel, illustrated on the front cover.



Use your phone's camera to scan the QR code to discover how we'll begin Building for the Future of Alexandria's Waterways.

# AlexRenew

 is a regional, independent public wastewater authority located in Alexandria, Virginia.

Providing our essential service as a special purpose authority



Treating over 38 million gallons of wastewater every day



Led by a 5-member citizen board



300,000+

Serving over 300,000 customers in Alexandria and portions of Fairfax County



With our 99 employees transforming water 24/7/365

Protecting the waterways that connect us

# A message from our **board of directors**

Day after day, our talented team returns cleaned water back to the environment, treating the millions of gallons of wastewater that arrive at our plant. In 2021, as we continued through the ongoing pandemic, we also prepared our plant for the construction of the RiverRenew Tunnel Project, a water quality project that will reduce pollution from Alexandria's combined sewer system. In adapting our work to meet the challenges of the pandemic, our team continued their problem-solving mission to protect and improve public health and water quality. My board colleagues and I are inspired by the resiliency and dedication AlexRenew water transforming employees has shown in providing this essential service to our community.

We met and exceeded the cleaned water quality requirements day in and day out, delivering healthier waterways to the environment nonstop every minute of every day in 2021. Four construction projects were completed, paving the

This annual report highlights the milestones, accomplishments, and financial status of Alexandria Renew Enterprises (AlexRenew) during the 2021 Fiscal Year, which runs from July 1, 2020, to June 30, 2021.

way for RiverRenew. We awarded the RiverRenew Tunnel Project's construction contract in December 2020. To connect with our customers, we shared our work through social media, online activities, and virtual meetings, and we strengthened our role as an anchor in the community by growing partnerships to support our local and regional community.

Amidst all of this change, our team demonstrated their endless commitment to fulfilling our mission and supporting our customers by providing cleaned wastewater that meets the quality requirements of the Virginia Department of Environmental Quality. My board colleagues and I could not be prouder of the commitment of our dedicated team's work to transform water. We thank them – and all of you in our community – for your continued support. We look forward to all that we can achieve together in the coming years.



**John Hill**  
Chair



**James Beall**  
Vice Chair



**Bill Dickinson**  
Secretary-Treasurer



**Bruce Johnson**  
General Board Member



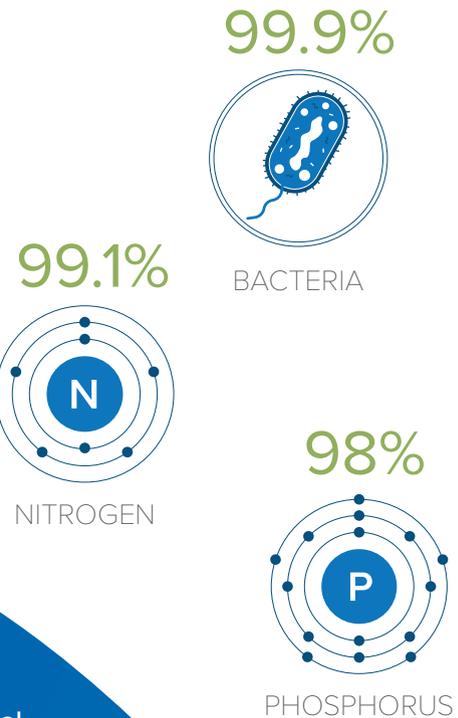
**Adriana Caldarelli**  
General Board Member

Our work in 2021 prepared our plant site as well as other sites in Alexandria to start construction on the **RiverRenew Tunnel Project** (shown below).



# Meeting our **water quality commitments** of today...

Every day, our treatment processes remove bacteria and nutrients that could otherwise cause algae blooms, harm wildlife, and impact the vitality of the waterways that support our region. **In 2021, AlexRenew outperformed its permit requirements for nitrogen and phosphorus removal.**



# ...while cultivating a **resilient workforce** for tomorrow.

Our team's resilience, even in the face of a global pandemic, have allowed us to continue cleaning Alexandria's wastewater seven days a week, 365 days a year. Throughout 2021, we supported their tireless efforts to adapt and grow amidst a changing world, including **completing over 3,000 professional development hours** by attending trainings, gaining new licenses, and moving programs to a virtual environment.

## Highlights of Our Team's Licenses Crucial to Supporting Wastewater Operations...

- |   |   |
|---|---|
| <b>1</b> Certified Public Procurement Officer               | <b>1</b> Virginia Contracting Associate                                     |
| <b>2</b> LEED Accredited Professionals and Green Associates | <b>3</b> Envision Sustainability Professionals                              |
| <b>3</b> ABC Maintenance Technologists                      | <b>6</b> Professional Engineers   |
| <b>7</b> Electrical Journeymen                              | <b>11</b> Certified Maintenance & Reliability Technicians and Professionals |
| <b>25</b> Licensed Wastewater Operators                     | <b>...Across 99 Employees</b>   |

## 2021 HIGHLIGHTS



Certified as a **Laboratory of Excellence** by **Virginia Environmental Laboratory Accreditation Program** for the 7th year



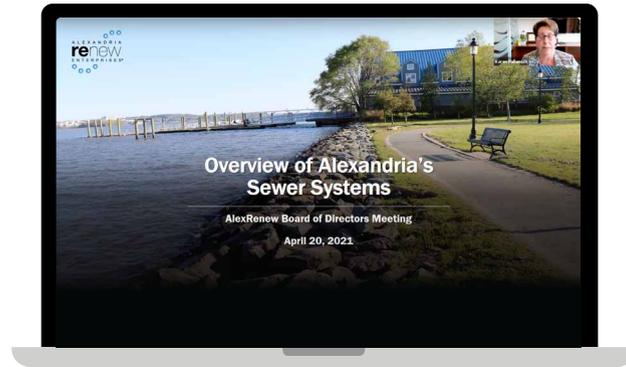
Maintained status as **Extraordinary Environmental Enterprise** since 2012 and as a **Sustainability Partner** since 2018 through the Virginia Department of Environmental Quality's Environmental Excellence Program



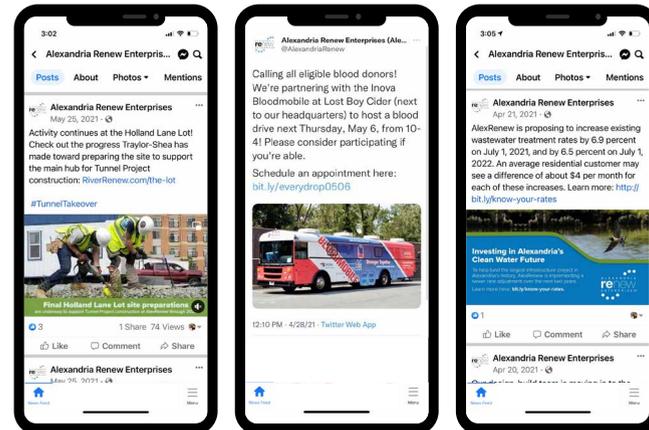
Awarded a **National Environmental Achievement Award** from **National Association of Clean Water Agencies** for our high school internship program with Urban Alliance. To learn more about Urban Alliance, visit [TheUrbanAlliance.org](http://TheUrbanAlliance.org)

# Connecting virtually to share progress on your investments...

In 2021, the COVID-19 pandemic brought new challenges to communicating progress of ongoing work. By continuing and expanding our use of virtual channels, we kept our community up to date from a distance on how our team continued to forge ahead.



**20+** virtual meetings hosted to discuss our work with the community



**250+** posts shared on social media



Designed and debuted a refreshed version of our website, **AlexRenew.com**



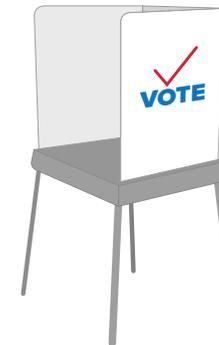
Produced virtual tours of our interactive lobby and Four Mile Run pumping station

# ...while **growing partnerships** for a resilient community.

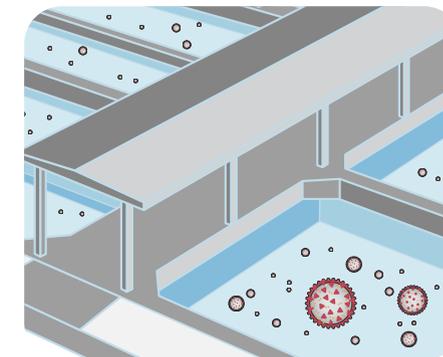
Above all else, this year taught us that we can overcome any obstacles with a strong community by our side. By working with our existing partners and connecting with new ones, we spent 2021 sharing resources to continue to support our community.



Partnered with **Inova** and **Lost Boy Cider** on 4 blood drives with 140 donors



Hosted over **600** voters in the 2021 elections at our administrative building



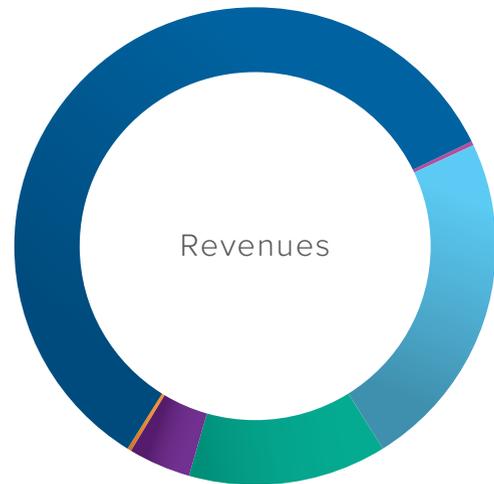
Contributed to 3 **COVID-19** wastewater research projects with samples from our plant



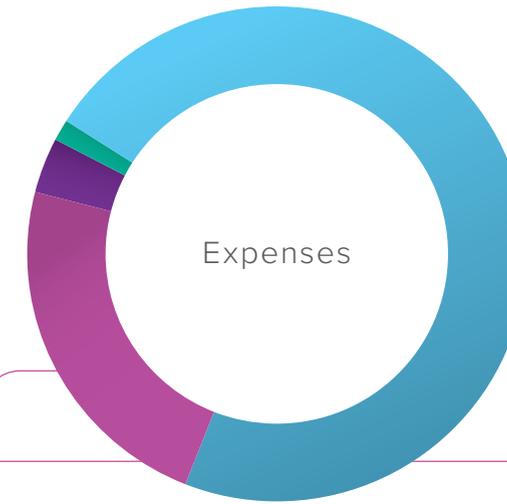
Partnered with **PromisePay** to distribute bill relief grants from the state to customers impacted by COVID-19

# Your Investment in Healthier Waterways

AlexRenew is primarily funded through our treatment charges from our customers like you. Not only does your investment allow us to clean and treat the water we receive every day, it's also critical to helping us work toward Alexandria's healthy waterways future.



- \$43,043,454** - City of Alexandria Residents' Wastewater Treatment Charges
- \$39,649** - Grant Revenues
- \$17,979,304** - Fairfax County Capital Project Contribution
- \$10,432,818** - Fairfax County Capital Operating Charges
- \$3,217,340** - Fairfax County Improvement, Renewal, and Replacement Contributions
- \$131,111** - Investment Income



- \$80,912,596\*** - Capital Improvement Program
- \$25,895,331** - Operating Expenses
- \$4,038,841** - Improvement, Renewal, and Replacement
- \$1,349,252** - Arlington Sewage Disposal

\*Over 90% of the Capital Improvement Program is funded through loans and grants. \$13,905,315 - Debt service paid in FY21.

## Operating Expenses



Operational Excellence  
**\$7,456,030**



Public Engagement and Trust  
**\$1,916,491**



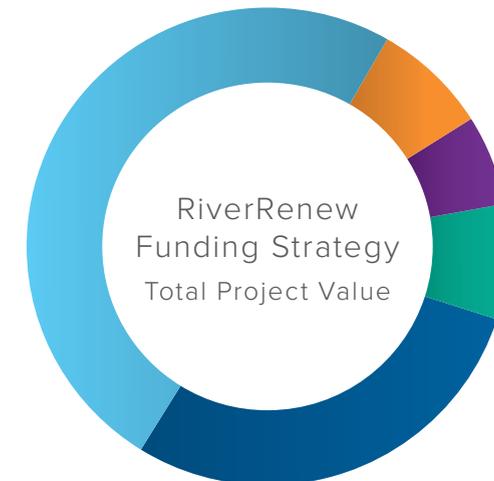
Watershed Stewardship  
**\$2,339,068**



Adaptive Culture  
**\$12,332,155**



Effective Financial Stewardship  
**\$1,851,587**



- \$186 Million** - 1.35% interest loan received through **Virginia Clean Water Revolving Loan Fund (VCWRLF)**
- \$321 Million** - 1.88% interest loan received through EPA's **Water Infrastructure and Innovation Act (WIFIA)**
- \$50 Million** - State grants received
- \$40 Million** - State grants anticipated from **Virginia General Assembly after July 2022**
- \$50 Million** - American Rescue Plan funds received from **Virginia**

RiverRenew is part of the AlexRenew Capital Improvement Program.



1800 Limerick Street, Alexandria, VA 22314  
703.721.3500 • alexrenew.com

# 2022 AlexRenew Board of Directors Calendar of Events

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

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

- Legend**
- Board of Directors Activity
  - AlexRenew Observed Holidays
  - Finance & Audit (F&A) Committee
  - Governance (Gov.) Committee
  - RiverRenew Stakeholder Advisory Group Activity
  - Council Board Work Group Activity
  - RiverRenew Community Listening Session

- Community Listening Sessions
- Budget Hearing (Tentative)

January
Dec. 31: New Year's Day Observed
18: Board of Directors Meeting
19: Council Board Workgroup
20: RiverRenew SAG #6
26: RiverRenew Community Listening Sess.
27: Governance Committee Mtg.
February
15: Board of Directors Meeting
March
15: Board of Directors Mtg - Presentation of FY23 budget
April - Earth Month
19: Board of Directors Meeting
22: National Earth Day
TBD: Finance & Audit Committee (Tent)
TBD: Council Board Workgroup
TBD: RiverRenew Meet in the Street (Community Listening Session)
May
4: Governance Committee Mtg (Tent)
7: TBD: Public Hearing on Budget
9: F&A Committee Mtg (Tent)
21: Board of Directors Mtg: Budget discussion
30: Memorial Day
June - Safety Month
20: Juneteenth Day Observed
21: Board of Directors Meeting: Budget Adoption

## 2022 AlexRenew Board of Directors Calendar of Events

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

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

**Legend**

- Board of Directors Activity
- AlexRenew Observed Holidays
- Finance & Audit (F&A) Committee
- Governance (Gov.) Committee
- RiverRenew Stakeholder Advisory Group
- Council Board Work Group Activity
- RiverRenew Community Listening Session
- Community Listening Sessions
- Budget Hearing (Tentative)

July
1: Beginning of FY23
4: Independence Day Observed
19: Board of Directors Meeting - Annual Meeting
TBD: Council Board Workgroup
August - National Water Quality Month
No Board Meeting this Month
September - Preparedness Month
5: Labor Day
15: Board of Directors Meeting
October - Cybersecurity Month
TBD: Council Board Workgroup
TBD: Finance & Audit Committee
TBD: Board Interviews for GM
20: Board of Directors Meeting
November - Thanks for Giving Month
15: Board of Directors Meeting
24: Thanksgiving
December
15: Regular Board Meeting
TBD: Board announcement of new GM
26: Christmas Day Observed