



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

703.721.3500 | AlexRenew.com | [f](#) [t](#) [@](#) [in](#)
1800 Limerick Street, Alexandria, Virginia 22314

BOARD OF DIRECTORS

John Hill
Chair

James Beall
Vice Chair

William Dickinson
Sec'y-Treas

Adriana Caldarelli

Mark Jinks

CHIEF EXECUTIVE OFFICER

Karen L. Pallansch
P.E., BCEE,
WEF Fellow

GENERAL COUNSEL

McGuire Woods, LLP

MEMORANDUM

TO: AlexRenew Board of Directors
FROM: Secretary-Treasurer
DATE: January 10, 2023
SUBJECT: Regular Board of Directors Meeting

The Regular Meeting of the Board of Directors will be held Tuesday, January 17, 2023, at 6:00 p.m. at Alexandria Renew Enterprises.

There is currently one new business item for Board approval:

- ◆ Board approval of a proclamation recognizing the contributions of Karen Pallansch to Alexandria Renew Enterprises





Agenda

Alexandria Renew Enterprises Board of Directors Meeting
Tuesday, January 17, 2023, @ 6:00 p.m.
1800 Limerick Street, & via livestream on YouTube Link
<http://board.alexrenew.org>



| No. | Item | Presenter | Action Required |
|-----|------|-----------|-----------------|
|-----|------|-----------|-----------------|

The Tuesday, January 17, 2023, 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 on YouTube: <http://board.alexrenew.org>

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 jean.manuel@alexrenew.com

Public comment will also be received at this meeting. If you wish to speak during public comment, please email or call the Board Secretary at (703) 721-3500 ext. 2210 in advance so you can be added to the speakers list. A recording of the meeting will be posted on the alexrenew.com website after the meeting.

| | | | |
|----|---|---------------|-------------|
| 1. | Call to Order (6:00 p.m.) | Chairman | |
| 2. | Approval of Agenda (6:02 p.m.) | Chairman | Approval |
| 3. | Public Comment Period (6:05 p.m.) | Chairman | |
| 4. | Consent Agenda (6:17 p.m.) | Chairman | Approval |
| | A. Minutes (Meeting December 17, 2022) (Tab 1) | | |
| 5. | Unfinished Business (6:20 p.m.) | Chairman | Approval |
| | A. None | Mr. Hill | |
| 6. | New Business (6:25 p.m.) | Chairman | Approval |
| | A. Proclamation honoring the contributions of Karen Pallansch to Alexandria Renew Enterprises | Chairman Hill | |
| 7. | AlexRenew Monthly Outcomes Update (6:30 p.m.) (Tab 2) | Ms. Pallansch | Information |
| 8. | Adjourn (6:40 p.m.) | Chairman | |

Times shown in parentheses are approximate and serve as guidelines

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call (703) 721-3500 ext. 2210 at least three business days prior to the meeting.

The next Regular Board of Directors meeting is scheduled for Tuesday, February 21, 2023 @ 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 and Bartholomew Streets

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

Minutes of the 902nd Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, December 20, 2022

On Tuesday, December 20, 2022, the Alexandria Renew Enterprises Board of Directors held its regular Board of Directors meeting virtually with all members attending from remote locations with the following present:

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

Staff: Ms. Karen Pallansch, Chief Executive Officer
Ms. Allison Deines, Interim Chief Water Quality Officer
Ms. Caitlin Feehan, Interim Chief Administrative Officer
Ms. Lorna Huff, Secretary to the Board

Counsel: Ms. Amanda Waters, General Counsel,
McGuireWoods LLP

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

City Representative: Ms. Erin Bevis-Carver, 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 6:01 p.m.

Notice of Electronic Participation

The Chairman read the following notice of electronic participation into the record: This meeting of the Alexandria Renew Enterprises Board of Directors is being held electronically pursuant to Virginia Code Section 2.2.3708.2(A)(3), the revised City of Alexandria Boards and Commission Handbook effective September 1, 2022, and AlexRenew’s electronic participation policy.

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

Future meetings will remain in person unless indicated otherwise.

If you experience technical difficulties during this meeting, please call or email the Board Secretary at (703) 721-3500 ext. 2260

Approval of Agenda

The Chairman requested that members review and approve the agenda. There were no requested edits or changes. Mr. Beall moved, and Ms. Caldarelli seconded. The Board unanimously approved.

Public Comment Period

There being no members of the public in attendance wishing to speak, the Chairman closed the public comment period.

Consent Agenda

The Chairman requested members review the Consent Agenda which contained the Minutes of the December 3, 2022, meeting. There being no changes to the Minutes, Mr. Dickinson moved approval and Mr. Beall seconded. The Board unanimously approved

Unfinished Business

A. CEO Job Search Progress Report

Discussion

The Chairman reported that AlexRenew had completed its nationwide search for a new CEO and selected Mr. Justin Carl from Brown & Caldwell. The Chairman summarized the process noting AlexRenew worked with Polihire, a nationally known recruiting firm. There were 39 applicants from around the country. The board selected six candidates for 2-hour, in person interviews. The Board decision was unanimous that Mr. Carl was the best candidate based on his depth of experience at DC Water and five years' experience at AlexRenew as well as his demonstrated leadership qualities on the RiverRenew project and commitment to AlexRenew and its 2040 Mission.

He inquired if members had additional comments. Mr. Dickinson reported that the Chairman summed up the sense of the Board well. He thanked the Chair for his leadership and commended the Board on their commitment and objectivity in this process. The Chairman noted that all members brought a variety of perspectives to this and arrived at a unanimous decision.

The Chairman recognized AlexRenew's H.R. Director, Wendy Callahan for keeping the Board on track and designing a process that served the Board well and Amanda Waters from McGuireWoods for handling the legal aspects of this decision.

Mr. Jinks concurred with the sense of the Board that Mr. Carl brings a lot of experience from DC Water and AlexRenew. He noted he was the best candidate and welcomed him to the organization.

The Chairman recognized Mr. Carl who thanked the Board and reported that he is looking forward to working with the Board, community, and staff and continuing AlexRenew's 2040 mission.

There was no further discussion and the Chairman moved to New Business.

New Business

A. None

CEO Monthly Outcome Reports

Ms. Pallansch noted that members had her written report and referenced the Info Package Items in the last tab of the Board package. The draft 2023 Board calendar has been updated along with the Board Roster. Members were asked to review the documents and advise of updates or changes. Also included are directions for accessing BoardEffect, AlexRenew's repository for Board documents and policies. She reported she was happy to answer any questions that members may have on the Outcomes page, RiverRenew Dashboard or other items.

The Chairman commended the AlexRenew team on attending the Scottish Walk. He reported that the group represented AlexRenew well. Mr. Hill noted that AlexRenew's presence at these events is important. Citizens are familiar with the tunnel project and are enthusiastic. Citizens are aware rates will increase and have been supportive. He commended the communications process and AlexRenew's public outreach.

The Chairman noted that operating expenses increased slightly. Ms. Pallansch reported that AlexRenew is beginning to absorb the contractual changes with chemicals. She noted that the Board should also expect increases in power, and natural gas. Staff is closely monitoring and will adjust as necessary. She further reported that the FY2024 Budget was going to note increases on the Operating and Maintenance section.

He inquired if the Board had any questions on the RiverRenew Dashboard. Mr. Dickinson inquired if the contractors are able to handle the inflation costs of materials, labor, etc. Ms. Pallansch reported that they are working collaboratively and negotiating with the contractors to address significant cost increases in order to maintain the schedule and will continue to advise the Board.

The Chairman inquired about the status of pile driving at the Pendleton site. Ms. Pallansch reported that the pile driving has been delayed and is expected to resume mid-January.

Mr. Mohsenin congratulated Mr. Carl and noted that he has big shoes to fill. Mr. Hill wished the staff and Board members a happy holiday.

There being no additional Board business, the Chairman requested a motion to adjourn. Mr. Dickinson moved, and Mr. Beall seconded. The Board unanimously approved. The meeting adjourned at 6:17 p.m.

APPROVED:

Secretary-Treasurer

CEO Board Report December 2022

Dear Members of the Board of Alexandria Renew Enterprises,

The Alexandria Renew Enterprises (AlexRenew) Board of Directors met virtually on December 20, 2022. During the meeting, Mr. Hill reported that the AlexRenew board had concluded its nationwide CEO search and selected Justin Carl to be AlexRenew’s next General Manager and Chief Executive Officer. Mr. Hill summarized the interview and selection process, noting the board’s unanimous decision to hire Mr. Carl based on his extensive experience and demonstrated leadership qualities.

In December, AlexRenew had two (2) reported case 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 December at the Reagan National Airport was 3.86 inches of rain, which is above the Washington, D.C. historical average precipitation of 3.05 inches for the month. There were no overflows in the collection system or at the plant during the month.

Biosolids production for December was 1,662 wet tons, all of which was beneficially used through land application in the Virginia counties of Essex, Fauquier, King George, King William, King & Queen and Frederick.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for December 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 | 40.6 | < QL | 1.2 | 0.30 | 8.8 | 2.5 | 274,397 | 0.08 | 8,201 |

NOTES

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

Public Engagement and Trust

Tours and Events

AlexRenew welcomed a total of 160 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center: Alexandria Chamber of Commerce (45), Girl Scouts’ of America (105), and The City of Alexandria (10).

Customer Service

Customer service received a total of 770 calls with 52 percent opting for self-service. Average call answer time was 23 seconds. Call center staff answered 84 emails.

Social Media and Website

During the month of December, we had more than 553 engagements on Facebook/Instagram 106 engagements on Twitter. We have 3,648 followers on Facebook, 3,261 on Twitter, 2,536 on LinkedIn, and 275 on Instagram. Alexrenew.com had 5,756 visitors and had 10,838 page views in December. We had 818 visitors click through to AlexRenew.com from social media.

Media Coverage

There was no media coverage during December.

[Watershed Stewardship](#)

See RiverRenew Dashboard. (Attachment 1)

[Adaptive Culture](#)

Since September 2022, AlexRenew has logged 61,736 hours without a lost time accident.

Thank you for your ongoing dedicated service to AlexRenew.

Regards,

Karen Pallansch
Chief Executive Officer

RiverRenew Board of Directors Dashboard



MONTH ENDING: DECEMBER 31, 2022

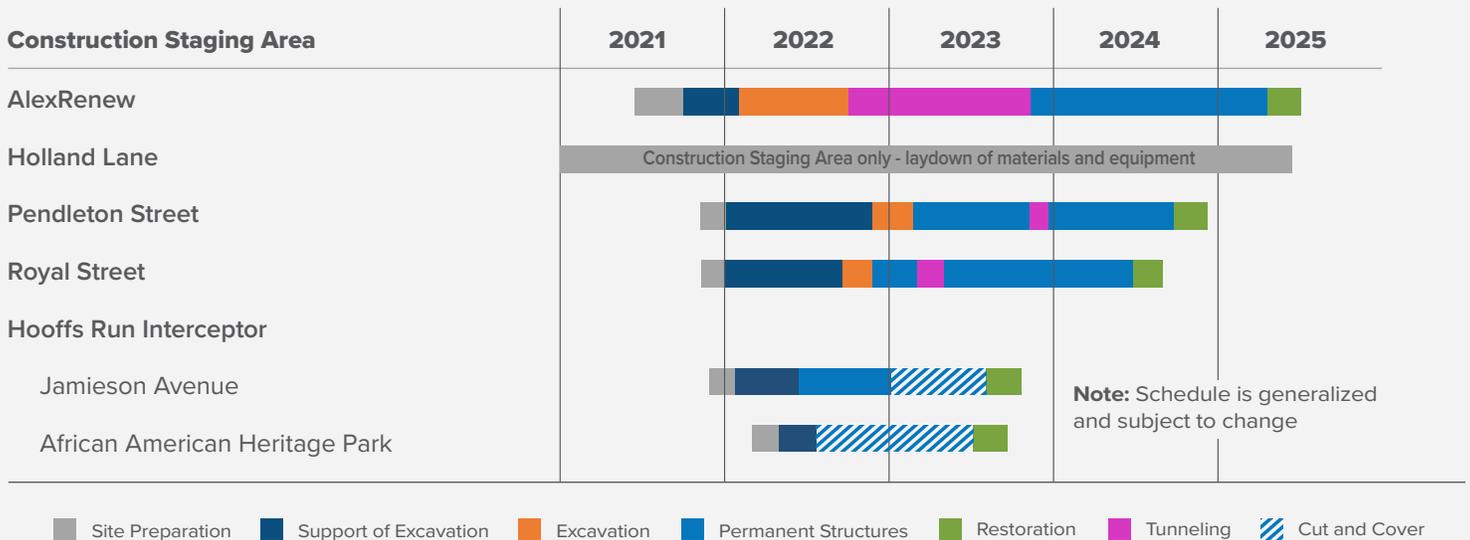
RiverRenew is a program owned and implemented by AlexRenew, Alexandria's public regional wastewater treatment provider.

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



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

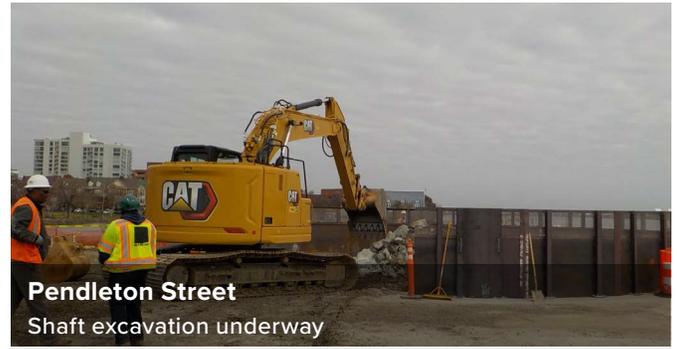
Overall Project Progress

(Design and Construction)



▲ DEC 2020

JUL 2025 ▲



Pendleton Street
Shaft excavation underway



JAN 2023 ▲

NOV 2024 ▲

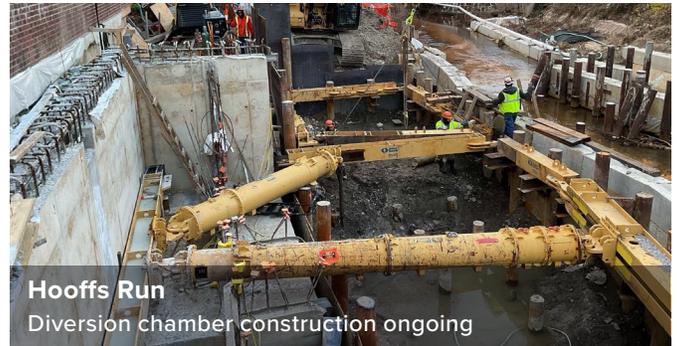


Royal Street
Near surface structures support of excavation ongoing



OCT 2022 ▲

JUL 2024 ▲



Hooffs Run
Diversion chamber construction ongoing

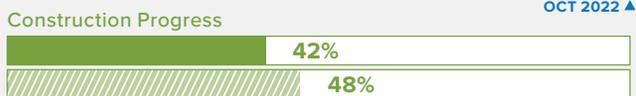


NOV 2022 ▲

Aug 2023 ▲



Waterfront Tunnel
Hazel the TBM mining ongoing



OCT 2022 ▲

SEP 2023 ▲



AlexRenew
Near surface structures support of excavation ongoing



NOV 2022 ▲

JUL 2025 ▲

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

Actual Progress as of December 31, 2022. Planned Progress bars are representative of updates to Baseline Schedule.
*The planned progress for each construction staging area reflects the Design-Builder's schedule as of December 2022.

RiverRenew Tunnel Project Six-Month Look-Ahead

Work Hours

NORMAL WORK HOURS

| | |
|------------------|------------------|
| Pendleton Street | 5 a.m. – 11 p.m. |
| Royal Street | 7 a.m. – 6 p.m. |
| Hooffs Run | 7 a.m. – 6 p.m. |
| AlexRenew | 24/7 |

Community Outreach

| Event | Date |
|--|------------------|
| Council-Board Workgroup Meeting No. 16 | Jan 18, 2023 |
| 2022-2023 RiverRenew SAG Meeting No. 6 | Jan 18, 2023 |
| Community Listening Sessions | March 6, 7 and 9 |
| Tunnel Tours | Spring 2023 |

Pendleton Street

MAJOR WORK ACTIVITIES

| Activity | Date |
|---|--------------------------|
| Shaft excavation | Ongoing through Jan 2023 |
| Near surface structures deep foundations (pile driving) | Ongoing through Jun 2023 |
| Shaft liner and base slab construction | Mar 2023 |
| Near surface structures support of excavation | May 2023 |
| Near surface structures construction | Jun 2023 |

PERMITS

| Permit | Date |
|---|----------|
| DSUP Final Site Plan Approval | Jan 2023 |
| Building Permit - Shaft Liner and Base Slab | Mar 2023 |

Hooffs Run

MAJOR WORK ACTIVITIES

| Activity | Date |
|------------------------------------|---|
| North of Jamieson Ave | |
| Diversion chamber construction | Ongoing through May 2023 |
| Open cut construction | Ongoing through Jun 2023 |
| Junction chamber excavation | Jan 2023 |
| Junction chamber base construction | Feb 2023 |
| African American Heritage Park | |
| Sheeting installation | Ongoing intermittently through Jun 2023 |
| Open-cut construction | Jan 2023 |
| Jamieson Avenue full closure | Mar 2023 |

Royal Street

MAJOR WORK ACTIVITIES

| Activity | Date |
|---|--------------------------|
| Near surface structures support of excavation | Ongoing through Mar 2023 |
| Near surface structures deep foundations | Mar 2023 |
| Near surface structures construction | Apr 2023 |

PERMITS

| Permit | Date |
|--|----------|
| Building Permit - Near Surface Structure and SOE | Jan 2023 |
| Building Permit - Shaft Liner and Base Slab | Feb 2023 |

AlexRenew

MAJOR WORK ACTIVITIES

| Activity | Date |
|---|--------------------------|
| Near surface structures support of excavation | Ongoing through Jan 2023 |
| Pumping Shaft base slab construction | Feb 2023 |
| Hooffs Run Interceptor (portion at AlexRenew) | Ongoing through Jun 2023 |
| Near surface structures deep foundations installation | Feb 2023 |
| Pumping Shaft liner construction | Feb 2023 |

PERMITS

| Permit | Date |
|--|----------|
| DSUP Final Site Plan Approval | Jan 2023 |
| Building Permit - Superstructure Architectural | Apr 2023 |

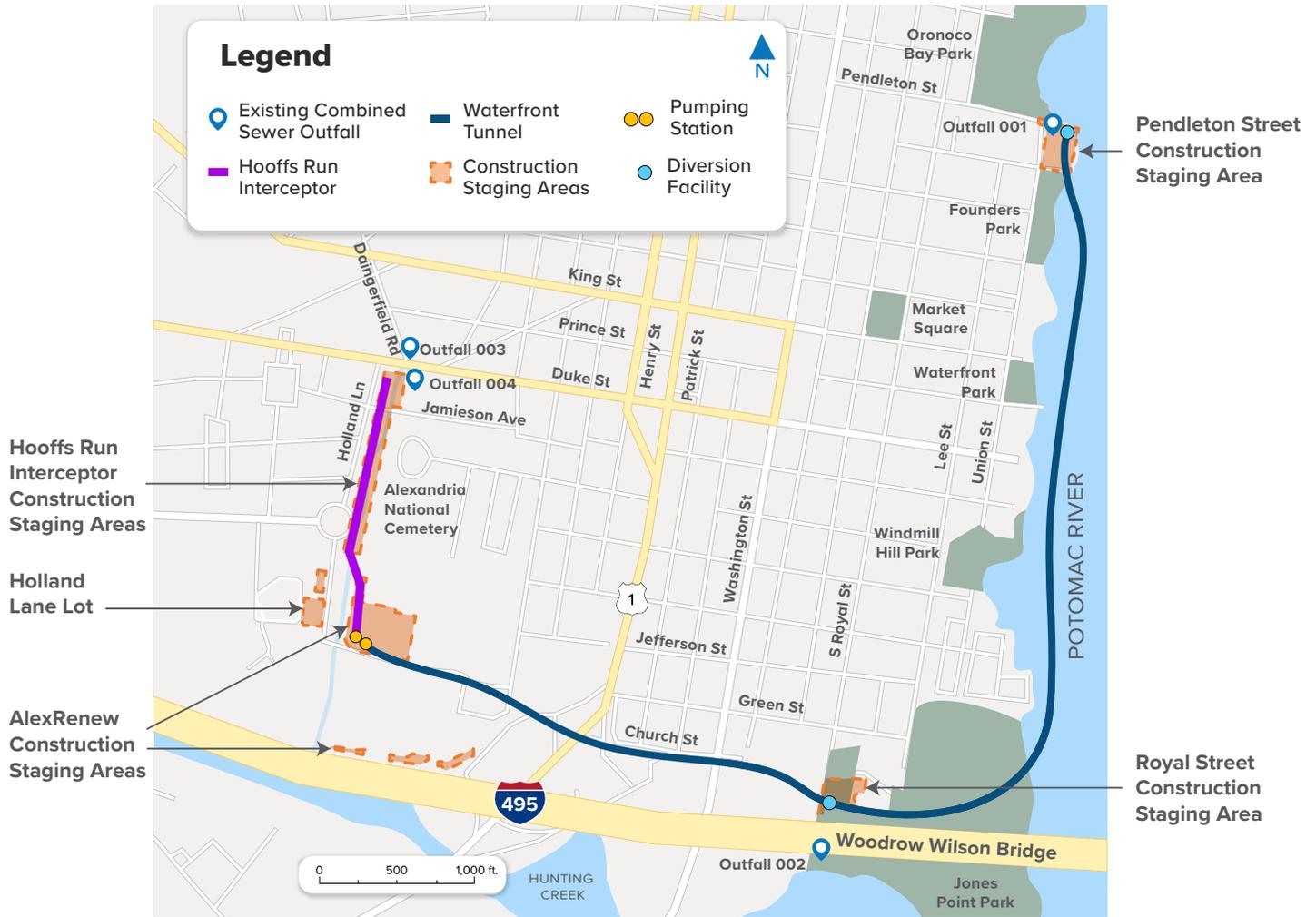
Waterfront Tunnel

MAJOR WORK ACTIVITIES

| Activity | Date |
|-----------------------------|--------------------------|
| Tunnel boring machine (TBM) | |
| Mining | Ongoing through Oct 2023 |

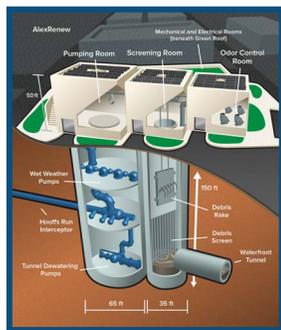
RiverRenew Tunnel Project Snapshot

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.



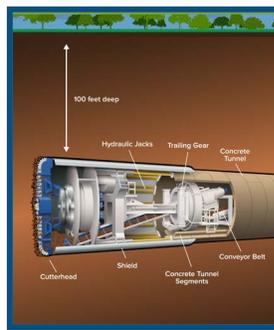
Hooffs Run Interceptor

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



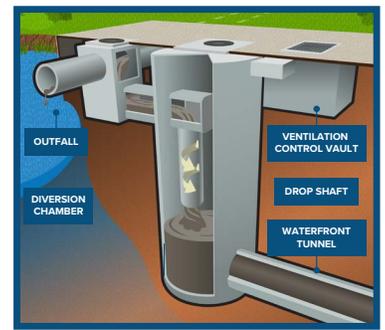
Pumping Station

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.

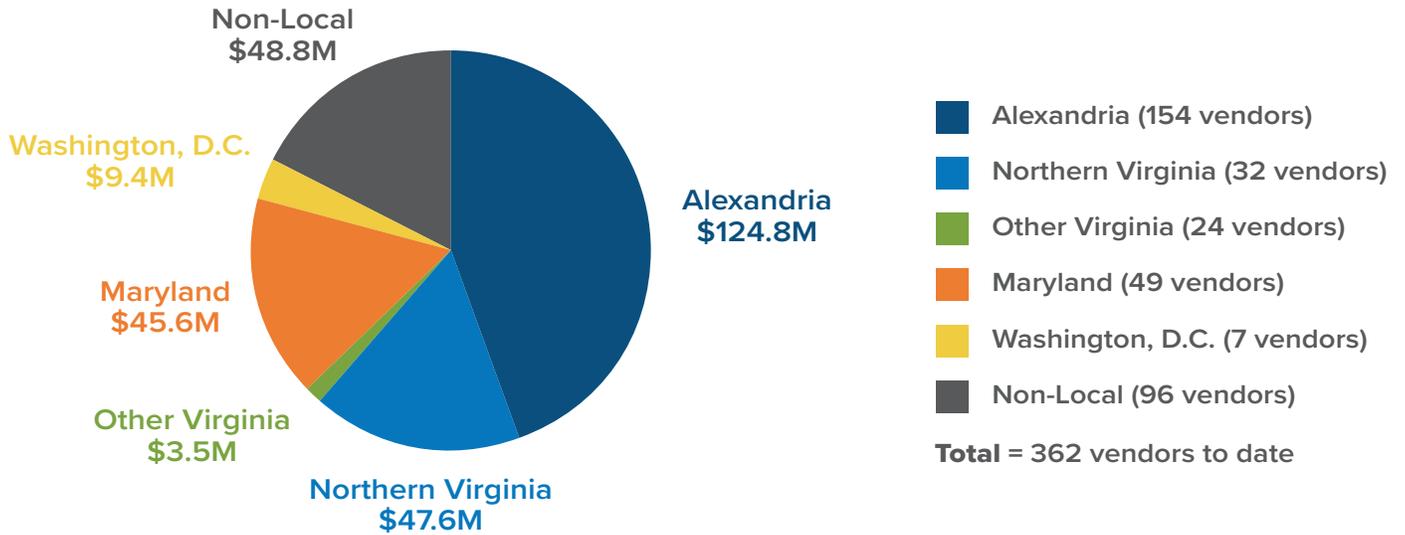


Diversion Facility

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

RiverRenew Program Costs to Date

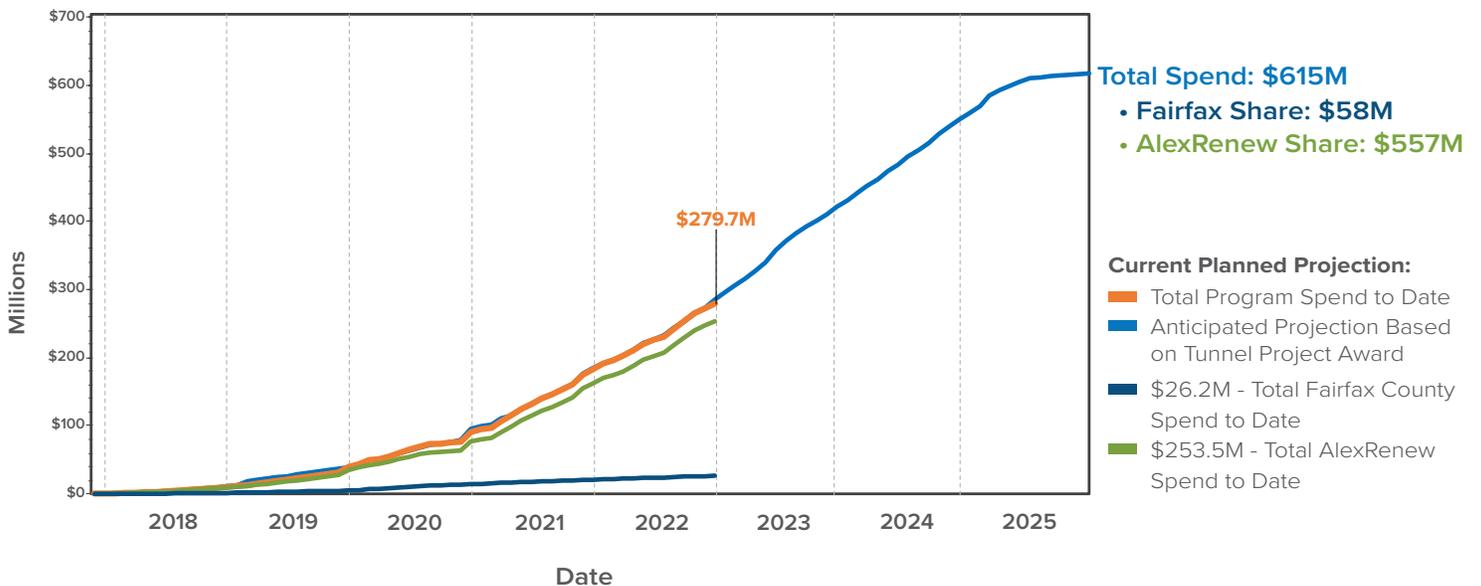
RiverRenew Spend to Date by Locality



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 | \$155 |
| Brown and Caldwell | Owner's Advisor | Professional Services | 17-022 | Nov 2017 | \$64.1 |
| EPC | Resident Engineering & Inspection Tunnel System Project | Professional Services | 20-013 | Apr 2020 | \$10.2 |
| Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project | | | | | \$50.4 |

RiverRenew Cash Flow Analysis



Note: As of December 31, 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:

- 2022-2023 RiverRenew SAG Meeting No. 6: **January 18, 2023**



Community Events

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

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.
- Sip 'n See event at Pendleton Street: Thursdays between 11 a.m. and 1 p.m.
- Community Listening Sessions: **March 6, 7 and 9**



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:

- Waterfront Tunnel Tours: **Spring 2023**



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 **status update** on Hazel's Waterfront Tunnel journey
- An **excavation update** featuring Edie the Excavator
- A **notice** about upcoming pile driving activity at the Pendleton Street site

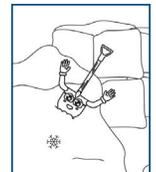


Education

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

Highlights:

- A new Cloe and Friends holiday activity book featuring educational games and coloring pages



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. 17: **January 18**

Monthly Construction Spotlight



Tunnel segment manufacturing update

Hazel the TBM leaves a permanent, precast concrete tunnel in her wake as she mines. The tunnel is made up of individual segments, six of which form a complete ring of the tunnel.

In total, nearly 15,000 segments, or 2,500 rings, will be fabricated to construct the 2.2-mile-long, 12-foot-wide Waterfront Tunnel.

To date, approximately 7,500 tunnel segments have been cast by RiverRenew crews at the “segment plant” in Brandywine, Md.

Get a behind-the-scenes look at how an individual segment is manufactured on [RiverRenew.com](https://www.RiverRenew.com) or on [AlexRenew's Facebook page](#). Follow us across social media to catch the latest RiverRenew updates!

Building for the Future of Alexandria's Waterways

To learn more, visit www.RiverRenew.com



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

Monthly Financial Report



Month: December 2022

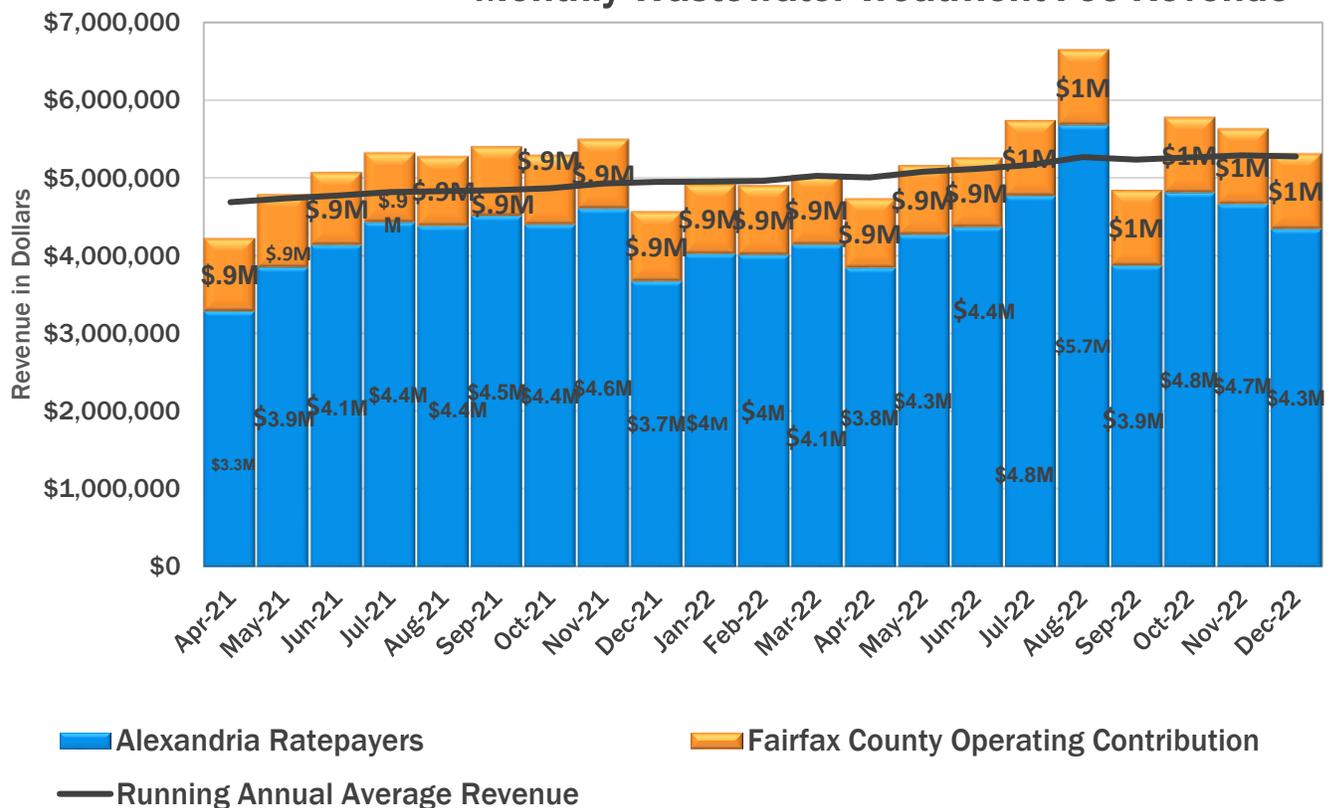
Overview

Performance of AlexRenew’s annual approved budget is reviewed and evaluated monthly to ensure overall organizational financial stability.

Revenues

- FY23 operating revenues totaled \$34.0 million through the end of December with approximately \$28.1 million in Wastewater Treatment Charge revenue and \$5.8 million collected from Fairfax County. Wastewater Treatment Charge revenue is \$2.7 million (10.47%) above the Fiscal 2023 YTD budget. Data indicates a slight decrease in the last three months, which could potentially be attributed to seasonality. Finance staff will continue to monitor the trend in coming months.
- Revenue performance is primarily driven 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.

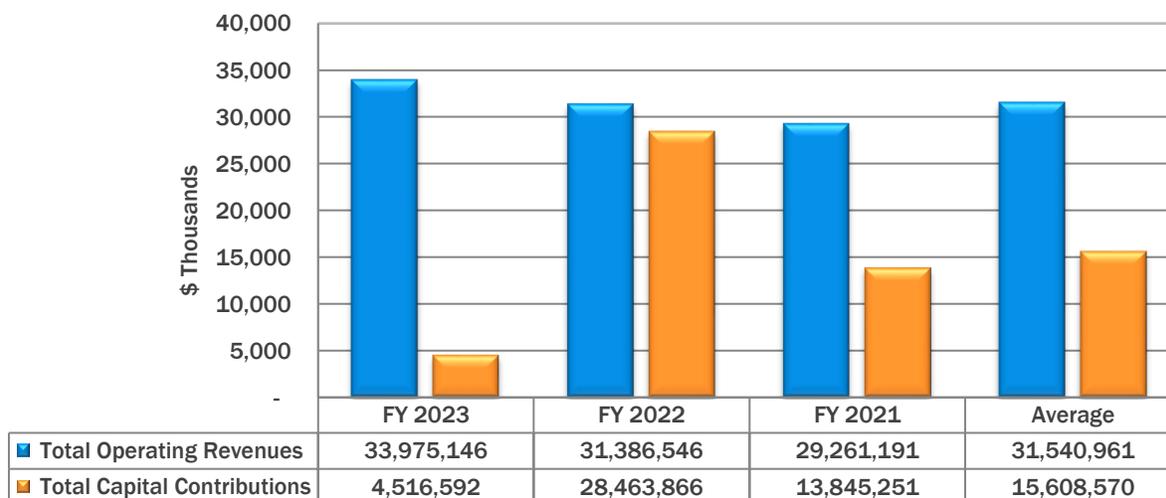
Monthly Wastewater Treatment Fee Revenue



Annual Revenue and Capital Contributions 3 Year Comparison



Operating Revenue vs. Capital Contributions



Expenses

FY23 operating expenses are approximately on point compared to the projected year-to-date budget for FY23. The debt service fund spend rate is trending slightly higher than average related to timing of payments. The joint IRR fund spend rate is trending higher due to prepurchase of equipment with long supply lead times needed for budgeted projects.

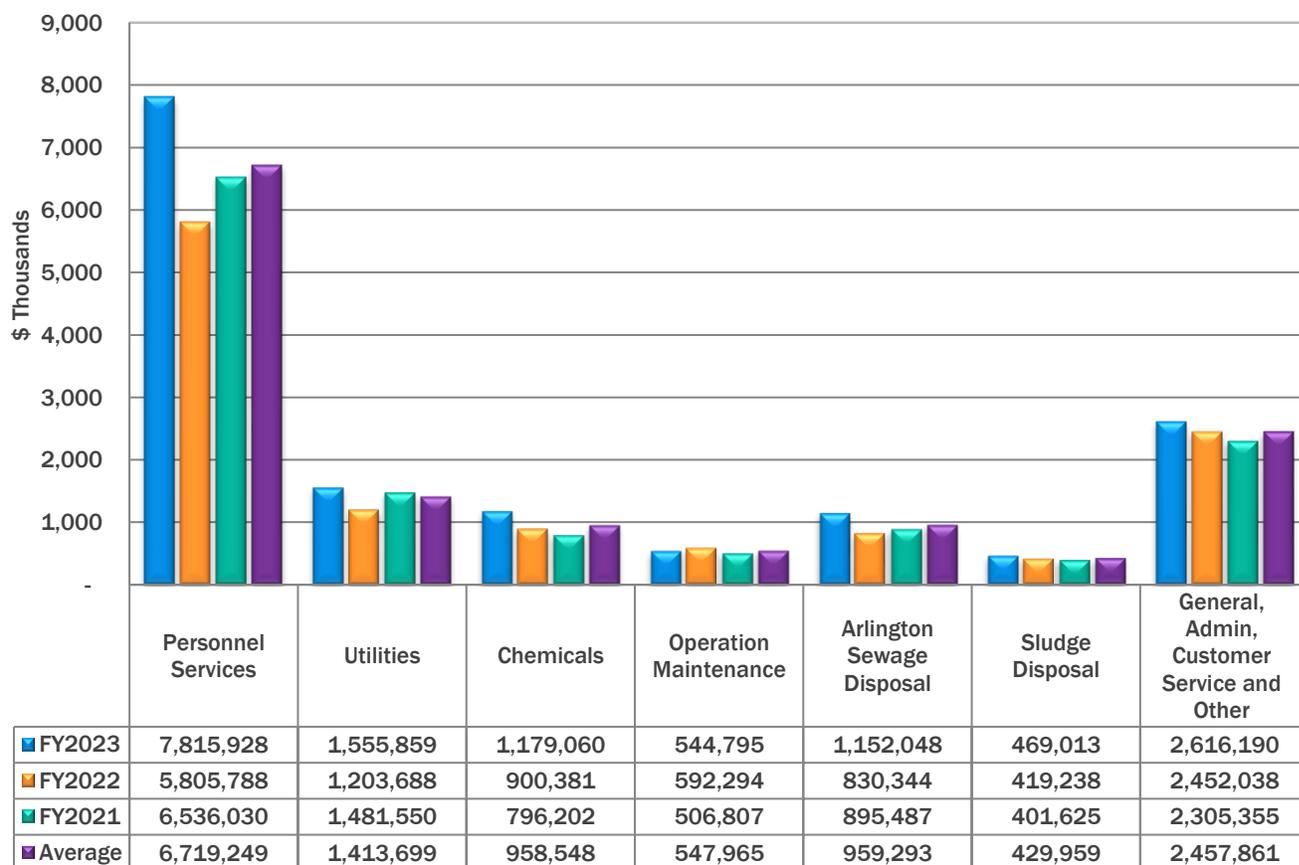
Capital outlay expenses are \$46.38 million year-to-date.

At six (6) months into the fiscal year, the total FY23 operating and capital budget overall spend rate is 35.4% of the total budget.

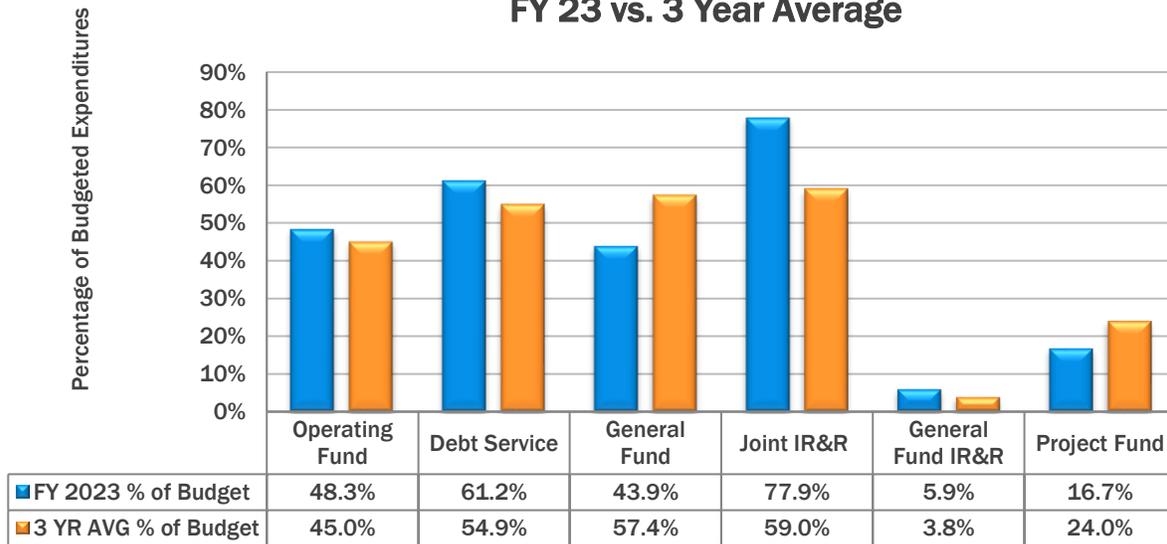
Expenses by Fund

| ACTUAL VS. BUDGET Through December 2022 | | | | | SPEND RATE | | |
|--|------------------|-----------------|-----------------|------------------|---------------|--------------|---------------|
| (\$ Millions) | FY 2023 | FYTD 2023 | 3 YR AVG | FYTD 2023 | FY 2023 | 3 YR AVG | Variance FY23 |
| Expenses (By Fund) | BUDGET | ACTUAL | ACTUAL | BUDGET | % of Budget | % of Budget | to 3 YR AVG |
| Operating Fund | \$ 30.44 | \$ 14.71 | \$ 13.08 | \$ 15.22 | 48.3% | 45.0% | 3.3% |
| Debt Service | 14.74 | 9.03 | 7.84 | 7.37 | 61.2% | 54.9% | 6.3% |
| General Fund | 69.28 | 30.38 | 17.23 | 34.64 | 43.9% | 57.4% | -13.5% |
| Joint IR&R | 10.33 | 8.04 | 4.26 | 5.16 | 77.9% | 59.0% | 18.8% |
| General Fund IR&R | 0.69 | 0.04 | 0.01 | 0.34 | 5.9% | 3.8% | 2.1% |
| Project Fund | 95.60 | 16.00 | 25.45 | 47.80 | 16.7% | 24.0% | -7.3% |
| Total | \$ 221.08 | \$ 78.20 | \$ 67.86 | \$ 110.54 | 35.4% | 36.3% | -0.9% |

Annual Operating Expenses 3 Year Comparison



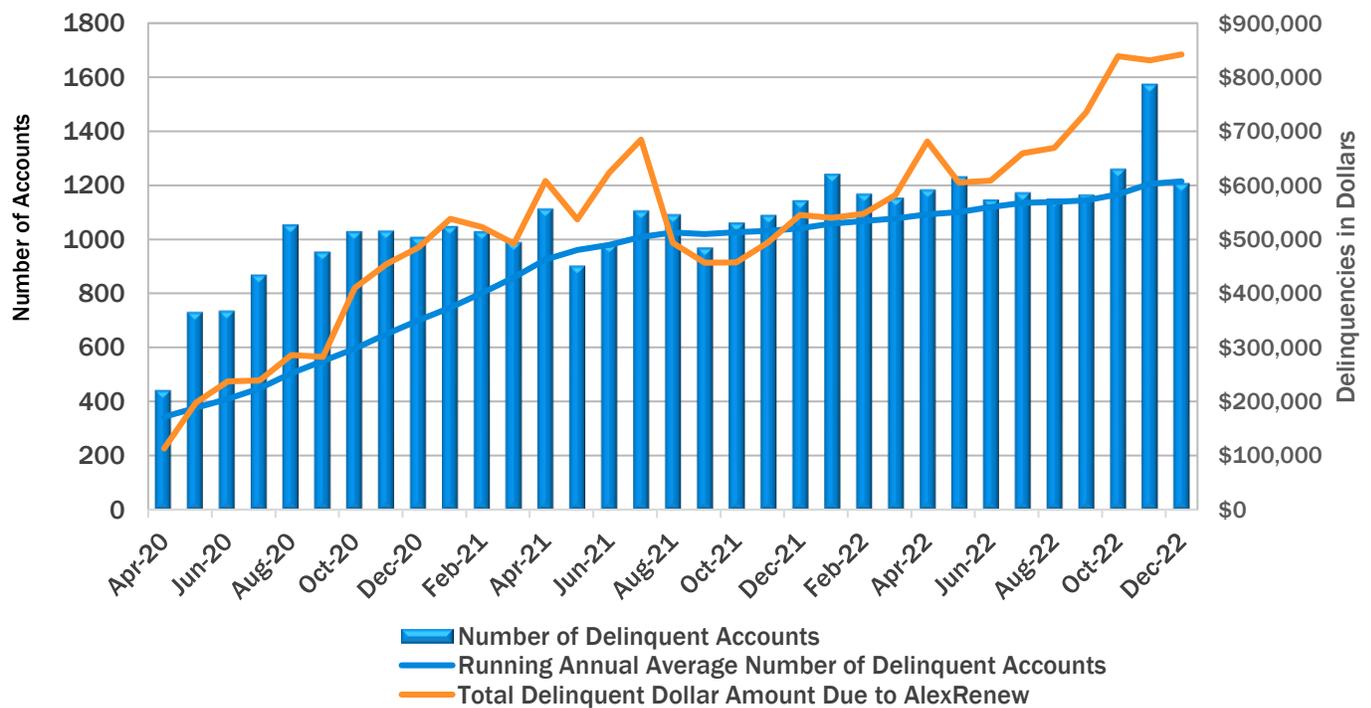
Expenditure Budget Comparison By Fund FY 23 vs. 3 Year Average



Delinquencies

The number of accounts delinquent by more than 60 days was 1,207 in December, a decrease of 366 accounts month-over-month. The total dollar amount owed to AlexRenew from these accounts totaled \$842,137 at the end of December, an increase of \$10,838 month-over-month. AlexRenew continues to work with customers with unpaid bills to assist them in bringing their accounts current.

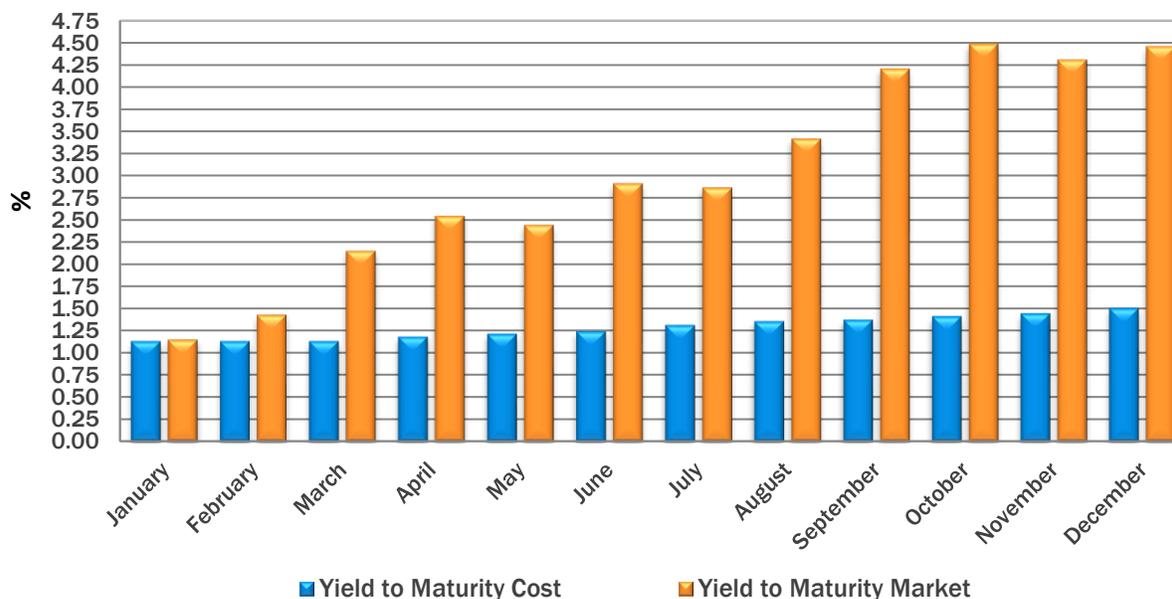
Active Accounts 60+ Days Delinquent



Investments

PFM Investment Advisors manages approximately \$21 million of AlexRenew’s \$25 million investment portfolio. The following graph demonstrates current earnings on investments of approximately 1.50%; a level higher than general bank deposit earnings rates.

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

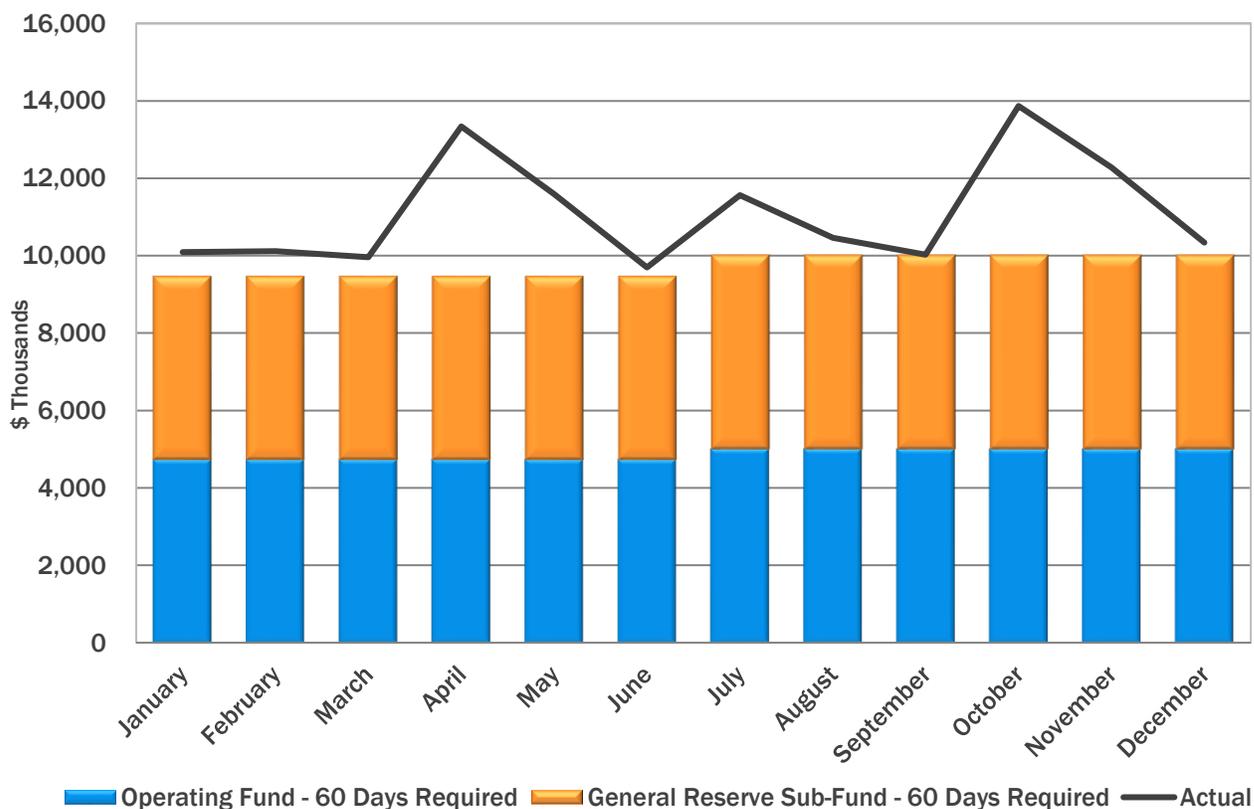


Cash Reserves

AlexRenew’s Master Indenture of Trust 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 FY23 this equals a minimum of \$10,008,654. The chart and graph below demonstrate that AlexRenew currently exceeds this requirement.

| Board Policy 120 Days Cash Reserves | FY 2023 Actual | Percentage of Goal |
|---|----------------|--------------------|
| As of December 29, 2022 | | |
| Total Operating Cash | \$ 2,469,156 | |
| Total Certificates of Deposit (Cash Equivalent) | \$ 2,867,783 | |
| Total Operating Cash | \$ 5,336,939 | |
| Total General Reserve Sub-Fund Cash | 5,004,327 | |
| Total Operating and General Reserve Sub-Fund Cash | 10,341,266 | 103% |

Cash Reserve Policy



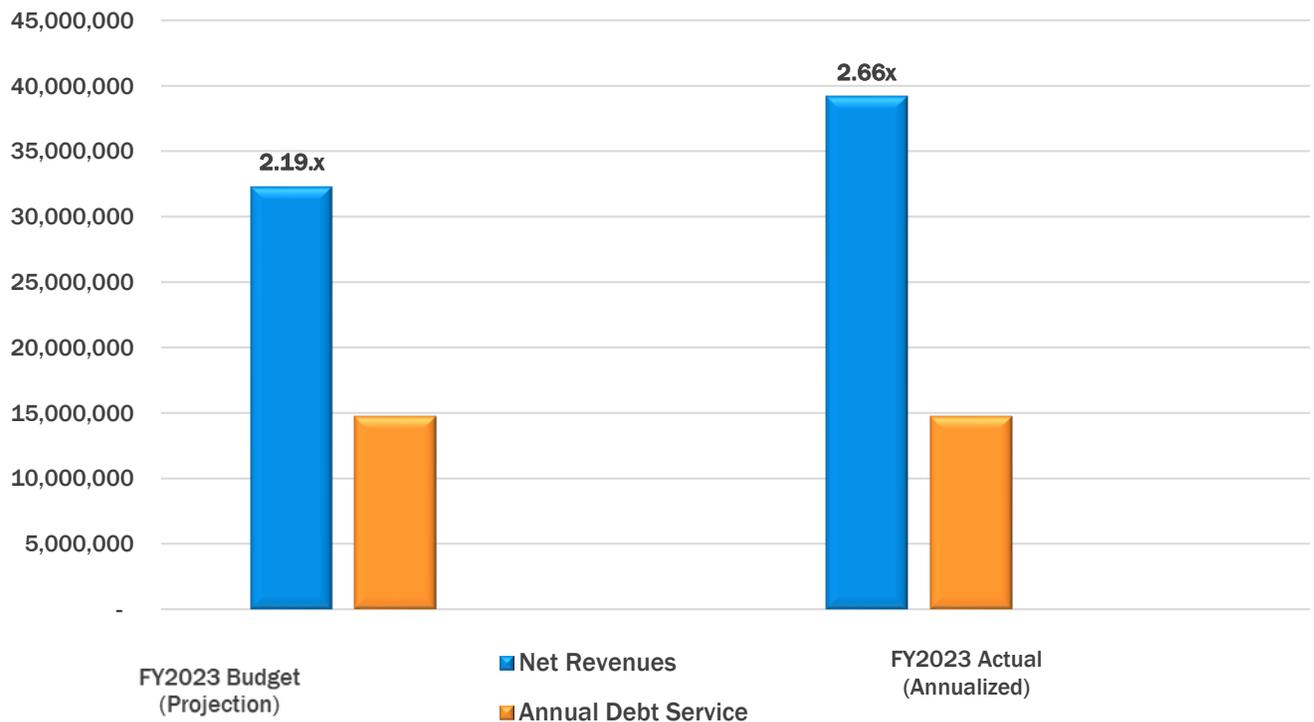
Debt Service Coverage

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 require 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 2.19x designated in the graph below represents projected coverage for FY23 based on original FY23 budget expectations. At six months into the fiscal year, annualized results would indicate coverage of 2.66x, ahead of the budgeted projection of 2.19x.

| Financial Policy Compliance - All-In Debt Service Coverage | FY 2023 Actual | FY 2023 Budget |
|--|---------------------|---------------------|
| Gross Revenues Available for Debt Service Coverage: | | |
| Wastewater Treatment Charges - Alexandria Ratepayers | 56,255,586 | 50,922,485 |
| Fairfax County Operating Expense Charge | 11,694,706 | 11,694,706 |
| Reimbursement from other systems | - | - |
| Investment Income | 681,316 | 115,000 |
| Less Restricted Investment Income | - | - |
| Total | 68,631,608 | 62,732,191 |
| LESS Operating Expenses | (29,417,612) | (30,442,988) |
| Net Revenues [a] | 39,213,996 | 32,289,203 |
| Annual Debt Service [b] | 14,739,509 | 14,739,509 |
| Calculated All-In Debt Coverage [a/b] | 2.66x | 2.19x |
| 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.

2023 AlexRenew Board of Directors Calendar of Events

| January | | | | | | |
|---------|----|----|----|----|----|----|
| 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 | | | | |

| 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 | 31 |

Legend

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

| January |
|---|
| 2: New Year's Day Observed |
| 17: Regular Board of Directors Meeting |
| 18: Council Board Workgroup |
| 18: SAG Meeting |
| February |
| 1: Financial Disclosure Statement due to City |
| 21: Regular Board of Directors Meeting |
| March |
| 6: CLS - Pendleton Street |
| 7: CLS - Hooffs Run |
| 9: CLS Royal Street |
| 16: SAG Meeting |
| 21: Regular Board of Directors Meeting |
| 27: F&A Meeting |
| April - Earth Month |
| 18: Regular Board of Directors Meeting |
| 22: Earth Day |
| May |
| 16: Regular Board of Directors Meeting |
| 18: SAG Meeting |
| 20: Public Hearing on FY24 Budget & Rates |
| 29: Memorial Day Observed |
| June - Safety Month |
| 19: Juneteenth |
| 20: Regular Board of Directors Meeting |

2023 AlexRenew Board of Directors Calendar of Events

| July | | | | | | |
|------|----|----|----|----|----|----|
| 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 | | | | | |

| August | | | | | | |
|--------|----|----|----|----|----|----|
| 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 | | |

| September | | | | | | |
|-----------|----|----|----|----|----|----|
| 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 |

| October | | | | | | |
|---------|----|----|----|----|----|----|
| 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 | | | | |

| November | | | | | | |
|----------|----|----|----|----|----|----|
| 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 | | |

| December | | | | | | |
|----------|----|----|----|----|----|----|
| 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 | | | | | | |

Legend

| | |
|--|--|
| | Board of Directors Activity |
| | AlexRenew Observed Holidays |
| | Finance & Audit (F&A) Committee |
| | Governance (Gov.) Committee |
| | RiverRenew SAG |
| | Council Board Work Group Activity (CBWG) |
| | Community Listening Sessions (CLS) |

Revised 1/11/2023

| July |
|---|
| 1: FY24 Budget Begins |
| 4: Independence Day Holiday |
| 18: Regular Board of Directors Meeting |
| 20: SAG Meeting |
| August - Nat'l Water Quality Month |
| No Board Meeting this Month |
| September - Preparedness Month |
| 4: Labor Day |
| 18 (tent): Governance Committee |
| 19: Regular Board of Directors Meeting |
| 21: SAG Meeting |
| October |
| 17: Regular Board of Directors Meeting |
| November - Thanks for Giving Month |
| 6: F&A Committee |
| 16: SAG Meeting |
| 21: Regular Board of Directors Meeting |
| 23: Thanksgiving |
| December |
| 19: Regular Board of Directors Meeting |
| 25: Christmas Day Observed |