

Minutes of the Board Governance Committee Meeting - Virtual
Alexandria Renew Enterprises
Thursday, January 27, 2022

On Thursday, January 27, 2022, the Alexandria Renew Enterprises Board of Directors held a Board Governance Committee 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. James Beall, Committee Chairman
Ms. Adrianna Caldarelli, Committee Member
Mr. John Hill, Board Chairman
Mr. William Dickinson, Secretary-Treasurer
Mr. Kerry Donley, Board Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
Ms. Lorna Huff, Secretary to the Board

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

Consultants: Ms. Christine Springer, Owner
Rising Culture Group

Call to Order

The Chairman called the meeting to order at 5:00 p.m. and recognized Mr. Rak who provided the Explanation of Procedures for an Electronic Meeting.

Explanation of Required Procedures for an Electronic Meeting

Due to the Covid-19 pandemic emergency, the January 27, 2022, Alexandria Renew Enterprises Board of Directors Governance Committee meeting is being held electronically pursuant to our electronic meeting guidelines and the local state of emergency. The meeting is being recorded, and a recording will be posted to the Alexandria Renew website.

Approval of Agenda

The Chairman requested a motion to approve the agenda. Ms. Caldarelli moved, and Mr. Donley seconded. The Board unanimously approved.

1. CEO/GM Succession Process Overview

Discussion

The Chairman recognized Ms. Pallansch who reported that her contract expires in February 2023. She reviewed the succession planning timeline and noted interviews had been conducted with members on the Board to discuss the attributes they were looking for in the next General Manager (GM). She recognized Ms. Springer from the Rising Culture Group, who acted as facilitator and conducted the interviews. She summarized her findings in the attached presentation.

Ms. Springer reported these interviews took place almost 2 years ago. She gave an overview of the process and inquired what is the anticipated growth of AlexRenew with respect to three key

processes: AlexRenew's 2040 Vision, Utility of the Future and One Water Initiatives, and RiverRenew and how it will affect the relationship with the City? How does the GM role evolve to meet this expected growth? After the interviews and discussions, members came to consensus on the following. 1), that an engineering degree while preferred is not required. 2) Leadership skills required include innovative and out of the box thinking, political and financial savvy, and 3) a community influencer skilled at building relationships. Other considerations include a strong regulatory awareness.

Members discussed the importance of being politically savvy and a community influencer. The candidate should be able to wear many hats and adapt quickly. Ms. Caldarelli reported that AlexRenew, as an essential service, should be considered as we are interviewing candidates. Mr. Donley noted that it is possible to get a candidate who is not familiar with the City. He further discussed his experience in using a search firm to assist with the hiring of a senior executive. Mr. Hill reported that strategic thinking will be a deciding factor in the hiring of a new general manager.

There were no additional questions or comments and the Committee Chairman inquired if Ms. Springer had additional comments. She had none and he thanked her for her work on this project. The CEO reported that Human Resources is aware of cooperative purchase agreements that AlexRenew can ride to hire a search firm. The CEO will report back in March on this. She requested that members contact her if they have questions or comments. The goal is to post the position in July 2022 with interviews beginning in the September/October period

Ms. Pallansch recognized Mr. Rak who reported that future meetings on the search process be held in closed session. To ensure a level playing field for all candidates. There were no additional questions or comments on the search process and the Chairman moved to the Policy Review and Update Status.

2. Policy Review and Update Status

Mr. Rak summarized the comments and questions provided by the Governance Committee on the Board policies. Governance Committee members reviewed the comments and Ms. Caldarelli suggested that policies be reviewed annually to ensure that members are meeting all their responsibilities. The Board Chair thanked Mr. Beall and Ms. Caldarelli for their policy review. Mr. Hill suggested that members review the Board Member Responsibilities Policies.

The Committee Chairman noted the Ethics Policy does not address solicitation of non-profit groups. Mr. Rak reported that contributions are very restrictive. Members can only solicit for non-profit groups outside of their capacity as Board members. Mr. Hill reported that we should have one guaranteed meeting specifically to review Board Policies. Mr. Rak suggested that this could be added to the Board Responsibilities policies.

There were no additional questions or comments, the Committee Chair requested a motion to adjourn. Mr. Donley moved, and Mr. Hill seconded. The Board unanimously approved.

The meeting adjourned at 6:15 p.m.