



**Board of Directors**  
John Hill, Chair  
James Beall, Vice Chair  
William Dickinson, Sec'y-Treas  
Adriana Caldarelli  
Kerry Donley

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

**General Counsel**  
McGuireWoods, LLP

**INTERNAL MEMORANDUM**

TO: AlexRenew Board of Directors

FROM: Secretary-Treasurer

DATE: March 8, 2022

SUBJECT: Regular Board of Directors Meeting

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The Regular Meeting of the Board of Directors will be held on Tuesday, March 15, at 6:00 p.m. at Alexandria Renew Enterprises.

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

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

- ◆ Review and Approve the Executive Search Firm Process for CEO/General Manager  
(Alexandria only)



### Agenda

Alexandria Renew Enterprises Board of Directors Meeting  
Tuesday, March 15, 2022 @ 6:00 p.m.  
1800 Limerick Street, Ed Semonian Boardroom &  
Via livestream: [https://youtu.be/zK\\_4537J52w](https://youtu.be/zK_4537J52w)

No.	Item	Presenter	Action Required
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The March 15, 2022, Board of Directors meeting is being held at Alexandria Renew Enterprises (1800 Limerick Street, Ed Semonian Boardroom, Alexandria, VA 22314). Members of the Board and staff are participating in person. The meeting can be accessed by the public in the Ed Semonian Boardroom or through the live broadcast: [https://youtu.be/zK\\_4537J52w](https://youtu.be/zK_4537J52w)

Public comments will be taken in person at Alexandria Renew Enterprises. 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).

- |   |  |                      |             |
|---|--|----------------------|-------------|
| 1 | Call To Order (6:00 p.m.)  | Chairman             |             |
| 2 | Approval of Agenda (6:02 p.m.)   | Chairman             | Approval    |
| 3 | Public Comment Period (6:12 p.m.)  | Chairman             |             |
| 4 | Consent Agenda (6:15 p.m.)<br>A. Minutes (Meeting February 15, 2022) (Tab 1)                             | Chairman             | Approval    |
| 5 | Unfinished Business (6:17 p.m.)<br>A. None   | Chairman             | Approval    |
| 6 | New Business (6:19 p.m.)<br>A. Review & Approve Executive Search Firm Process (Tab 2)<br>Alexandria Only | Chairman<br>Chairman | Approval    |
| 7 | AlexRenew Monthly Outcomes Update (6:25 p.m.) (Tab 3)  | Ms. Pallansch        | Information |
| 8 | Adjourn (6:35 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 Regular Board of Directors meeting is scheduled for Tuesday, April 19, 2022 @ 6:00 p.m.  
A meeting of the Board Governance Committee is scheduled for Monday, April 18, 2022 @ 5:00 p.m.  
A meeting of the Board Finance and Audit Committee is scheduled for Monday, April 25, 2022 @ 5:00 p.m.***

***Members of the public may park in the parking lot across the street from Alexandria Renew at the corner of Limerick and Bartholomew Streets, accessed via the gate on Bartholomew Street.***

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

Minutes of the 891st Meeting - Virtual  
***“Celebrating Over 60 Years of Continuous Environmental Excellence”***  
Alexandria Renew Enterprises  
Tuesday, February 15, 2022

On Tuesday, February 15, 2022, 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  
Ms. Adriana Caldarelli, Member  
Mr. Kerry Donley, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer  
Ms. Christine McIntyre, Chief Financial Officer  
Ms. Allison Deines, Director of Strategy and Policy  
Ms. Caitlin Feehan, RiverRenew Program Director  
Ms. Lorna Huff, Secretary to the Board

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

Fairfax County  
Representative: Mr. Shahram Mohsenin, 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. Donley 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

Mr. Rak reported that City Council has extended the local State of Emergency through June 30, 2022. The Alexandria Renew Enterprises Board can meet virtually under Board-approved procedures. Due to the Covid-19 pandemic emergency, the February 15, 2022, Alexandria Renew Enterprises Board of Directors meeting is being held electronically pursuant to our electronic meeting guidelines 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.

### 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 noted the following Consent Agenda items for review simultaneously and inquired if members wished to remove an item for separate consideration.

- A. Minutes of the January 18, 2022, Board meeting
- B. Action Item to replace the roof on Building G1 and the Intermediate Pump Station (IPS)

The Chairman recognized the CEO who noted two minor modifications to the Minutes.

Members inquired about the State's wastewater surveillance dashboard, Promise Pay, Building G1s location on the AlexRenew campus. There were no additional questions or comments, and the Chairman requested a motion to approve the Consent Agenda. Mr. Donley moved, and Ms. Caldarelli seconded. The Chairman called the roll with all members voting aye.

### Unfinished Business

- A. None

### New Business

- A. Request for Board Participation on Ellen Pickering Award for Environmental Excellence

#### Discussion

The Chairman reported on the annual request for Board member participation on the Ellen Pickering Environmental Excellence Award Selection Committee. Various members have participated over the years and participation on this committee has provided an opportunity for members to learn about environmental activities in Alexandria.

The Chairman nominated Mr. Beall to participate for 2022. Ms. Caldarelli volunteered to serve as back up. The CEO noted the City would hold Earth Day activities this year and the presentation date of the Ellen Pickering Environmental Excellence Award has not been determined. Staff will contact Mr. Beall to advise him of the process.

There were no other questions or comments and the Chairman moved to the CEO Outcome Report.

#### CEO Monthly Outcome Reports

The Chairman reported that he had attended AlexRenew's public outreach meetings and commended the team for presenting complex information in a lively and easy to follow format.

Ms. Pallansch concurred and commended the RiverRenew staff. She reported that her written report did not reference the Board Governance Committee meeting that was held in January and apologized for the oversight. She noted that the policies reviewed at the Governance Committee meeting have been reviewed and those with minor edits have been corrected and posted to BoardEffect. The remainder are being re-worked and will be presented in the April/May time frame. There being no additional questions on the CEO Report, Ms. Pallansch moved to the RiverRenew Dashboard. She noted it was a busy month in terms of public outreach and contractor mobilization on the various sites. The Project is going well but experiencing supply shortages and labor issues. Staff will continue to monitor and work with the contractor. There were no additional questions on the Dashboard and the CEO moved to the financial report.

#### Financials

Ms. Pallansch reported that revenue is up 7%. The operating budget is currently under budget, and staff is beginning to see the effect of inflation. She reported a positive position is expected through the end of the fiscal year. The operations and maintenance budget has been steady over the years but labor shortages, supply chain issues, and inflation may cause an increase. Members will receive a briefing when the FY23 Budget is presented.

Ms. Pallansch reported on the delinquencies and the distribution of AlexRenew CARES funding. The first allotment was \$439,000 in CARES money which was delivered to 662 accounts meeting CARES Act criteria. AlexRenew hired Promise Pay who helped with marketing and reaching customers who met the guidelines. In August and September AlexRenew was awarded an additional \$228,000. \$125,000 was awarded to customers meeting those eligibility requirements and \$103,000 returned. Overall, AlexRenew distributed over \$500k in grant funds that were awarded to AlexRenew through the City to cover sanitary sewer bills that were more than 60 days in arrears. Ms. Pallansch reported Promise Pay uses a variety of marketing tools including social media, texts, and emails which are targeted to the eligible population. Eligible customers do not pay back the grants. Promise Pay works under a fixed price contract.

There being no additional business, the Chairman requested a motion to adjourn. Mr. Beall moved, and Mr. Donley seconded. The Board unanimously approved.

The meeting adjourned at 6:50 p.m.

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**Secretary-Treasurer**



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McGuireWoods, LLP

## INTERNAL MEMORANDUM

DATE: March 8, 2022

TO: Alexandria Renew Board of Directors

FROM: Karen Pallansch, General Manager

SUBJECT: Executive Search Firm Options for CEO/General Manager Search

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### Issue:

AlexRenew's CEO/General Manager will be retiring in early 2023. A search firm will be engaged to assist the AlexRenew Board of Directors in hiring her replacement. As part of the search for a replacement, we are recommending two different executive search firm options for the Board to consider based on existing contracts available with Metropolitan Washington Council of Governments (COG) riders.

### Recommendation:

Staff respectfully asks the Board to consider the following two firms for executive search firms and review process :

- Polihire, whose fee for service is 15% of base salary and any applicable bonuses plus reimbursement for travel expenses for candidates. Polihire currently is under contract with DC Water with a Metropolitan Washington Council of Governments (COG) rider. Staff estimates the cost of this contract as \$45,000 with contingency plus travel expenses.
- Farenheit Advisors' whose fee for service is 25% of the base salary plus reimbursement for travel expenses for candidates. The current contract is with Virginia Department Human Resources with an applicable rider clause. Staff estimates the costs of this contract as \$62,500 with contingency plus travel expenses.
- Interviews with the key points of contact for each firm conducted by the Board Chair and Vice-Chair of the Board who will then make a selection by the end of March. This will allow staff time to complete the hiring process and introduce the search firm at the April governance and board meetings.

**Discussion:**

Both firms offer extensive experience in executive searches.

Polihire has successfully placed several executive level positions within the water/wastewater sector and local city governments. Placements within the last twelve months include the following:

- Calvin Farr, General Manager, Prince William County Service Authority
- Dr. Christina Grant, Superintendent of Education, Washington DC
- Iris Fisher, Assistant General Manager, Birmingham Water Works Board
- Malik Aziz, Chief Prince George’s County Police Department
- Jim Paragon, City Manager, Alexandria

The anticipated work includes a review the provided written conceptualized candidate profile and review responsibilities and duties including but not limited to the position location, job environment, organizational assignments, technical requirements and other required and/or desired characteristics for the potential candidate with Board to ensure alignment; development of a plan plan to market and source the candidate using the latest recruitment tools; conducting detailed search and screening candidates for their interest.

Polihire can offer both fast or a slower paced scheduling approach based on the needs and desires of the Board.

Fahrenheit Advisors’ experience encompasses organizations of all sizes, across a wide variety of industries and in public, privately held, nonprofit and government organizations. Their team has built strong networks that extend across multiple disciplines: accounting and finance, human resources, sales and business development, operations, and engineering.

Fahrenheit’s placements within the last twelve months include the following:

- Wynter Benda, City Manager, City of Lynchburg
- Jon Sells, CFO, Danville Regional Foundation
- Mary Mayrose, Executive Director/CEO, Lynchburg Redevelopment and Housing Authority
- Malinda Carter, Associate Vice Chancellor/HR, Virginia Community Colleges

Their anticipated scope of work includes reviewing and understanding how current labor market trends will affect this hiring process; actions to better understand the scope of the job, team and culture requirements of this position; reviewing the provided written candidate profile to ensure it thoughtfully conveys the company story, culture and opportunity to attract the right pool of candidates; and support during the interview process.

**Congruence with AlexRenew Strategic Plan:**

The recommendations align with the Adaptive Culture strategic outcome.

**Action Taken:**

APPROVED: \_\_\_\_\_

DISAPPROVED: \_\_\_\_\_

APPROVED WITH MODIFICATION: \_\_\_\_\_

MODIFICATIONS: \_\_\_\_\_

## CEO Board Report February 2022

Dear Members of the Board of Alexandria Renew Enterprises,

The Alexandria Renew Enterprises (AlexRenew) Board of Directors met virtually on February 15, 2022. During the meeting, the Board selected Mr. Beall as Board representative for the Ellen J. Pickering Environmental Excellence Award Selection Committee.

In February, AlexRenew had 1 reported case 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.

### Operational Excellence

Precipitation for February at Reagan National Airport was 2.30 inches of rain, which is below the Washington, D.C historical average precipitation of 2.62 inches for the month.

Biosolids production for February was 1,508 wet tons, all of which was beneficially used through land application in the Virginia counties of King George and King William.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for February 2022.

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	38.2	<QL	2.7	1.02	9.6	3.5	64,758	0.10	1,605

### NOTES

1. Total Nitrogen expressed as year-to-date average.
2. Ammonia has seasonal limits: February – March: 6.9 mg/L

### Public Engagement and Trust

#### **Tours and Events**

AlexRenew hosted the Alexandria Chamber Leadership Academy on Friday, February 18, with approximately 30 attendees and a tour of the lobby to a Girl Scout troop of approximately 20 attendees.

#### **Customer Service**

Customer service received a total of 827 calls with 44 percent opting for self-service. Average call answer time was 18 seconds. Call center staff answered 86 emails.

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

70 percent of people who engaged with us on Facebook during February were from the City of Alexandria; the majority (66 percent) were women and 34 percent were men. We had 144 organic engagements on

Facebook. We currently have 3,462 Facebook followers. AlexRenew had 244 organic engagements on Twitter and 2 on LinkedIn. We have a total of 3,304 followers on Twitter, 2,398 on LinkedIn, and 216 Instagram followers. Alexrenew.com had 5,907 sessions and 9,597 page views during February. We had 39 visitors click through to our website from social media. The RiverRenew website had 887 visitors and 3,224 page views.

*Watershed Stewardship*

See RiverRenew Dashboard. (Attachment 1)

*Adaptive Culture*

Since July 2021, AlexRenew has logged 97,163 hours without a lost time accident.

Thank you for your ongoing dedicated service to AlexRenew.

Regards,

Karen Pallansch  
Chief Executive Officer

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Regards,

Karen Pallansch  
Chief Executive Officer

# RiverRenew Board of Directors Dashboard



MONTH ENDING: FEBRUARY 28, 2022

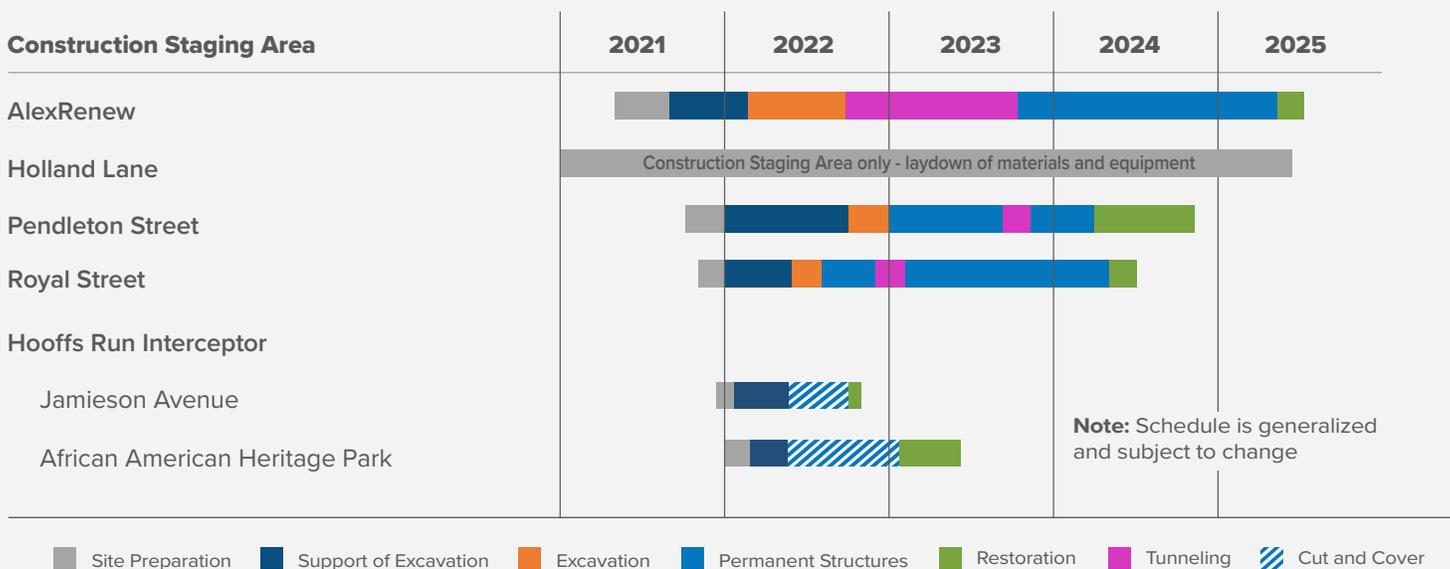
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

## 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.
1/2022	Concrete for shaft slurry walls delayed due to weather, COVID impacts, shortage of CDL drivers due to Omicron spike, and lack of concrete materials in the Greater Metro D.C. area. Monitoring schedule impacts to critical path.
2/2022	TBM fabrication and delivery delayed by three weeks. Monitoring schedule impacts to critical path.

# RiverRenew Tunnel Project Design-Build Progress

## Overall Project Progress

(Design and Construction)



▲ DEC 2020

JUL 2025 ▲



**Pendleton Street**  
Sheeting installation completed

### Design Progress



### Construction Progress



JUN 2022 ▲

NOV 2024 ▲



**Royal Street**  
Site mobilization ongoing

### Design Progress

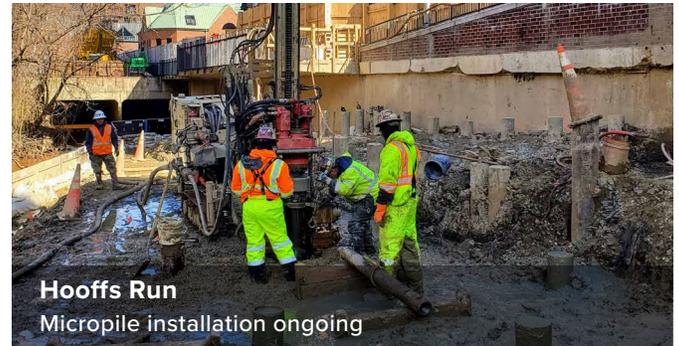


JUN 2022 ▲

### Construction Progress



JUL 2024 ▲



**Hooffs Run**  
Micropile installation ongoing

### Design Progress

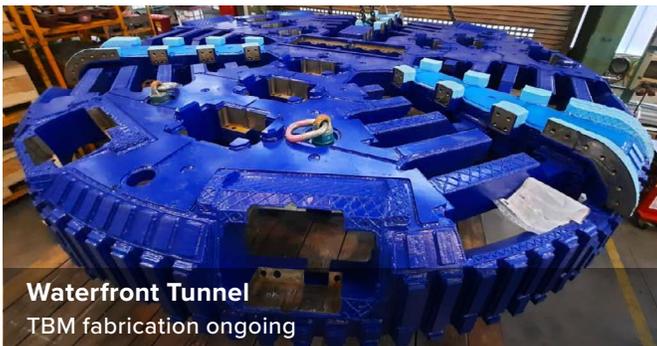


JUN 2022 ▲

### Construction Progress



JUN 2023 ▲



**Waterfront Tunnel**  
TBM fabrication ongoing

### Design Progress

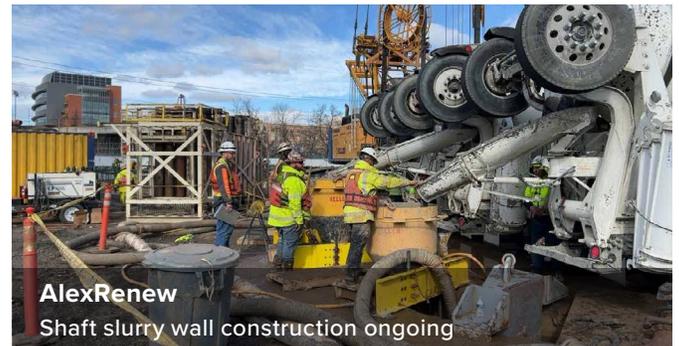


APR 2022 ▲

### 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 February 28, 2022. Planned Progress bars are representative of updates to Baseline Schedule.

# RiverRenew Tunnel Project Six-Month Look-Ahead

## Community Outreach

Event	Date
2022-2023 RiverRenew SAG Meeting No. 7	Mar 17, 2022
Council-Board Workgroup Meeting No. 14	Apr 27, 2022
2022-2023 RiverRenew SAG Meeting No. 8	May 19, 2022
Community Listening Sessions	July 2022
2022-2023 RiverRenew SAG Meeting No. 9	July 21, 2022

## Royal Street

### MAJOR WORK ACTIVITIES

Activity	Date
Site mobilization and preparation	Ongoing through Mar 2022
Set up site for shaft support of excavation	Apr 2022
Shaft support of excavation	May 2022
Set up site for shaft excavation	Jul 2022
Shaft excavation	Aug 2022

### PERMITS

Permit	Date
Building Permit - Shaft Support of Excavation	Mar 2022
DSUP Final Site Plan Approval	May 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
Install instrumentation	Mar 2022
Tunnel boring machine	
Commissioning	Apr 2022
Factory testing	Apr 2022
Shipping	May 2022
Arrive at AlexRenew	Jun 2022
Assembly at AlexRenew	Jun 2022
Lower into shaft	Aug 2022

## Pendleton Street

### MAJOR WORK ACTIVITIES

Activity	Date
Install backfill	Mar 2022
Install guide walls	Apr 2022
Set up site for shaft support of excavation	Jul 2022
Shaft support of excavation	Aug 2022

### PERMITS

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

## Hooffs Run

### MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Micropile installation	Ongoing through Mar 2022
Support of excavation	Mar 2022
Diversion chamber construction	Apr 2022
Open cut construction	Jun 2022
Junction chamber construction	Jul 2022
African American Heritage Park	
Site mobilization and preparation	Mar 2022
Junction chamber construction	Apr 2022
Open cut construction	Jun 2022

### PERMITS

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

## AlexRenew

### MAJOR WORK ACTIVITIES

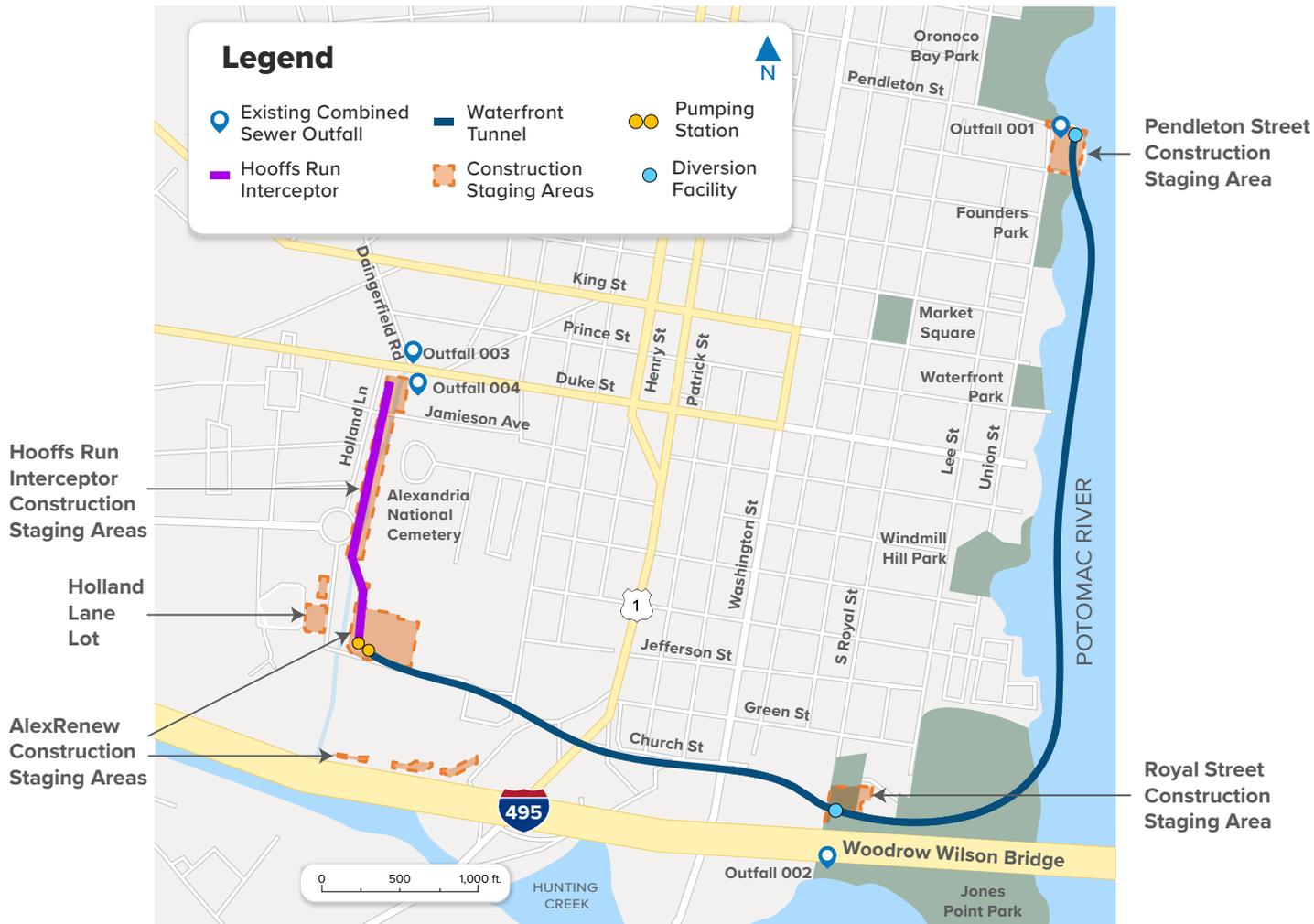
Activity	Date
Shaft support of excavation	Ongoing through Mar 2022
Shaft excavation	Apr 2022
HGL control structure support of excavation	May 2022
Construct screening shaft base slab	Jun 2022
HGL control structure deep foundations	Jun 2022
Breakthrough between screening shaft and pumping shaft	Aug 2022

### PERMITS

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

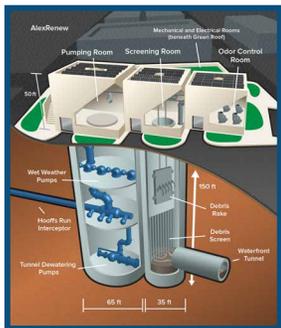
# RiverRenew Tunnel Project Snapshot

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.



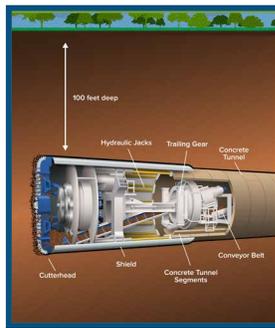
**Hooffs Run Interceptor**

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



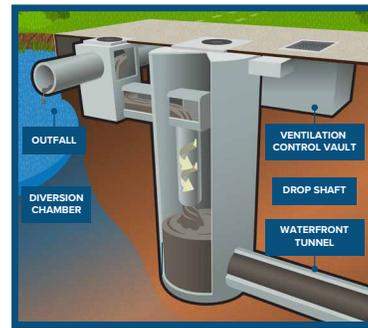
**Pumping Station**

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.

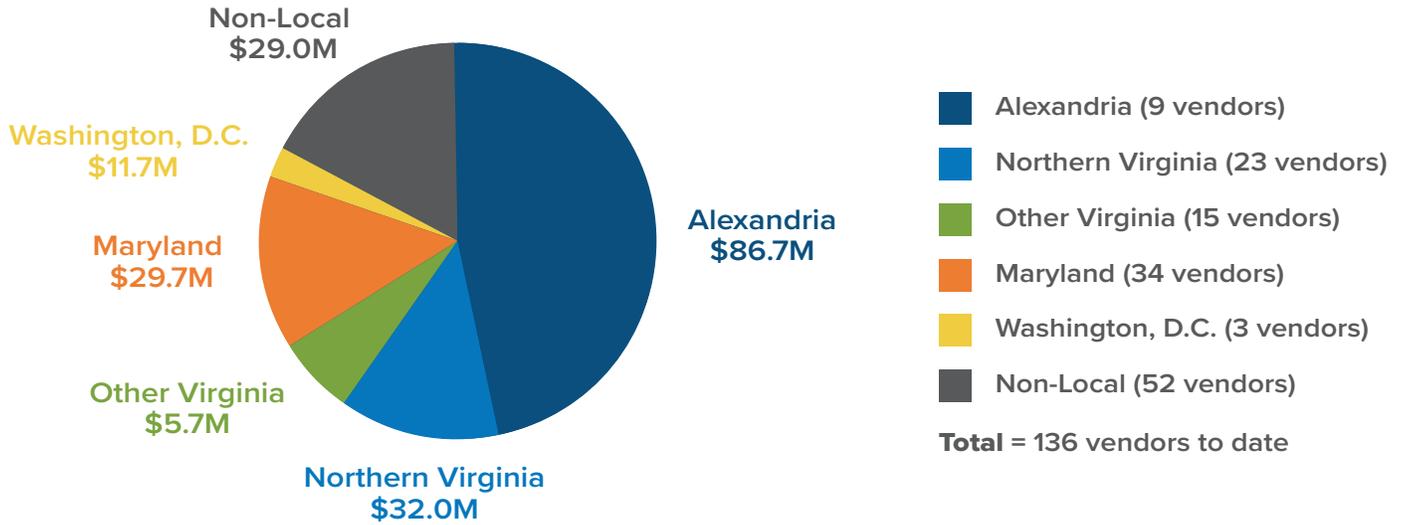


**Diversion Facility**

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

# RiverRenew Program Costs to Date

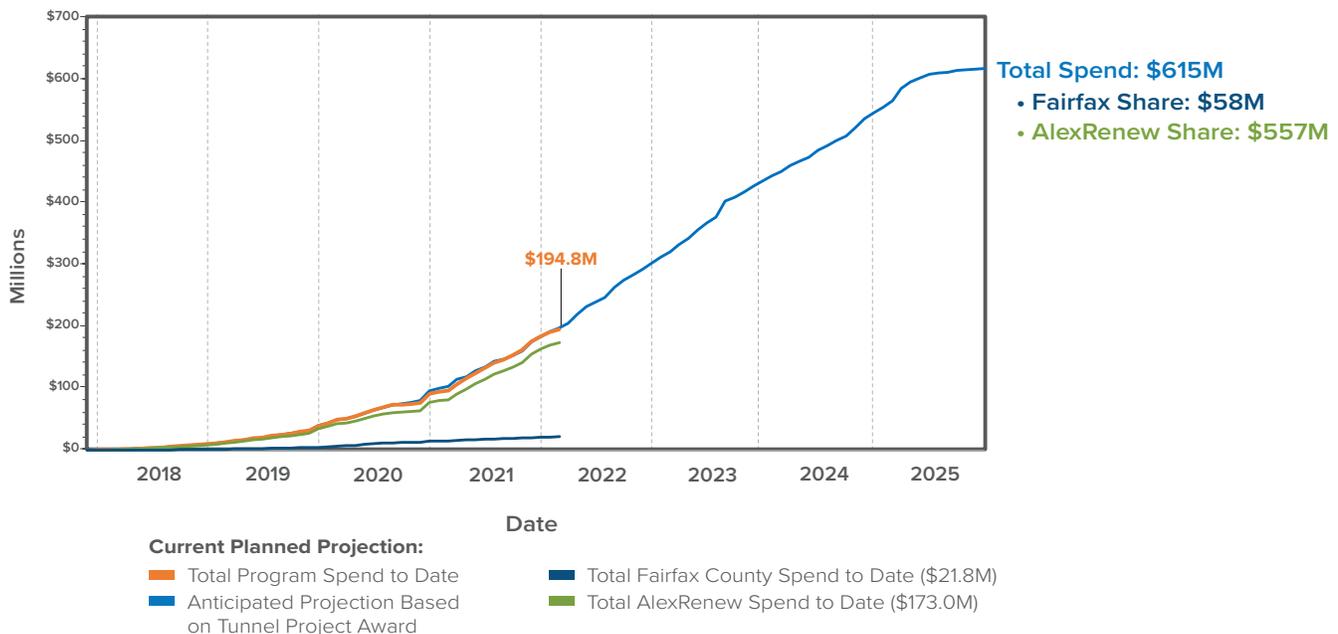
## RiverRenew Spend to Date by Locality



## 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	\$87.2
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$54.5
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$4.6
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$48.5

## RiverRenew Cash Flow Analysis



Note: As of February 28, 2022.

# 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:

- Shared advice from RiverRenew engineers on social media for **Introduce a Girl to Engineering Day**



## Digital Programming

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

### Highlights:

- A selection of **photos** highlighting Traylor-Shea's tunnel rescue training for the Alexandria Fire Department
- A **social post** and alert email highlighting mobilization activity at African American Heritage Park
- A **video** featuring Cloe's crew that highlights AlexRenew's National Environmental Education Award recognition



## 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.

### Looking Ahead:

- 2022-2023 RiverRenew SAG Meeting No. 7: **March 17**
- 2022-2023 RiverRenew SAG Meeting No. 8: **May 19**
- 2022-2023 RiverRenew SAG Meeting No. 9: **July 21**
- Community Listening Sessions: July 2022



## 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. 14: April 27



## 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: Summer 2022



## Community Events

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

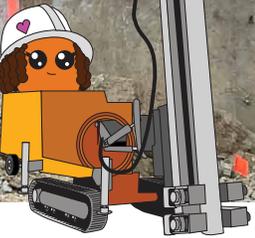
### Highlights:

- 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.

### Looking Ahead:

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

# Monthly Construction Spotlight



Meet Maria the Micropiler!

## Micropile installation underway for Hooffs Run Diversion Chamber support of excavation

This month, RiverRenew crews mobilized equipment to the Jamieson Avenue Construction Staging Area to install 55-foot-deep micropiles. These micropiles will help form the support of excavation system for the new diversion chamber that will capture overflows from Outfalls 003 and 004. These overflows will then be diverted to the Hooffs Run Interceptor and transported for treatment at AlexRenew.

Micropiles are installed using a “micro rig” that drills a hollow casing about as wide as a basketball into the ground. Reinforcing steel is then inserted into the casing, which is then filled with concrete. This work will last through March.

To learn more about micropiles and the construction of the Hooffs Run Interceptor, visit [RiverRenew.com/construction/hooffs-run](https://www.RiverRenew.com/construction/hooffs-run). And check out our new character Maria!

## Building for the Future of Alexandria’s Waterways

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



# Monthly Financial Report



**Month:** February 2022

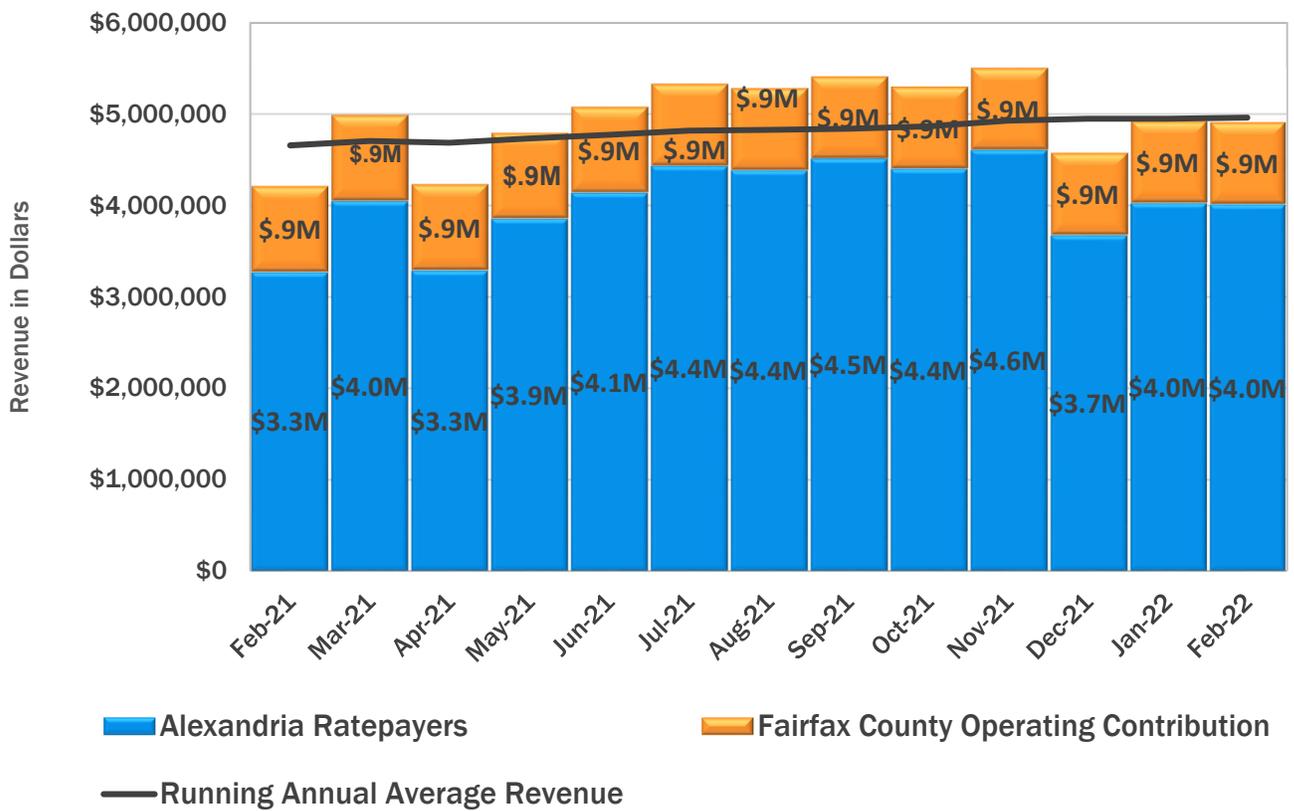
## Overview

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.

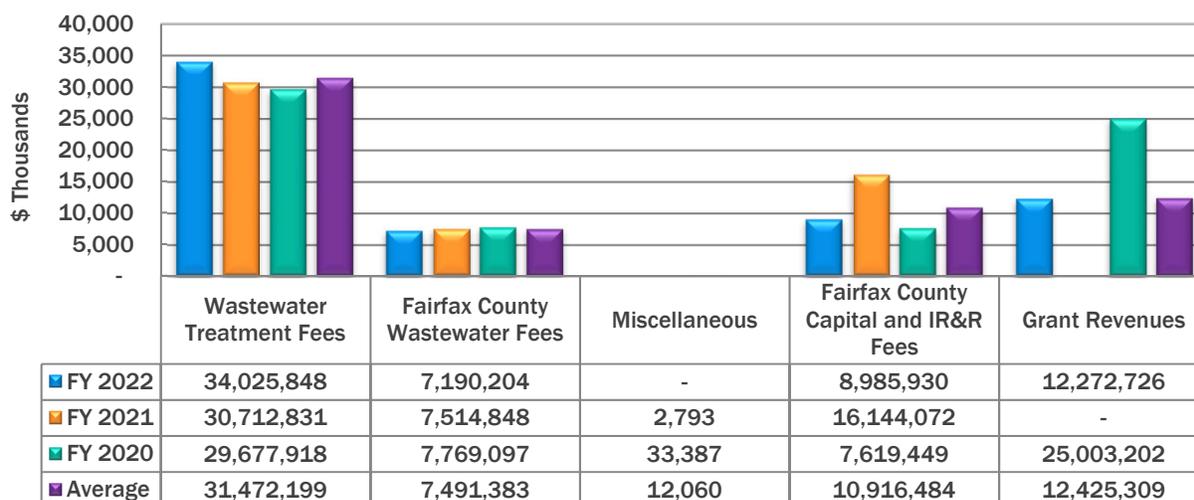
## Revenues

- FY22 operating revenues total \$41.2 million through the end of February with approximately \$34.0 million in Wastewater Treatment Charge revenue and \$7.2 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$3.3 million (10.8%) more compared to the same time period in FY21, and \$2.1 million (6.74%) 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.

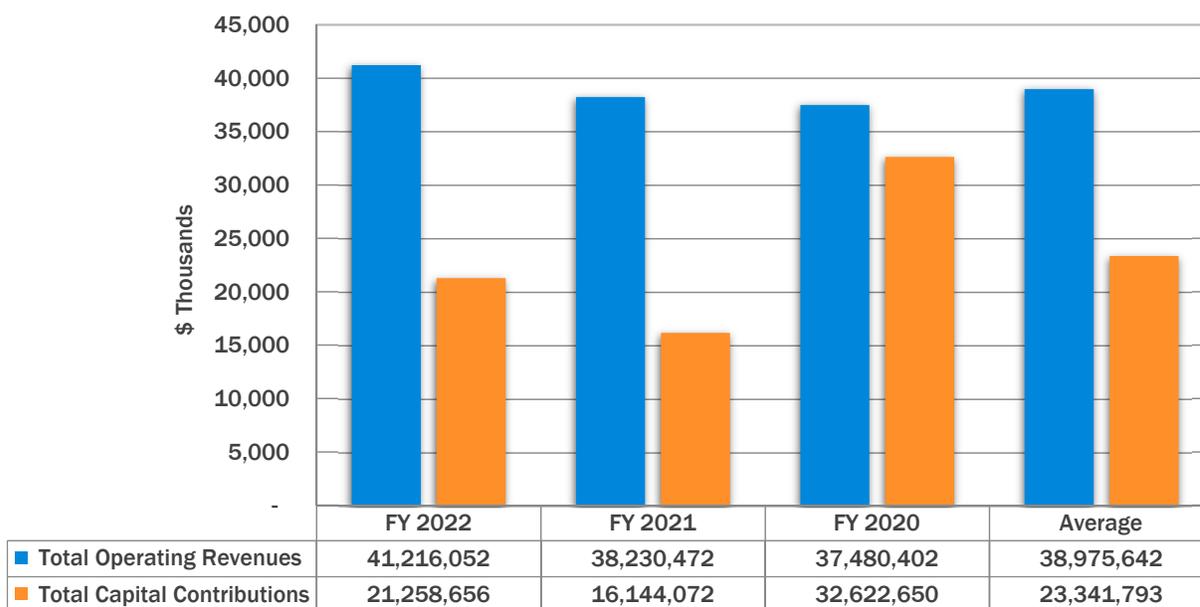
## Monthly Wastewater Treatment Fee Revenue



### Annual Revenue and Capital Contributions 3 Year Comparison



### Operating Revenue vs. Capital Contributions



## Expenses

FY22 operating and maintenance expenses are approximately 12% or \$2.33 million under the year-to-date budget, representing a spend rate of 58.4%. An overall decrease in utilities, personnel services and sludge disposal costs accounts primarily for this variance.

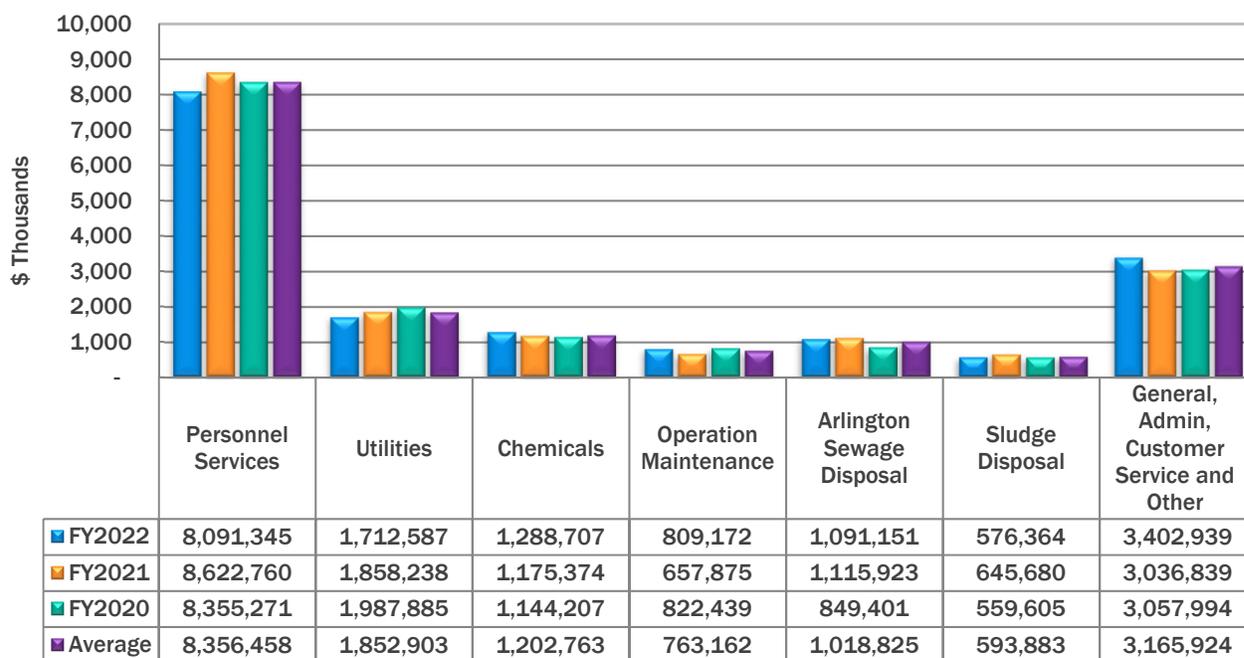
Capital outlay expenses are \$33.7 million year-to-date, representing a spend rate of 31.4%.

At eight (8) months into the fiscal year, the overall spend rate is 39.3% of the total budget.

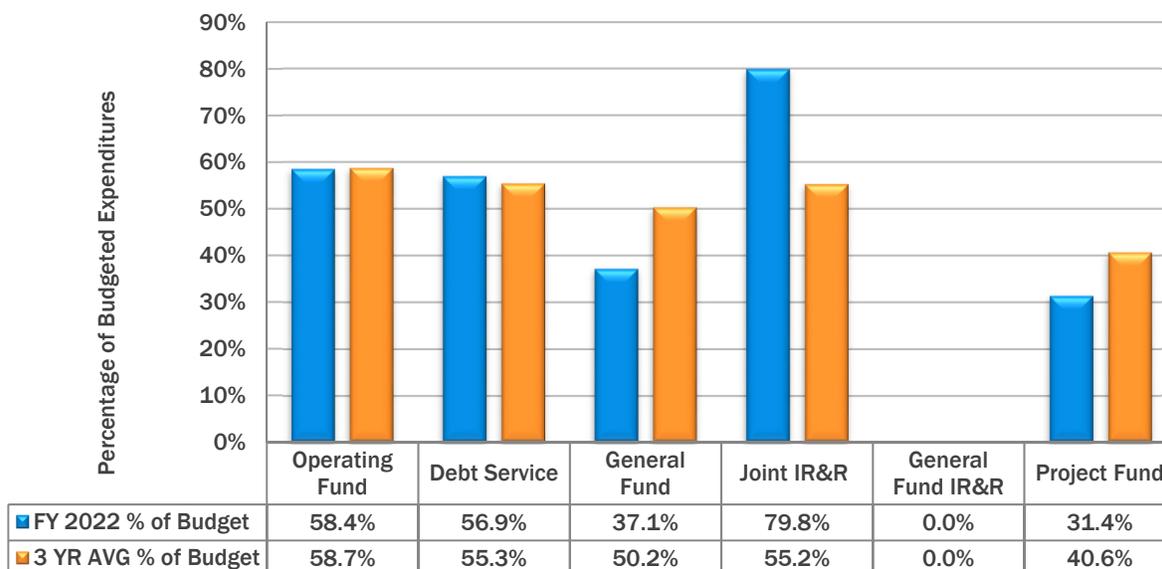
### Expenses by Fund

ACTUAL VS. BUDGET Through February 2022					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	\$ 16.59	\$ 16.67	\$ 18.93	58.4%	58.7%	-0.2%
Debt Service	13.92	7.92	7.79	9.28	56.9%	55.3%	1.6%
General Fund	72.40	26.89	12.79	48.27	37.1%	50.2%	-13.1%
Joint IR&R	5.70	4.55	2.87	3.80	79.8%	55.2%	24.6%
General Fund IR&R	0.12	-	-	0.08	0.0%	0.0%	0.0%
Project Fund	107.50	33.72	28.52	71.67	31.4%	40.6%	-9.2%
<b>Total</b>	<b>\$ 228.03</b>	<b>\$ 89.67</b>	<b>\$ 68.65</b>	<b>\$ 152.02</b>	<b>39.3%</b>	<b>47.8%</b>	<b>-8.5%</b>

### Annual Operating Expenses 3 Year Comparison



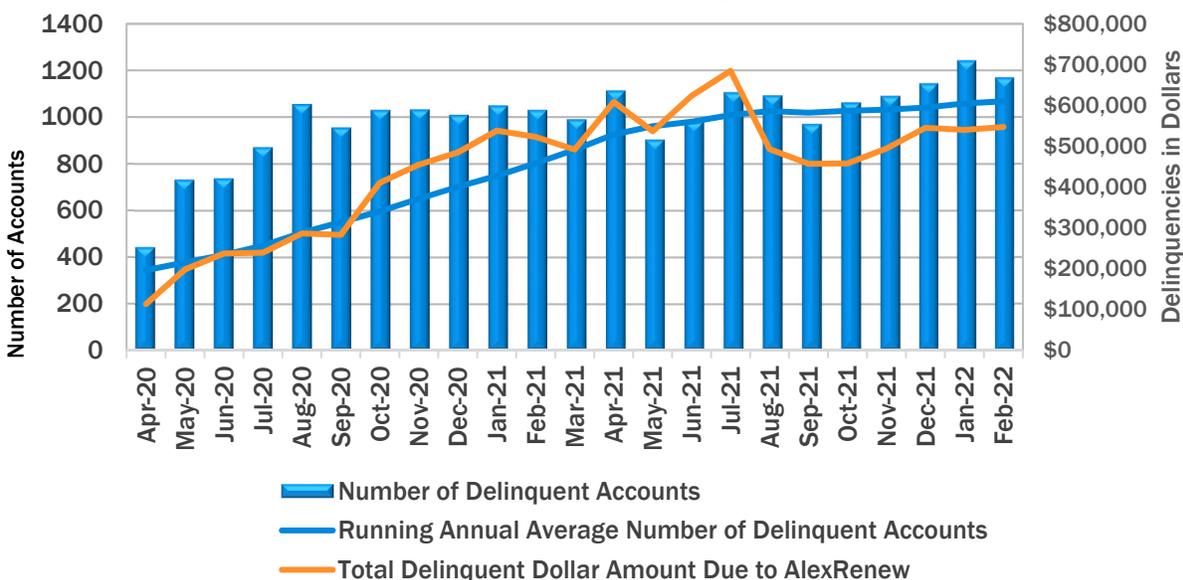
## Expenditure Budget Comparison By Fund FY 22 vs. 3 Year Average



### Delinquencies

The number of accounts that are delinquent by more than 60 days was 1,168 in February and decreased slightly month-over-month. The total dollar amount owed to AlexRenew from these accounts totaled \$547,201 at the end of February, following award of \$125,881 in customer assistance funding in January. 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.

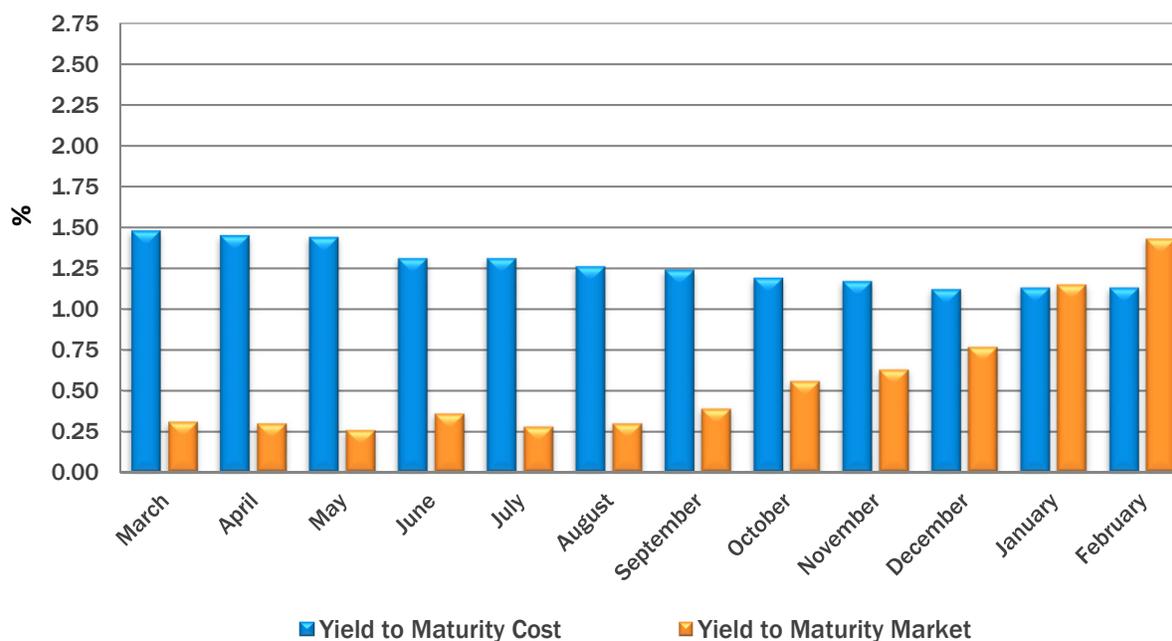
### Active Accounts 60+ Days Delinquent



## Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew's \$28.0 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.13%; a level higher than general bank deposit earnings rates.

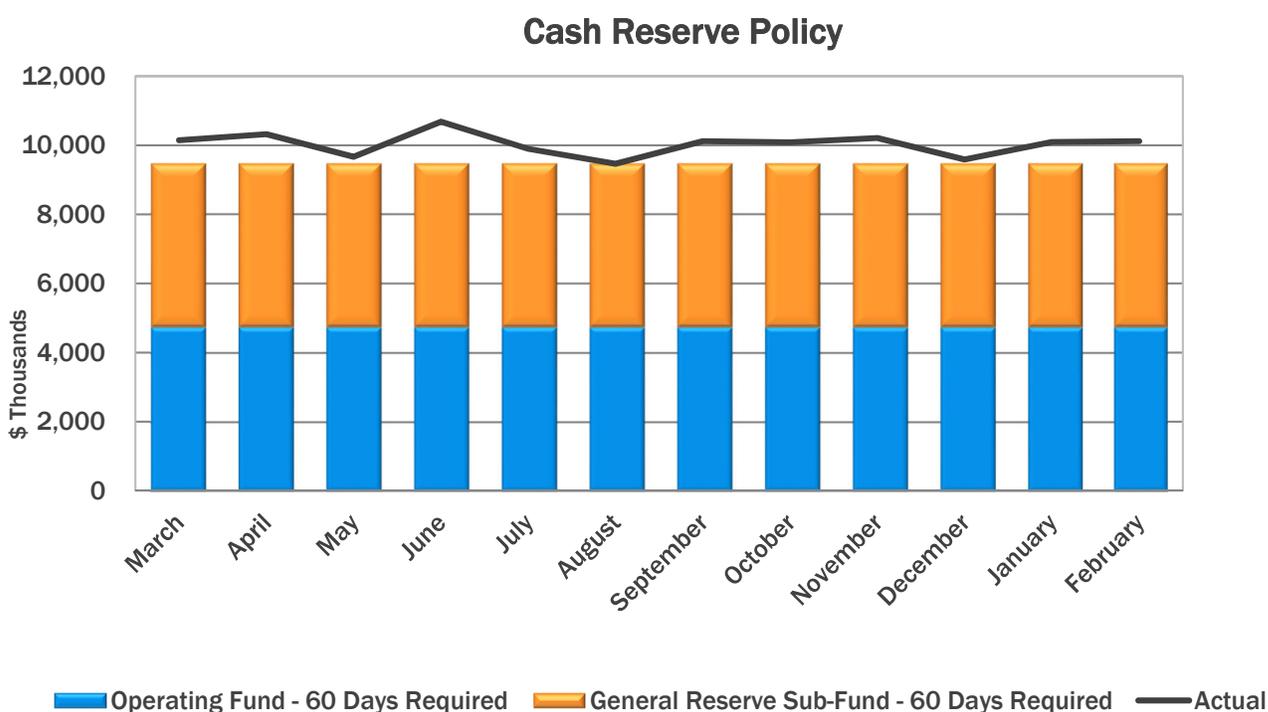
### Investment Yield Percentage to Maturity (Investments managed by PFM) Through February 2022



## 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 February, 2022</b>		
Total Operating Cash	\$ 2,627,097	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,864,392	
CARE ACT COVID19 Funding Balance	\$ (103,757)	
Total Operating Cash	<u>\$ 5,387,732</u>	
Total General Reserve Sub-Fund Cash	<u>4,731,167</u>	
Total Operating and General Reserve Sub-Fund Cash	<u>10,118,899</u>	107%



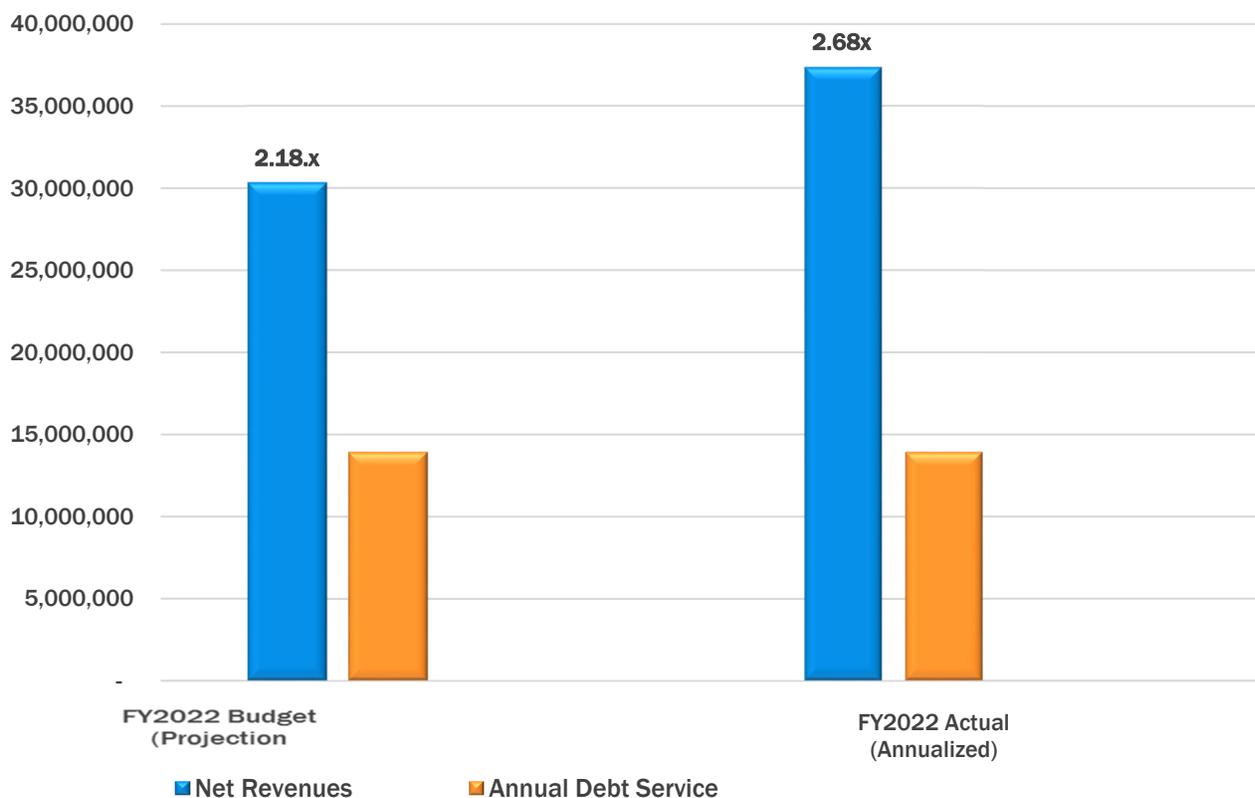
### Debt Service Coverage

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 eight months into the fiscal year, annualized results would indicate coverage of at 2.68x, ahead of the budgeted projection of 2.18x.

<b>Financial Policy Compliance - All-In Debt Service Coverage</b>	<b>FY 2022 Actual</b>	<b>FY 2022 Budget</b>
<b>Gross Revenues Available for Debt Service Coverage:</b>		
Wastewater Treatment Charges - Alexandria Ratepayers	51,038,772	47,814,540
Fairfax County Operating Expense Charge	10,785,307	10,785,305
Reimbursement from other systems	-	-
Investment Income	395,925	115,000
Less Restricted Investment Income	-	-
<b>Total</b>	<b>62,220,004</b>	<b>58,714,845</b>
<b>LESS Operating Expenses</b>	<b>(24,890,143)</b>	<b>(28,386,991)</b>
<b>Net Revenues [a]</b>	<b>37,329,861</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>2.68x</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.

# 2022 AlexRenew Board of Directors Calendar of Events

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

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

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

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

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

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

## Legend

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

January
Dec. 31: New Year's Day Observed
18: Board of Directors Meeting
19: Council Board Workgroup
20: RiverRenew SAG #1
26: RiverRenew Community Listening
27: Governance Committee Mtg.
February
15: Board of Directors Meeting
March
15: Board of Directors Meeting
17: RiverRenew SAG #1
April - Earth Month
18: Governance Committee Mtg.
19: Board of Directors Mtg. - Presentation of FY23 Budget
22: National Earth Day
25: Finance & Audit Committee
27: Council Board Workgroup
May
4: Governance Committee Mtg (Tent)
19: RiverRenew SAG #2
7: Public Hearing on Budget
9: F&A Committee Mtg (Tent)
17: Board of Directors Mtg: Budget discussion
30: Memorial Day
June - Safety Month
6: F&A Committee Mtg (Tent)
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																			

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	Community Listening Sessions																
	Budget Hearing																

July
1: Beginning of FY23
4: Independence Day Observed
19: Board of Directors Meeting - Annual Meeting
21: RiverRenew SAG #3
TBD: Council Board Workgroup
August - National Water Quality Month
No Board Meeting this Month
September - Preparedness Month
5: Labor Day
15: RiverRenew SAG #4
20: Board of Directors Meeting
October - Cybersecurity Month
TBD: Council Board Workgroup
10: Finance & Audit Committee - Audit review
TBD: Board Interviews for GM
18: Board of Directors Meeting
November - Thanks for Giving Month
15: Board of Directors Meeting
17: RiverRenew SAG #5
24: Thanksgiving
December
20: Regular Board Meeting
21: Board announcement of new GM