



AlexRenew is an independent public authority that manages Alexandria's wastewater to improve our local waterways.

703.721.3500 | AlexRenew.com | [f](#) [t](#) [i](#) [in](#)

1800 Limerick Street, Alexandria, Virginia 22314

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

McGuire Woods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Secretary-Treasurer

DATE: July 12, 2022

SUBJECT: Regular Board of Directors Meeting

The Regular Meeting of the Board of Directors will be held on Tuesday, July 19, 2022, at 6:00 p.m. at Alexandria Renew Enterprises.

There are currently two items for Board action this month:

- ◆ Review and Approval of Contract for Customer Billing Service Solution (Alex Only)
- ◆ Review and Approval of Existing Finance Agreement to Virginia Resources Authority (VRA) (Alex Only)





Agenda

Alexandria Renew Enterprises Board of Directors Meeting
Tuesday, July 19, 2022 @ 6:00 p.m.
1800 Limerick Street, Ed Semonian Boardroom &
Via livestream: <https://youtu.be/YuJqgGBuCOU>

No.	Item	Presenter	Action Required
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The Tuesday, July 19, 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 public can access the meeting in the Ed Semonian Boardroom or through the live broadcast YouTube: <https://youtu.be/YuJqgGBuCOU>

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.

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 (6:14 p.m.)	Chairman	Approval
	A. Minutes (Meeting June 21, 2022) (Tab 1)		
5	Unfinished Business (6:16 p.m.)	Chairman	Approval
	A. None		
6	New Business (6:25 p.m.)	Chairman	Approval
	A. Review and Approve Contract for Customer Billing Service Solution (Alex Only) (Tab 2)	Ms. Pallansch	
	B. Review and Approve Existing Finance Agreement to Virginia Resources Authority (VRA) (Alex Only) (Tab 3)		
7	AlexRenew Monthly Outcomes Update (6:35 p.m.) (Tab 4)	Ms. Pallansch	Information
8	Closed Session to discuss a public contract involving the expenditure of public funds where discussion in an open session would adversely affect the negotiating strategy of the public body. (7:05 p.m.)	Chairman	
9	Adjourn (7:15 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.

***There is no Board meeting scheduled for August
The next Regular Board of Directors meeting is scheduled for Tuesday, September 20, 2022 @ 6:00 p.m.
Members of the public may park in the parking lot across the street from Alexandria Renew at the corner of Limerick & Bartholomew Streets***

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

Minutes of the 895th Meeting
"Celebrating Over 60 Years of Continuous Environmental Excellence"
Alexandria Renew Enterprises
6:00 p.m., Tuesday, June 21, 2022

On Tuesday, June 21, 2022, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting in the Edward Semonian Board Room at 1800 Limerick Street, with the following present:

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

Mr. Kerry Donley, Member (Attended Virtually)

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

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

Ms. Amanda Waters, General Counsel
McGuireWoods LLP

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

City Representative: Mr. Lu Zhang, Civil Engineer IV
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 6:01 p.m.

Approval of Agenda

The Chairman requested that members review and approve the agenda. Mr. Beall moved, and Mr. Donley seconded. The Board unanimously approved.

Public Comment Period

There were no members of the public in attendance and the Chairman closed the public comment period.

Consent Agenda

The Chairman requested members review the Consent Agenda which contained the Minutes of the May 17, 2022 meeting and an action item for Review and Approval of Solids Master Planning Services. Mr. Dickinson inquired about the scope of the project. Ms. Pallansch reported that the Solids Master Planning Services is a CIP Project which will determine AlexRenew's feasible options for the beneficial reuse of solids. It is a complete planning process to update the system and improve compliance. Mr. Donley inquired about the duration of Phase1 of the project. Ms. Pallansch reported that she thought it was about 12-18 months but would confirm.

There were no additional questions or comments. Mr. Donley moved approval and Mr. Beall seconded. The Board unanimously approved.

New Business

- A. Review and Approve Amendment #2 to Professional Services Agreement for Tunnel System Resident Engineering and Inspection Services
- B. Review and Approve Amendment #3 to Professional Services Agreement for Tunnel System Resident Engineering and Inspection, FY23 Budget Authorization
- C. Review and Approve Amendment #8 to Professional Services Agreement for RiverRenew Owner's Advisor Services FY23 Budget Authorization, Brown & Caldwell

Discussion

The Chairman recognized Ms. Pallansch who provided background on the contracts. Ms. Pallansch reported that these contracts are a routine part of AlexRenew's planned CIP for this project. Members requested that these contracts be reviewed under new business due to the dollar amounts. She noted these contracts support the planning, design, oversight, and execution of the Traylor Shea Joint Venture (TSJV) RiverRenew project. The first contract is a no cost change to complete the fiscal year. The second memo is to approve for the full year for RE&I services. The third memo approves the Brown & Caldwell Owner/Advisor contract. All the budgeted amounts are in the CIP and a continuation of services that are currently underway.

The Chairman inquired if members had questions or comments. Mr. Hill inquired on the impact of current prices and costs. Ms. Pallansch reported that the contractor is being impacted from labor shortages to supply chain issues. There are mechanisms in the TSJV contract where staff is kept informed of significant delays and cost impacts.

The Chairman inquired if the contracts could be approved together. Counsel reported that they could. Ms. Caldarelli moved and Mr. Dickinson seconded. The Board unanimously approved the following new business items;

Be It Resolved That the Board authorizes the CEO to renew the contract with EPC for (1) additional three-year period to support RiverRenew implementation through March 2026.

Be It Resolved That the Board authorizes the CEO to execute Amendment #3 to Contract 20-013 to cover the third year Agreement for FY2023 for an amount not to exceed \$10,982,300.

Be It Resolved That the Board authorizes the CEO to execute Amendment #8 to Contract 17-022 to cover the Sixth Year Scope of Services and Budget for FY2023 for an amount not to exceed \$14,752,000

CEO Monthly Outcome Reports

Ms. Pallansch noted her written report and had no additions. She inquired if members had questions or comments on the CEO Report.

RiverRenew Dashboard

Ms. Pallansch reviewed the May Dashboard reporting that staff continues to document any significant delays. The ship carrying the tunnel boring machine (TBM) has arrived in Norfolk. She noted the second page and the status of current projects. She reported on the Community Listening Sessions, Council Board Workgroup, and the Tunnel Welcoming Session during the week of July 11.

Mr. Donley requested that the CEO provide an overview of the community outreach sessions, The Community Listening Sessions are public noticed and held at each of four locations: 001 (Pendleton Street), 002 (Royal Street) 003-004 at Duke Street, and one at the AlexRenew plant. The contractors will be present to answer questions, discuss the current work at the site and what is anticipated to be there upon completion. The sessions run from 6:30 p.m. to 8:30 p.m. Ms. Pallansch reported that she will send the information on the sessions to the Board via email.

Mr. Dickinson congratulated the CEO on getting the \$40 million from the State for the RiverRenew project and inquired whether AlexRenew would get the grant money directly. Ms. Pallansch reported that the \$40 million is ARPA money and will go directly to AlexRenew.

Financial Report

Ms. Pallansch inquired if there were any questions or comments on the financials. Mr. Donley reported that financials look good and commended Ms. McIntyre and her team.

Closed Session

At 6:27 p.m., the Chairman moved to enter a closed session to discuss 1) a potential amendment to deed of trust securing payment for transferred developments rights involving the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position of the public; 2) potential amendments to RiverRenew contract involving expenditure of public funds were discussion in an open session would adversely affect the negotiating strategy of the public body; and 3) a personnel matter. Mr. Beall seconded. The Board unanimously approved.

The meeting returned to open session, and the following certification was unanimously adopted by the members: "Pursuant to 2.2-3712(D) of the Virginia Freedom of Information Act, it is hereby certified that to the best of each Member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Act, and (2) only public business matters identified in the motion by which this closed meeting was convened were heard, discussed, or considered by Alexandria Renew Enterprises."

Mr. Donley moved, and Mr. Beall seconded. All Members present voted via roll call:

Mr. Hill	Aye
Mr. Beall	Aye
Mr. Dickinson	Aye
Mr. Caldarelli	Aye
Ms. Donley	Aye

Upon return to open session, Mr. Beall moved to approve the Independent Contractor Agreement with Karen Pallansch as reviewed and amended during the Closed Session. Mr. Dickinson seconded. The Board unanimously approved.

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

APPROVED:

Secretary-Treasurer



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Karen L. Pallansch
P.E., BCEE

GENERAL COUNSEL

McGuire Woods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Karen Pallansch, CEO

DATE: July 12, 2022

SUBJECT: Action Item, New Business, Alexandria Only
Review and Approve Contract for Customer Billing Service Solution

Issue

AlexRenew partnered with another public entity, Greater Cincinnati Water Works (GCWW), to provide customer billing services when Virginia American Water discontinued billing services. AlexRenew's contract with GCWW is set to expire in 2024 and GCWW is discontinuing external billing services and is not in a position to renew the contract. AlexRenew is in need of a new customer information system (CIS), billing, and customer service solution in order to ensure continuity of excellent customer service for AlexRenew and its customers in the City of Alexandria.

Recommendation

Staff respectfully recommends that the Board authorize the Chief Executive Officer to execute a contract with Enterprise Solutions Consulting, LLC (ESC) for a full-service customer service solution including upgrades and maintenance of the CIS, provision of billing services, and overall customer service support. The projected contract duration is for 10 years from the Notice to Proceed.

Budget and Funding

Funding for this project was included in the approved FY2023 CIP and operating budgets. The total ten-year contract authorization is a not-to-exceed amount of \$11,229,071 including a 10% owner-held contingency. The FY23 contract cost is \$926,682, within the budget approved for FY23. Future year budget requests will line item the contract costs for these services.

Discussion

The American Water Company, now known as Virginia American Water (VAW), provided wastewater billing services for AlexRenew since AlexRenew's inception in 1952. VAW notified AlexRenew in September 2012 that it was discontinuing all third-party billing services within 9 months. AlexRenew quickly pivoted and contracted with another public entity, GCWW, who was providing billing services to many external utilities. In 2020, AlexRenew received formal notice that GCWW is leaving the contract customer service business, requiring AlexRenew to procure a new customer service solution upon the expiration of our current contract, which ends in 2024.



AlexRenew partnered with the consulting firm Raftelis to review AlexRenew’s current and future customer service needs and industry best practice as part of the due diligence for procuring a customer billing and information solution. As part of the review, AlexRenew reviewed an in-house customer service practice option. This option was not pursued due to risk of significantly higher costs, longer implementation times and staffing challenges. Outsourcing allows AlexRenew the benefit of economies of scale for services, providing lower cost opportunities for its ratepayers.

AlexRenew issued a request for information (RFI) in 2021 to gauge market interest and learn more about available solutions. AlexRenew received 11 responses to the RFI and conducted demonstrations with eight firms. Results from this market research were used by AlexRenew to develop its technical requirements and refine the procurement documents.

In April 2022, AlexRenew issued a formal solicitation as a sealed competitive negotiation, in accordance with Virginia Code § 2.2-4302.2. Request for Proposal (RFP) 22-015 received four responses. These were evaluated, scored and ranked by the AlexRenew cross-functional Selection Advisory Committee (SAC). After careful review of the respondents, the SAC determined ESC to be the most qualified, responsible and suitable offeror of best value to AlexRenew for this contract award.

ESC is a certified minority business enterprise based in Rochester, New York with strong water and wastewater utility experience. The proposed ESC team has been working together to provide customer service solutions to wastewater clients since 2012. Under the proposed contract award, ESC will provide a full-service customer service solution that includes the implementation and maintenance of a new CIS, an upgraded customer portal, and services including bill print and mail, payment processing, and call center support in multiple languages for both voice and chat features.

The costs and types of services provided with this contract recommendation are consistent with expenditures for our existing customer service solution contract.

Congruence with AlexRenew Strategic Plan

This action enables our strategy of Public Trust.

ACTION TAKEN

Approved: _____

Disapproved: _____

Approved with Modification: _____

Modification(s): _____



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P.E., BCEE

GENERAL COUNSEL

McGuire Woods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors
FROM: Jonathan Rak, McGuireWoods
DATE: July 12, 2022
SUBJECT: Action Item, New Business, Alexandria Only
Amendment to Financing Agreement with Virginia Resources Authority

Issue

AlexRenew has an opportunity to refinance its Series 2011 Bond for interest cost savings.

Recommendation

Recommend the Board approve the attached Bond Resolution to lower the rate on one of AlexRenew's existing bonds.

Budget and Funding

The proposed amendment will provide for over \$200,000 in overall debt service savings for AlexRenew and its ratepayers.

Discussion

A favorable interest rate environment in March 2022 allowed AlexRenew to lock in an interest rate reduction on its Series 2011 Bond through negotiation with the Virginia Resources Authority. The cost of funds on the remaining \$8.1 million loan balance will be reduced from 2.35% to 1.65% effective September 1, 2022.

Congruence with AlexRenew Strategic Plan

This action enables our strategy of Financial Resilience.

ACTION TAKEN

Approved: _____

Disapproved: _____

Approved with Modification: _____

Modification(s): _____



CITY OF ALEXANDRIA, VIRGINIA SANITATION AUTHORITY

RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO A FINANCING AGREEMENT BETWEEN THE CITY OF ALEXANDRIA, VIRGINIA SANITATION AUTHORITY AND THE VIRGINIA RESOURCES AUTHORITY, AS ADMINISTRATOR OF THE VIRGINIA WATER FACILITIES REVOLVING FUND, AND AN AMENDMENT TO A PRIOR BOND OF THE AUTHORITY TO DECREASE THE COST OF FUNDS THEREON

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

WHEREAS, on November 30, 2011, Virginia Resources Authority ("**VRA**"), as Administrator of the Virginia Water Facilities Revolving Fund (the "**Fund**"), acquired from Alexandria Renew a Sewer Revenue Bond, Series 2011 (the "**Local Bond**"), in the original principal amount of \$8,115,767, under a Financing Agreement dated as of November 1, 2011 (the "**Financing Agreement**"), between the Borrower and VRA, as Administrator of the Virginia Water Facilities Revolving Fund.

WHEREAS, Alexandria Renew, with the consent of VRA and the Virginia Department of Environmental Quality ("**DEQ**"), proposes to amend the Financing Agreement to decrease the interest rate on the Local Bond from 2.35% to 1.65%, and to reduce the debt service payments thereunder.

WHEREAS, a draft of a form of Amendment to the Financing Agreement (the "**Amendment Agreement**") between Alexandria Renew and VRA, as Administrator of the Virginia Water Facilities Revolving Fund, which, among other things, amends certain provisions of the Financing Agreement, including the continuing disclosure covenants and the debt service payments under the Financing Agreement, has been filed in Alexandria Renew's records.

WHEREAS, a draft of a form of Allonge (the "**Allonge**"), which shall be attached to the Local Bond, and which evidences the reduction in respective debt service payments on the Local Bond, has been filed in Alexandria Renew's records.

WHEREAS, it appears to be in the best interests of Alexandria Renew to amend the Financing Agreement and the Local Bond.

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

1. Authorization of the Amendment Agreement and the Form of Allonge. The Board of Directors of Alexandria Renew (the "**Board**") hereby determines that it is in the best

interest of Alexandria Renew to execute and deliver the Amendment Agreement and the Allonge for the Local Bond. The Board authorizes the execution and delivery of the Amendment Agreement and the Allonge. The Board hereby finds that the execution and delivery of the Amendment Agreement and the Allonge will promote the health, safety, welfare, morals and propriety of the citizens served by Alexandria Renew and will promote the governmental purposes of the Act

2. **Approval of the Amendment Agreement.** The form of the Amendment Agreement on file in Alexandria Renew's records is hereby approved. The Chairman of Alexandria Renew (the "**Chairman**") and the Chief Executive Officer of Alexandria Renew (the "**Chief Executive Officer**") (either of whom may act) are hereby authorized to execute the Amendment Agreement in substantially such form, with such completions, omissions, insertions, and changes that are not inconsistent with this Resolution, as may be approved by the Chairman or the Chief Executive Officer, whose approval shall be evidenced conclusively by the execution and delivery of the Amendment Agreement.

3. **Execution of the Allonge.** The form of the Allonge on file in Alexandria Renew's records is hereby approved. The Chairman and the Chief Executive Officer (either of whom may act) are hereby authorized and directed to execute and deliver the Allonge in substantially such form, to reflect the same amended terms as contained in the Amendment Agreement, together with such other completions, omissions, insertions, and changes that are not inconsistent with this Resolution and the Amendment Agreement, as may be approved by the Chairman or Chief Executive Officer, whose approval shall be evidenced conclusively by the execution and delivery of the Allonge. The Secretary-Treasurer or any Assistant or Acting Secretary of the Board is hereby authorized to attest or countersign the Allonge and affix the seal of Alexandria Renew thereon.

4. **Tax Documents.** If required by VRA, the Board hereby authorizes the Chief Executive Officer to execute a Tax Compliance Agreement or any related document (the "**Tax Documents**") setting forth the expected use and investment of the proceeds of the Local Bond and containing such covenants as may be required by VRA or otherwise necessary in order to comply with the applicable provisions of the Internal Revenue Code of 1986, as amended (the "**Code**"), including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." If required by VRA, the Board hereby covenants that the proceeds from the Local Bond will be invested and expended as set forth in the Tax Documents, which will be delivered simultaneously with the issuance and delivery of the Allonge, and that Alexandria Renew shall comply with the other covenants and representations contained therein.

5. **Other Actions.** All other actions of the officers of Alexandria Renew in conformity with the purposes and intent of this Resolution, and in furtherance of the execution and delivery of the Amendment Agreement and the Allonge are ratified, approved, and confirmed. The officers of Alexandria Renew are authorized and directed to execute and deliver all certificates and other instruments, including, but not limited to, an amendment to or a new tax certificate related to the Local Bond, that such officer may consider necessary or desirable in connection with the transactions authorized pursuant to this Resolution.

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

7. **Effective Date.** This Resolution shall take effect immediately.

Adopted _____, 2022

Secretary-Treasurer

[Signature Page to Bond Resolution]

CEO Board Report June 2022

Dear Members of the Board of Alexandria Renew Enterprises,

During the Alexandria Renew Enterprises (AlexRenew) Board of Directors meeting on June 21, 2022, the Board approved a contract award for the Solids Master Planning Services and amendments to the RiverRenew Owner’s Advisor and Tunnel System Resident Engineering and Inspection contracts.

In June, AlexRenew had three (3) reported cases of COVID-19. AlexRenew continues to adapt its policies to ensure that it follows the CDC guidance and complies with Virginia Department of Labor and Industry standards.

Operational Excellence

Precipitation for June at Reagan National Airport was 2.96 inches of rain, which is below the Washington, D.C. historical average precipitation of 3.78 inches for the month.

Biosolids production for June was 2,079 wet tons, all of which was beneficially used through land application in the Virginia counties of Fauquier, King George, Louisa, Madison and Spotsylvania. The biosolids were land applied as Class B biosolids.

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

Treatment	Daily Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Dissolved Oxygen	Total Nitrogen ¹	Total Nitrogen LOAD	Total Phosphorus	Total Phosphorus LOAD
	MGD	(Monthly Average) mg/L	(Monthly Average) mg/L	(Monthly Average) mg/L	(Minimum) mg/L	(Annual Average) mg/L	(YTD) lb	(Monthly Average) mg/L	(YTD) lb.
Permit	54.0	5.0	6.0	Seasonal ²	6.0	3.0	493,381	0.18	29,603
Reported	34.4	< QL	2.1	0.05	7.9	1.6	146,070	0.06	4,564

NOTES

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

Public Engagement and Trust

Tours and Events

In June, AlexRenew had an estimated 245 visitors utilizing the 6th floor space. Groups included the Alexandria Fire Department, Alexandria Chamber, and the Capital Youth Empowerment Program.

Customer Service

Customer service received a total of 942 calls with 44 percent opting for self-service. Average call answer time was 50 seconds. Call center staff answered 86 emails.

Social Media and Website

We reached 1,591 unique viewers and had 553 organic engagements on Facebook. We currently have 3,596 Facebook followers. AlexRenew had 450 organic engagements on Twitter. We have a total of 3,309 followers on Twitter, 2,436 on LinkedIn, and 241 Instagram followers. Alexrenew.com had 6,378 sessions and 10,854 page views during June. We had 65 visitors click through to our website from social media.

Watershed Stewardship

See RiverRenew Dashboard. (Attachment 1)

Adaptive Culture

Since July 2021, AlexRenew has logged 174,348 hours without a lost time accident. AlexRenew held its annual Safety Month. Employees received extensive focused safety related training throughout the month.

Thank you for your ongoing dedicated service to AlexRenew.

Regards,

Karen Pallansch
Chief Executive Officer

RiverRenew Board of Directors Dashboard



MONTH ENDING: JUNE 30, 2022

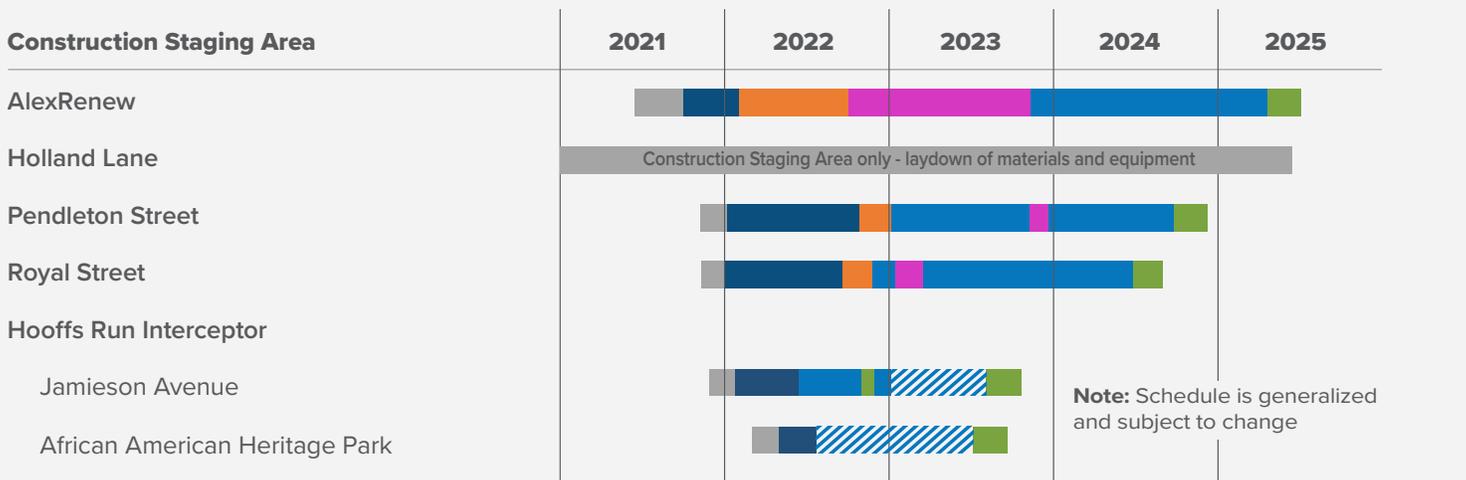
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

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

Site mostly dormant until late summer

Design Progress*



JUN 2022 ▲

Construction Progress



NOV 2024 ▲



Royal Street

Started shaft slurry wall construction

Design Progress*



JUN 2022 ▲

Construction Progress



JUL 2024 ▲



Hooffs Run

Completed micropiles at Duke Street

Design Progress



JUN 2022 ▲

Construction Progress



Aug 2023 ▲



Waterfront Tunnel

TBM arrived in Occoquan, VA

Design Progress



APR 2022 ▲

Construction Progress



SEP 2023 ▲



AlexRenew

Shaft excavation ongoing

Design Progress



MAY 2022 ▲

Construction Progress



JUL 2025 ▲

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

Actual Progress as of June 30, 2022. Planned Progress bars are representative of updates to Baseline Schedule.

*The Design-Builder deferred the Pendleton Street and Royal Street designs to prioritize critical path designs at Hooffs Run and AlexRenew. Deferring the Pendleton and Royal Street designs will not impact the project schedule.

RiverRenew Tunnel Project Six-Month Look-Ahead

Community Outreach

Event	Date
Community Listening Sessions	Jul 11-14, 2022
Council-Board Workgroup Meeting No. 15	Jul 13, 2022
TBM Welcome Reception	Jul 14, 2022
2022-2023 RiverRenew SAG Meeting No. 3	Jul 21, 2022
2022-2023 RiverRenew SAG Meeting No. 4	Sep 14, 2022
2022-2023 RiverRenew SAG Meeting No. 5	Nov 17, 2022

Pendleton Street

MAJOR WORK ACTIVITIES

Activity	Date
Backfill	Jul 2022
Shaft support of excavation	Aug 2022
Shaft excavation	Dec 2022

PERMITS

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

Hooffs Run

MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Diversion Chamber construction	Jul 2022
Open cut construction	Aug 2022
Restore Marriott driveway	Oct 2022
Junction chamber base construction	Dec 2022
African American Heritage Park	
Support of excavation	Ongoing through Aug 2022
Junction Chamber construction	Jul 2022
Open cut construction	Sep 2022

PERMITS

Permit	Date
Grading Plan Amendment	Jul 2022

Royal Street

MAJOR WORK ACTIVITIES

Activity	Date
Shaft support of excavation	Ongoing through Aug 2022
Shaft excavation	Sep 2022
Near surface structures support of excavation	Dec 2022

PERMITS

Permit	Date
DSUP Final Site Plan Approval	Sep 2022
Building Permit - Shaft Liner and Base Slab	Sep 2022
Building Permit - Shaft Roof	Sep 2022
Building Permit - Near Surface Structure and SOE	Nov 2022

AlexRenew

MAJOR WORK ACTIVITIES

Activity	Date
Pumping Shaft and Screening Shaft excavation	Ongoing through Jul 2022
Screening Shaft base slab construction	Aug 2022
HGL Control Structure support of excavation	Aug 2022
Hooffs Run Interceptor (portion at AlexRenew)	Oct 2022
Near surface structures deep foundations installation	Oct 2022
Pumping Shaft base slab construction	Dec 2022

PERMITS

Permit	Date
Building Permit - Shaft Liner and Base Slab	Jul 2022
DSUP Final Site Plan Approval	Jul 2022
Building Permit - Near Surface Structures	Oct 2022
Building Permit - Superstructure Architectural	Nov 2022

Waterfront Tunnel

MAJOR WORK ACTIVITIES

Activity	Date
Tunnel boring machine (TBM)	
Arrival and assembly at AlexRenew	Jul 2022
Begin mining	Oct 2022

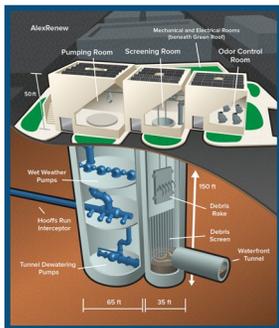
RiverRenew Tunnel Project Snapshot

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.



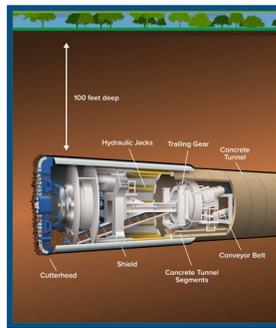
Hooffs Run Interceptor

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



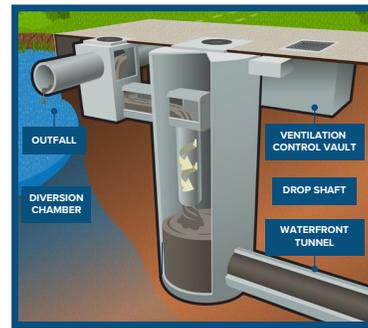
Pumping Station

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.

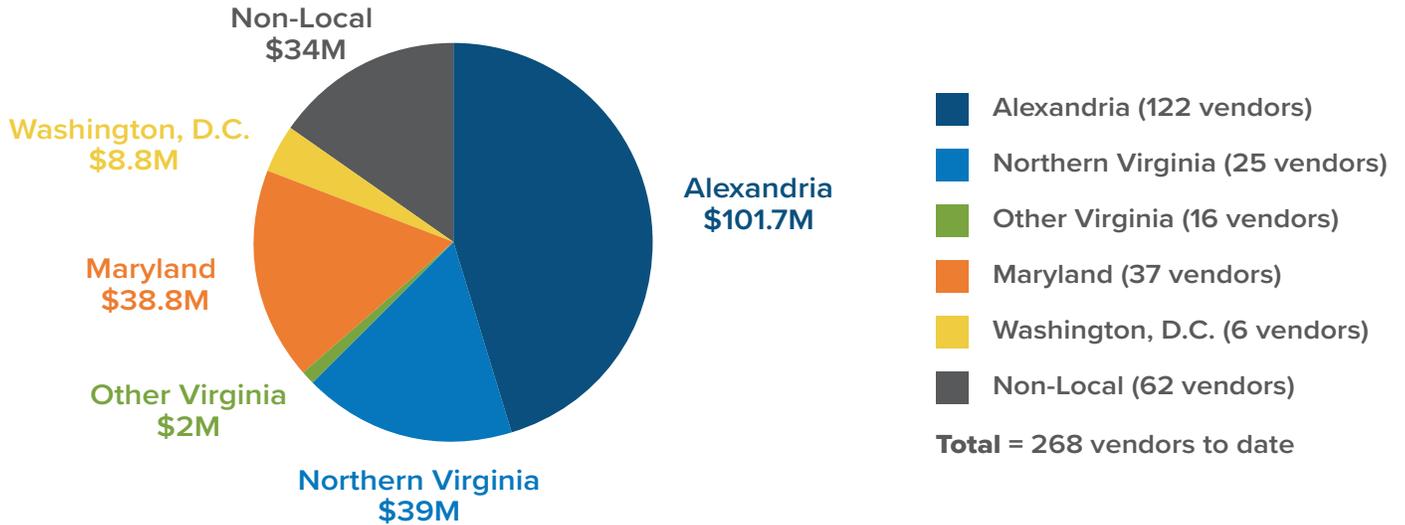


Diversion Facility

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

RiverRenew Program Costs to Date

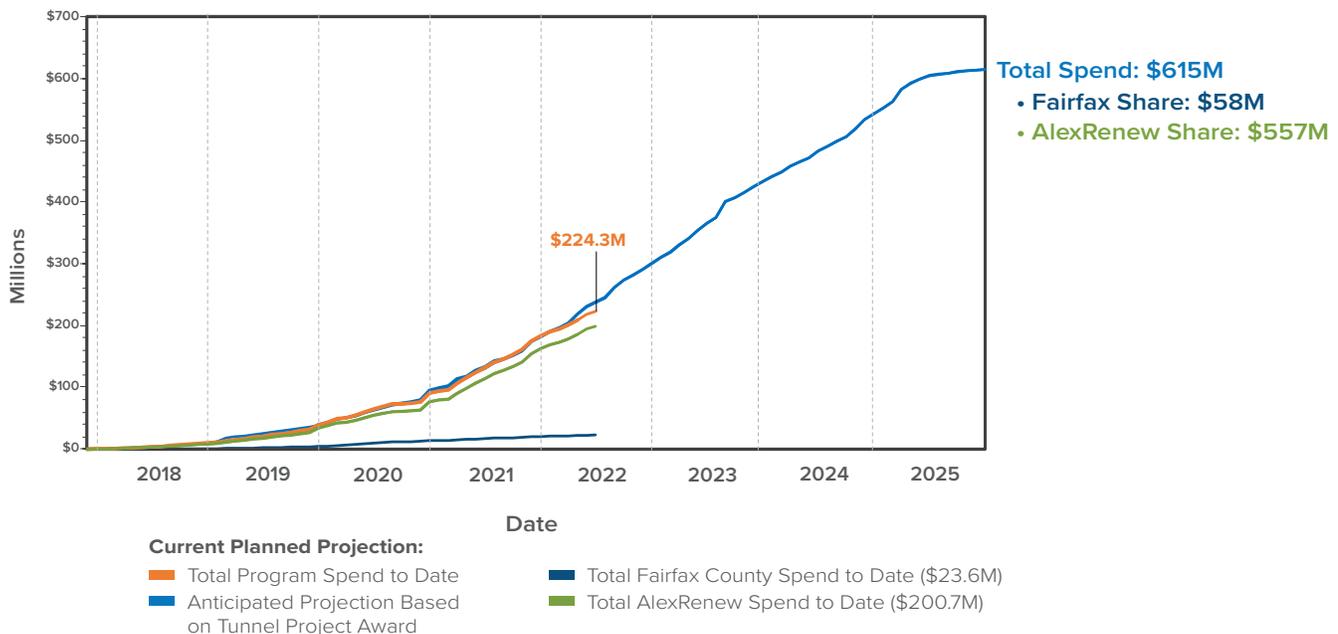
RiverRenew Spend to Date by Locality



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	\$110.7
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$58.2
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$6.7
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$48.7

RiverRenew Cash Flow Analysis



Note: As of June 30, 2022.

RiverRenew Community Outreach



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:

- Community Listening Sessions, Pendleton St: **July 11**
- Community Listening Sessions, Royal St: **July 12**
- Community Listening Sessions, AlexRenew: **July 13**
- Community Listening Sessions, Hooffs Run: **July 14**
- 2022-2023 RiverRenew SAG Meeting No. 3: **July 21**

*Community Listening Sessions will be held adjacent to each respective construction site.



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:

- Photo **updates** capturing the TBM's journey home (see Page 7)
- **Social posts** and alert emails highlighting extended hours at our Royal Street site
- The **latest installment** of our Get to Know video series, celebrating ring builder Eddie



Community Events

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

Highlights:

- Sip 'n See events ongoing

Looking Ahead:

- Sip 'n See event at Hooffs Run: Tuesdays between 11 a.m. and 1 p.m.
- Sip 'n See event at Royal Street: Wednesdays from 11 a.m. to 1 p.m.

Note: Pendleton Street Sip 'n See will resume on Thursdays in August when work resumes at the site



Education

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

Highlights:

- Shared the story of RiverRenew with the **North American Tunneling Conference in Philadelphia**
- Installed a new behind-the-scenes **banner** at Royal Street



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:

- RiverRenew Tunnel Boring Machine Welcome Reception: **July 2022**



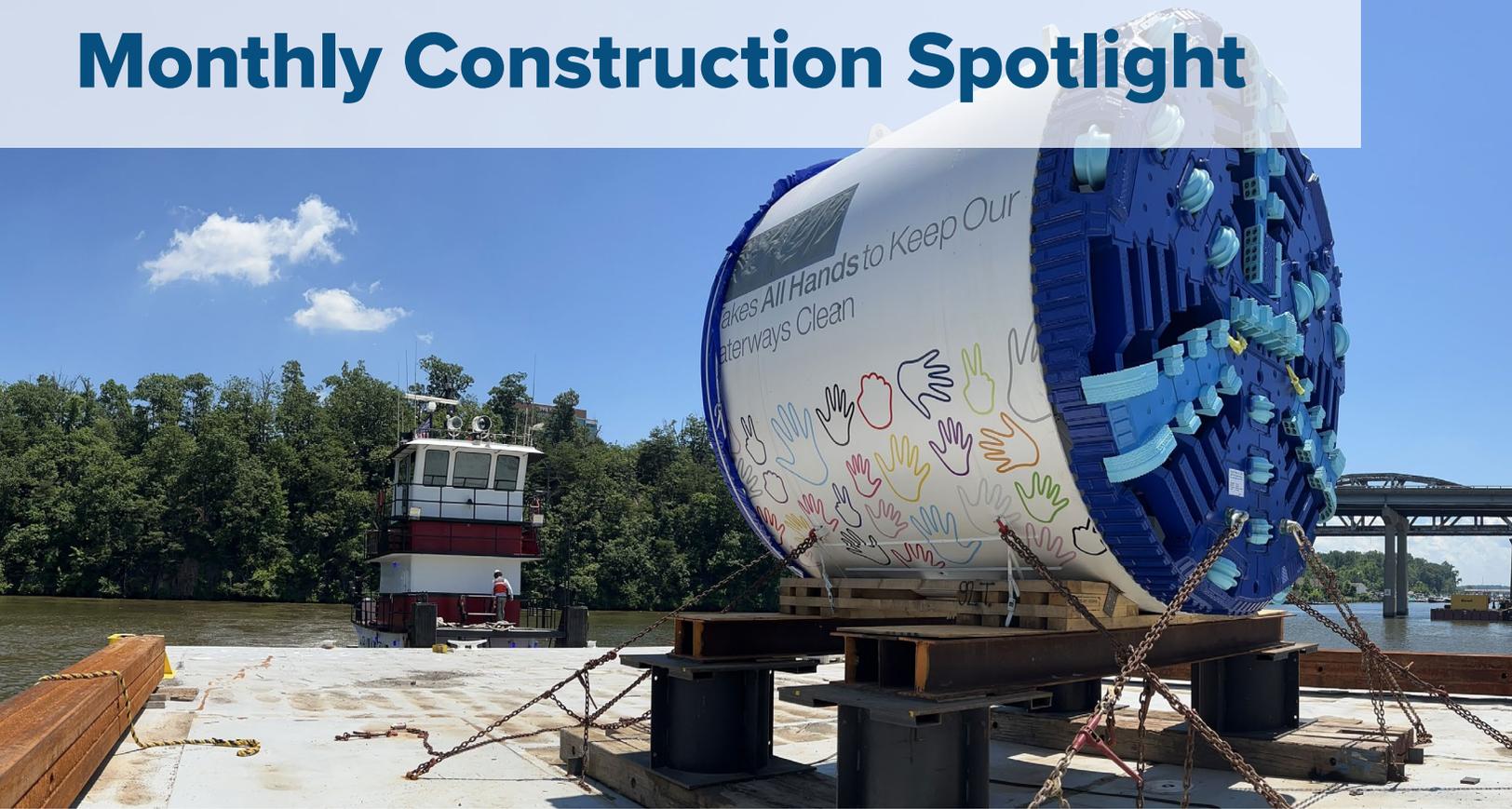
Council-Board Workgroup

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. 15: **July 13**

Monthly Construction Spotlight



The RiverRenew TBM journeys home to Alexandria!

The tunnel boring machine that will dig the RiverRenew Waterfront Tunnel was manufactured by TBM experts Herrenknecht at their high-tech factory in Schwanau, Germany.

After she passed factory acceptance testing in May, she began a month-long journey home to Alexandria, beginning with a two-week barge trip up the Rhine River to Antwerp, Belgium. Then she crossed the Atlantic Ocean on the “Atlantic Sea” — a roll-on, roll-off ship designed specifically for large, wheeled cargo. Once in Norfolk, VA, she was transferred back onto a barge and traveled up to Occoquan, VA, via the Chesapeake Bay. After the final barge docked in Occoquan, all 380 tons of disassembled TBM components were loaded onto the large, special trucks that will bring her home to Alexandria.

Follow along with her journey in this [animated video](#), and learn more about her arrival at RiverRenew.com/news/program-updates/tbm-delivery.

Building for the Future of Alexandria’s Waterways

To learn more, visit www.RiverRenew.com



Monthly Financial Report



Month: June 2022

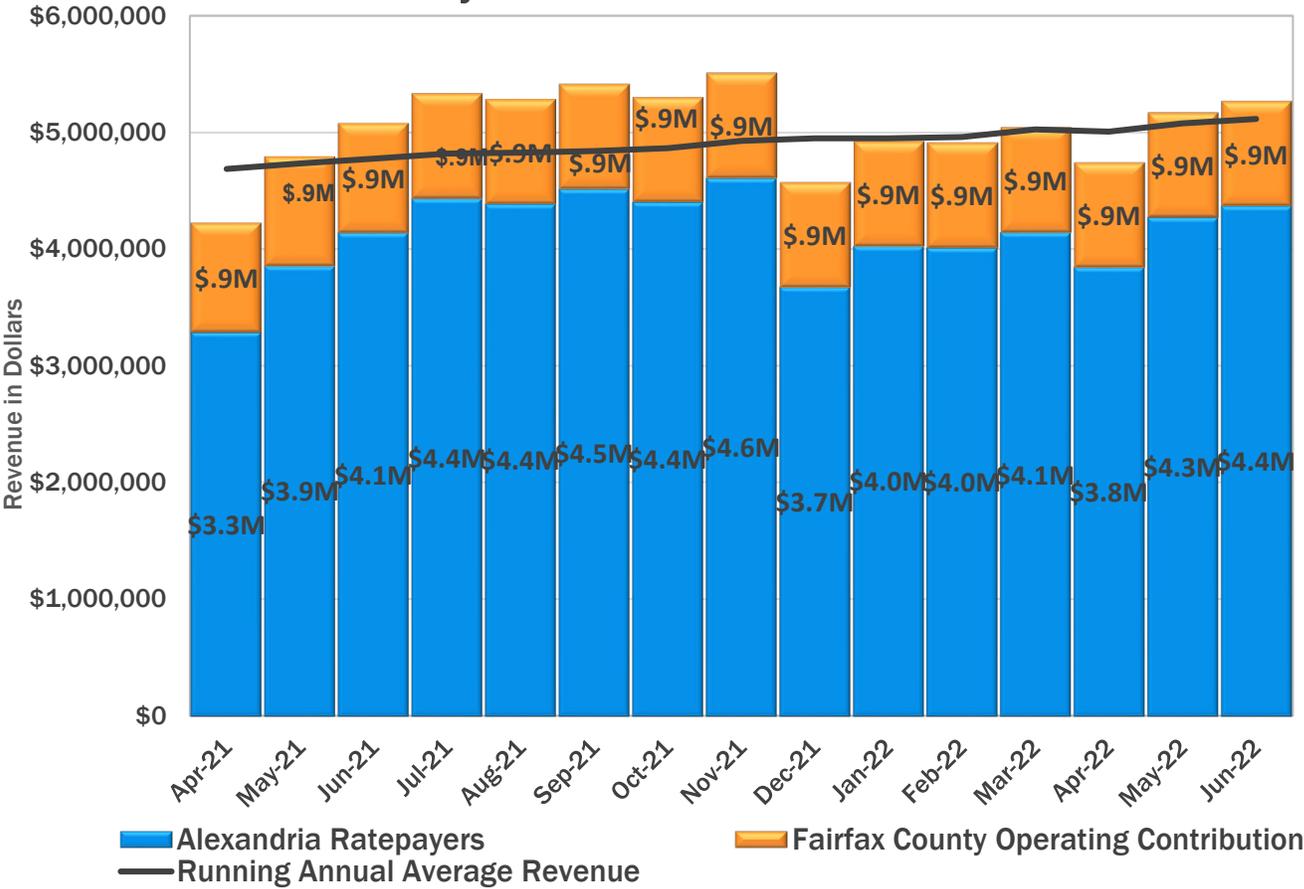
Overview

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.

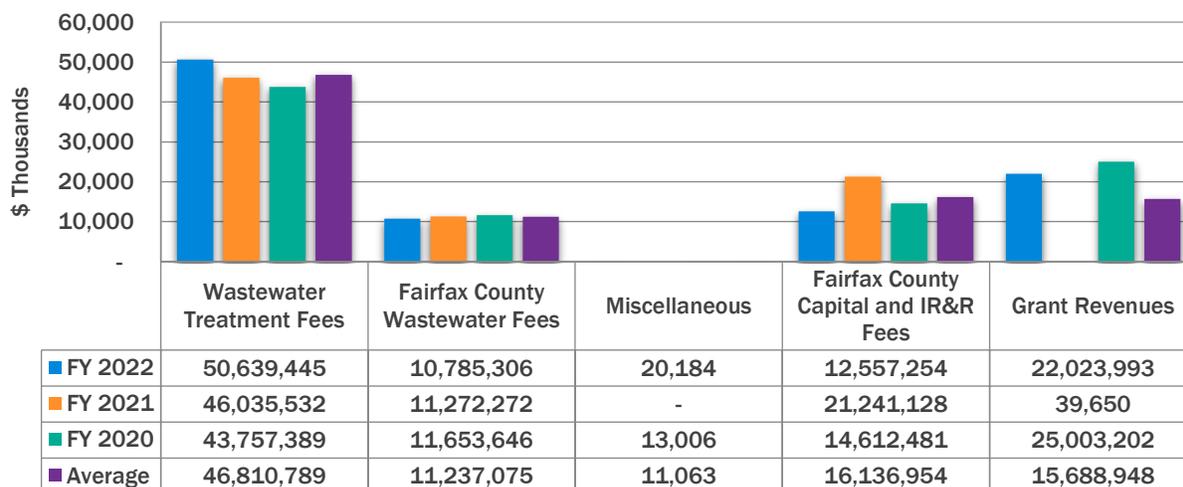
Revenues

- FY22 operating revenues total \$61.4 million through the end of June with approximately \$50.6 million in Wastewater Treatment Charge revenue and \$10.8 million collected from Fairfax County. Wastewater Treatment Charge revenue is approximately \$4.6 million (10.0%) more compared to the same time period in FY21, and \$2.8 million (5.91%) above the Fiscal 2022 YTD budget. Data indicates a slight increase month-over-month in customer revenue due to seasonal trends. 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.

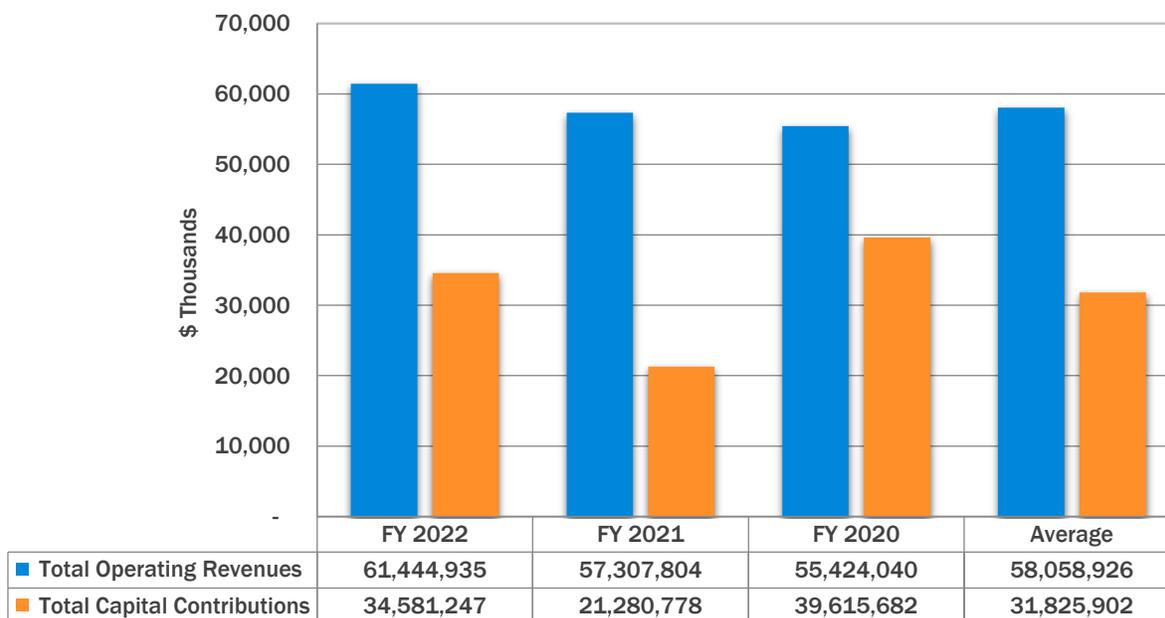
Monthly Wastewater Treatment Fee Revenue



Annual Revenue and Capital Contributions 3 Year Comparison



Operating Revenue vs. Capital Contributions



Expenses

FY22 operating and maintenance expenses are approximately 10% or \$2.29 million under the year-to-date budget, representing a spend rate of 89.7%. While utility and sludge disposal costs have decreased slightly, other expenses such as chemicals, maintenance and general administrative activities are rising due to inflationary pressures.

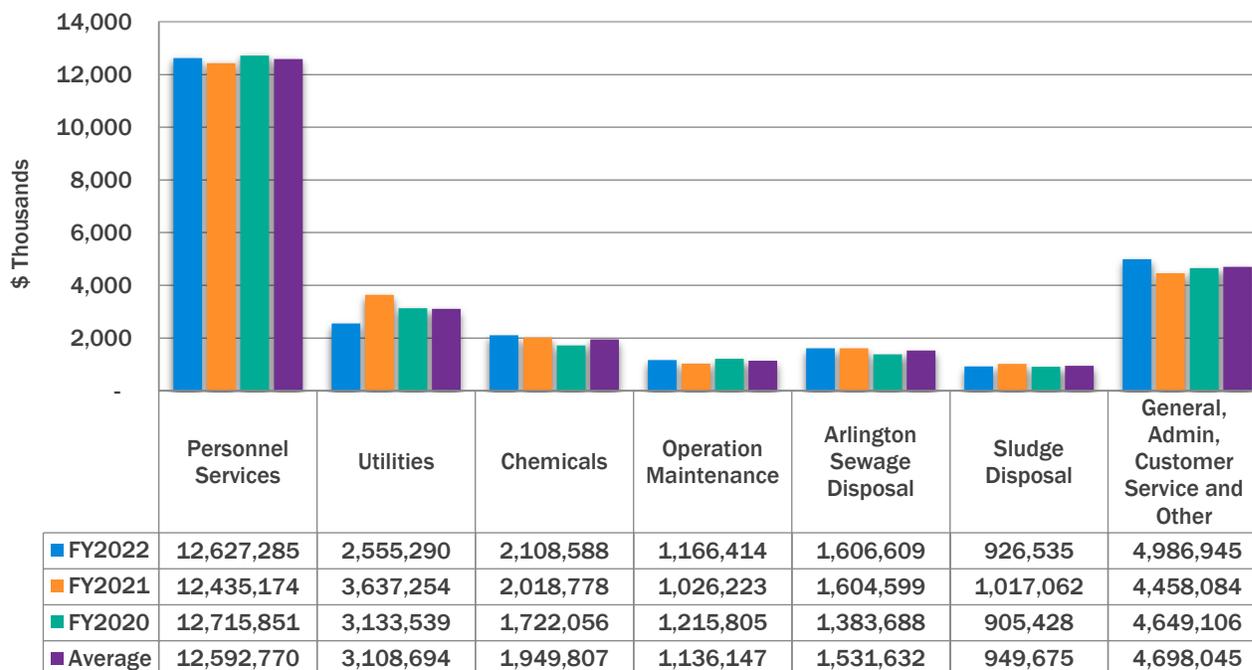
Capital outlay expenses are \$50.3 million year-to-date, representing a spend rate of 46.5%.

At twelve (12) months into the fiscal year, the overall spend rate is 61.7% of the total budget.

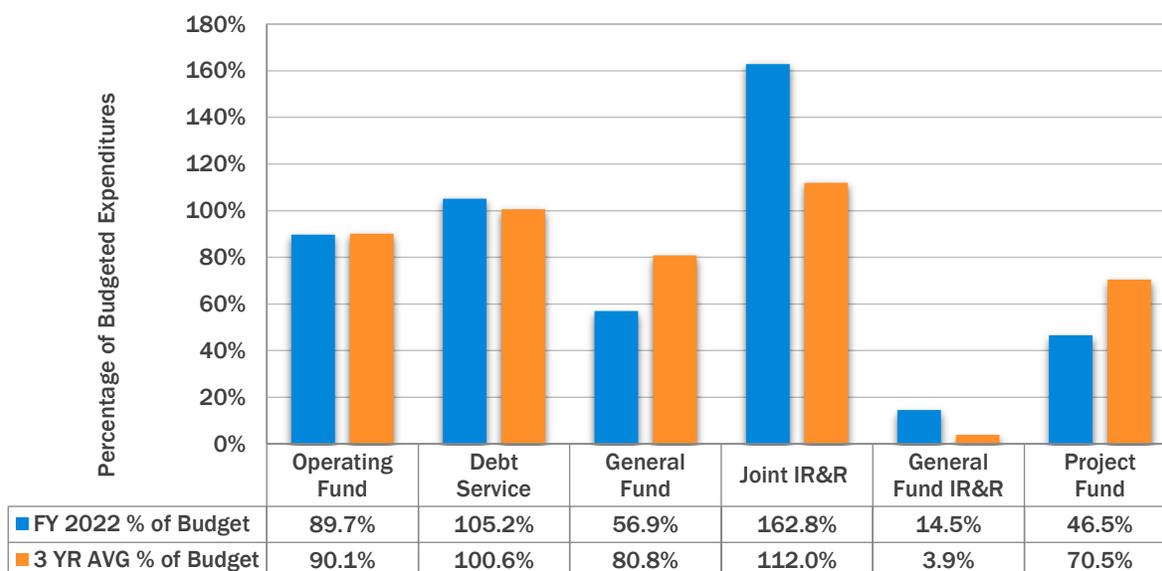
Expenses by Fund

ACTUAL VS. BUDGET Through June 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	\$ 25.47	\$ 25.59	\$ 28.39	89.7%	90.1%	-0.4%
Debt Service	13.92	14.64	14.17	13.92	105.2%	100.6%	4.6%
General Fund	72.40	41.23	20.59	72.40	56.9%	80.8%	-23.9%
Joint IR&R	5.70	9.28	5.83	5.70	162.8%	112.0%	50.8%
General Fund IR&R	0.12	0.02	0.01	0.12	14.5%	3.9%	10.5%
Project Fund	107.50	50.03	49.52	107.50	46.5%	70.5%	-23.9%
Total	\$ 228.03	\$ 140.67	\$ 115.70	\$ 228.03	61.7%	80.6%	-18.9%

Annual Operating Expenses 3 Year Comparison

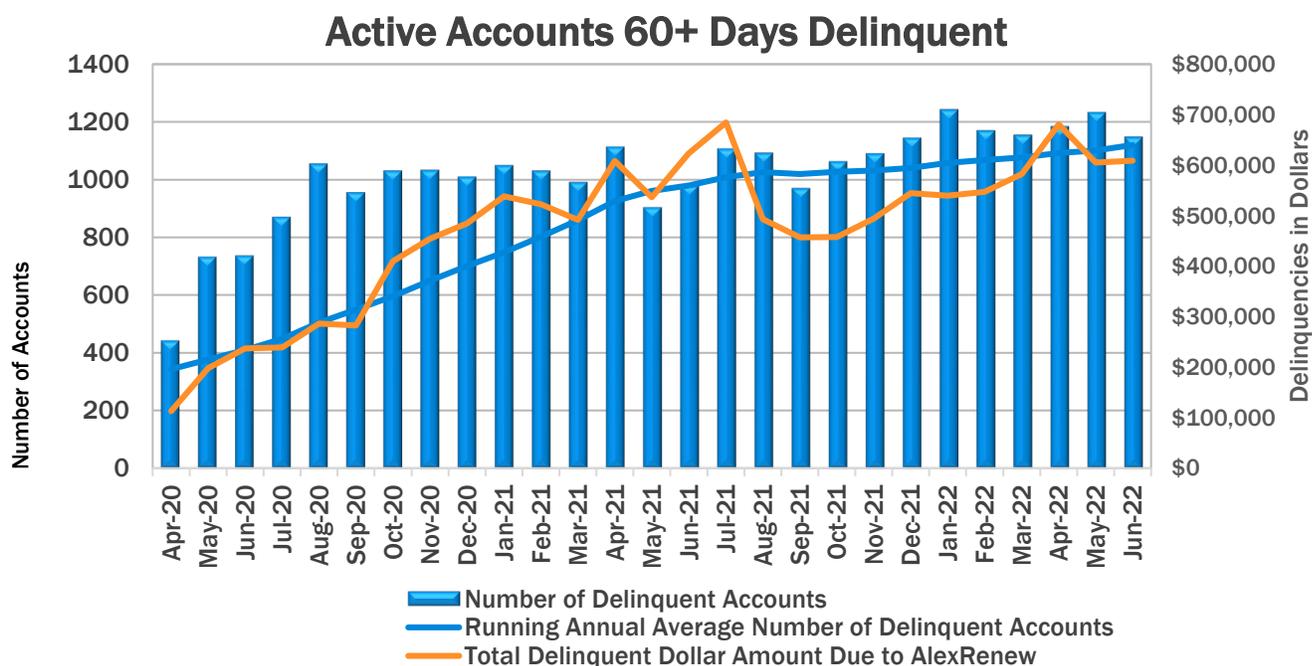


Expenditure Budget Comparison By Fund FY 22 vs. 3 Year Average



Delinquencies

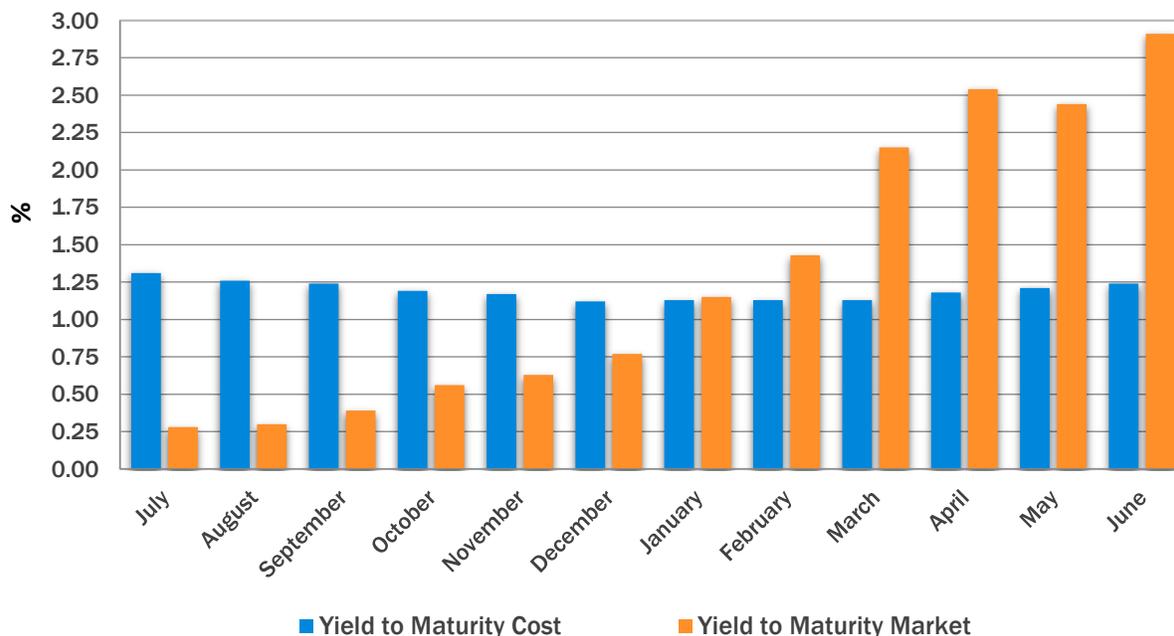
The number of accounts that are delinquent by more than 60 days was 1,146 in June and decreased by 85 accounts month-over-month. The total dollar amount owed to AlexRenew from these accounts totaled \$608,884 at the end of June and decreased by \$3,987 month-over-month. AlexRenew continues to work with 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 \$24.9 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.24%; a level higher than general bank deposit earnings rates.

**Investment Yield Percentage to Maturity
(Investments managed by PFM)
Through June 2022**

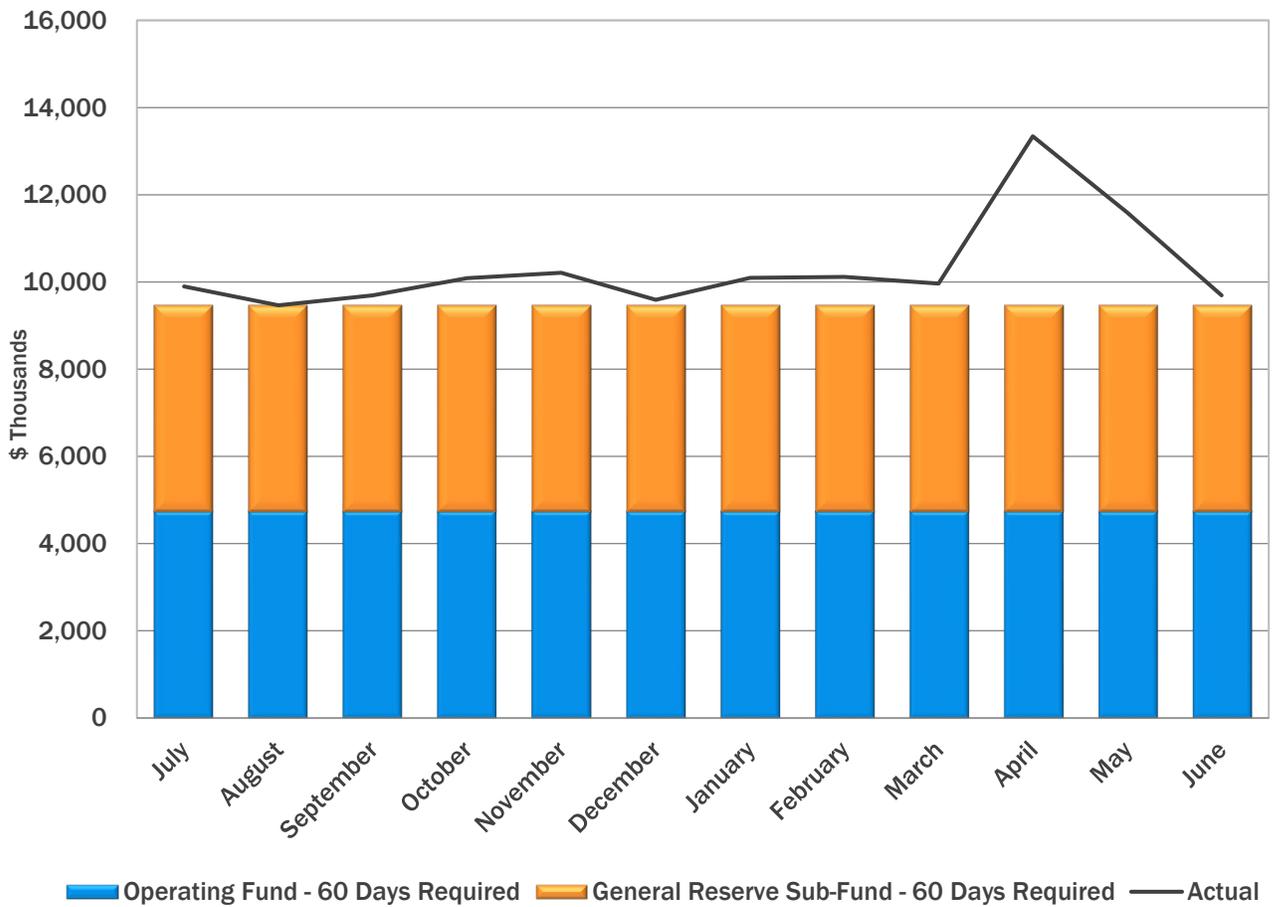


Cash Reserves

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
As of June, 2022		
Total Operating Cash	\$ 2,100,307	
Total Certificates of Deposit (Cash Equivalent)	\$ 2,864,913	
CARE ACT COVID19 Funding Balance	\$ -	
Total Operating Cash	\$ 4,965,220	
Total General Reserve Sub-Fund Cash	4,731,167	
Total Operating and General Reserve Sub-Fund Cash	9,696,387	102%

Cash Reserve Policy



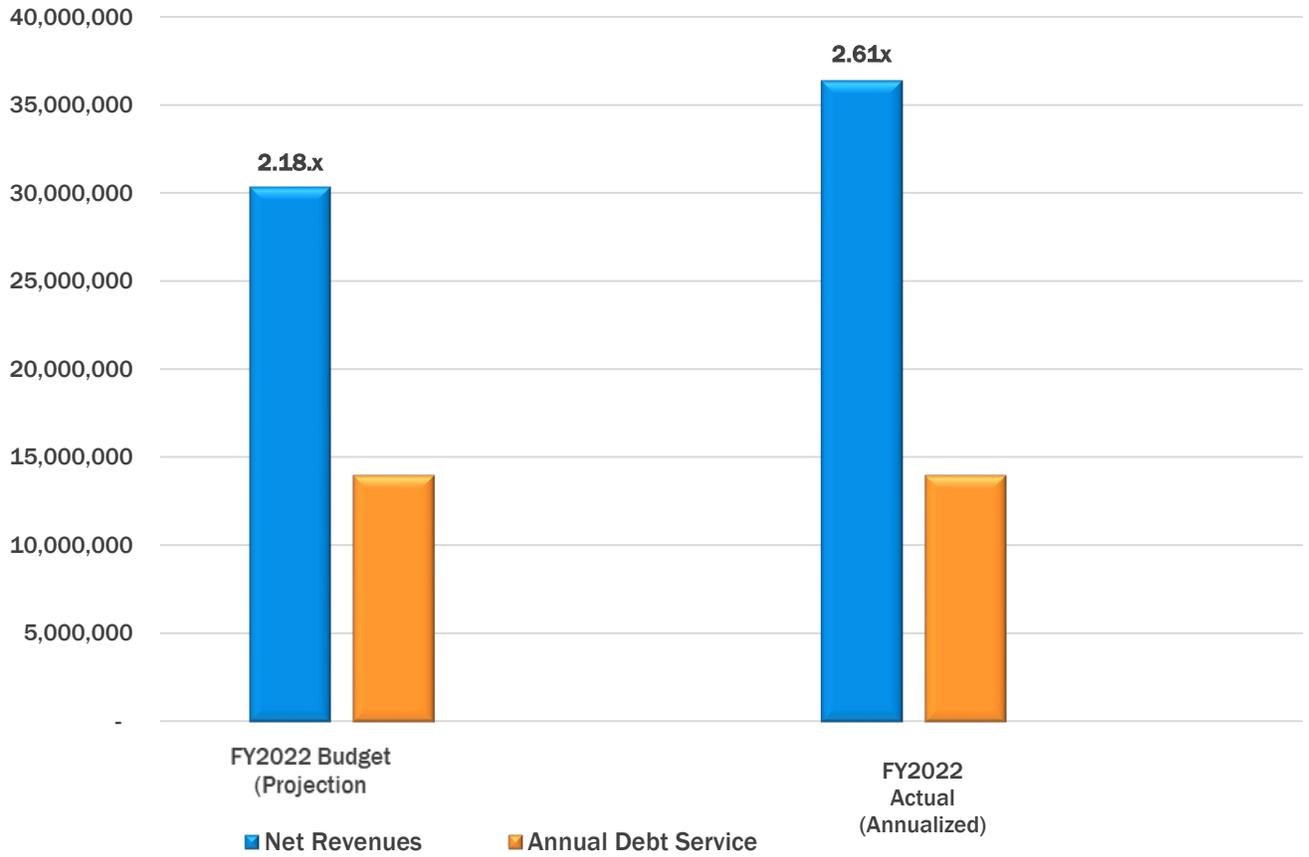
Debt Service Coverage

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

In both cases, AlexRenew currently exceeds its compliance standard as indicated below. The 2.18x designated in the graph below represents projected coverage for FY22 based on original FY22 budget expectations. At twelve months into the fiscal year, annualized results would indicate coverage of 2.61x, ahead of the budgeted projection of 2.18x.

Financial Policy Compliance - All-In Debt Service Coverage	FY 2022 Actual	FY 2022 Budget
Gross Revenues Available for Debt Service Coverage:		
Wastewater Treatment Charges - Alexandria Ratepayers	50,639,445	47,814,540
Fairfax County Operating Expense Charge	10,785,306	10,785,305
Reimbursement from other systems	20,184	-
Investment Income	377,691	115,000
Less Restricted Investment Income	-	-
Total	61,822,627	58,714,845
LESS Operating Expenses	(25,466,447)	(28,386,991)
Net Revenues [a]	36,356,179	30,327,854
Annual Debt Service [b]	13,919,620	13,919,620
Calculated All-In Debt Coverage [a/b]	2.61x	2.18x
Financial Policy Target	≥1.50x	≥1.50x

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



Glossary:

Revenue Fund

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

The Operating Fund

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

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.