

Minutes of the 903rd Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, January 17, 2023

On Tuesday, January 17, 2023, 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. Mark Jinks, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
 Ms. Allison Deines, Interim Chief Water Quality Officer
 Mr. Charles Phillips, Chief Operator
 Ms. Jean Manuel, 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 6:00 p.m.

Approval of Agenda

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

Public Comment Period

There being no members of the public in attendance and 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 20, 2022, meeting. There being no changes to the Minutes, Mr. Beall moved approval and Mr. Jinks seconded. The Board unanimously approved

Unfinished Business

A. None

New Business

A. Board Proclamation for Karen Pallansch

The AlexRenew Board of Directors issued a Proclamation recognizing the CEO's contributions to Alexandria Renew Enterprises. He read the Proclamation into the record and reported that the entire Board provided input.

WHEREAS, Karen Pallansch joined the Alexandria Sanitation Authority in 1994, and has served as its Chief Executive Officer and General Manager since 2005; and

WHEREAS, during her 17 years as Chief Executive she earned the enduring respect of the Board of Directors by flawlessly managing daily operations, transforming the Alexandria Sanitation Authority into Alexandria Renew Enterprises (AlexRenew), and launching the RiverRenew program that will forever improve the water quality of the Potomac River; and

WHEREAS, she kept an unwavering focus on AlexRenew's core mission of wastewater treatment, achieving 15 Peak Performance awards from the National Association of Clean Water Agencies for no permit violations; and

WHEREAS, she was a responsible financial manager, installing sound practices that have ensured a AAA bond rating, and enabled AlexRenew to efficiently respond to stringent compliance requirements while keeping rates reasonable and predictable; and

WHEREAS, she installed sophisticated strategic planning processes that enable the Board of Directors to exercise proper oversight and provide ratepayers visibility into the operations of AlexRenew; and

WHEREAS, she recruited, developed, and inspired a talented workforce that will maintain AlexRenew's flawless performance and environmental leadership for years into the future; and

WHEREAS, she developed Alexandria Renew Enterprises into an anchor institution that brings together all stakeholders to improve environmental quality in the Potomac watershed; and

WHEREAS, she envisioned a wastewater treatment facility that is open and accessible, with an Environmental Center welcoming community groups, and a storage-tank-topped sports field utilized by Alexandria's soccer leagues; and

WHEREAS, she conceived an outreach program that involves the community in new and creative ways, from an on-line presence that is a model of clarity, to school-based programs that excite young students about environmental issues, to the formation of advisory groups that engage community leaders from across Alexandria; and

WHEREAS, she boldly chose to undertake the RiverRenew Program to resolve Alexandria's combined sewer overflow problem within the 2025 deadline set by the Virginia General Assembly; and

WHEREAS, she assembled the RiverRenew team of employees, contractors, and consultants that has inspired the city with the boldness of its engineering solution and its on-schedule progress despite America's longest government shutdown and a worldwide pandemic; and

WHEREAS, she engaged civic leaders and residents in Alexandria's largest public works project through all means of communication, from stakeholder committees, to a popular website with instructive videos and real-time views of the construction sites, to a children's book that follows "Wayne the Crane" and other construction personalities, to weekly "sip and see" events where residents can talk directly with the engineers on-site; and

WHEREAS, the Board of Directors of Alexandria Renew Enterprises expresses its appreciation to Karen Pallansch for building a nationally-recognized wastewater utility that is far stronger than when she started and that has forever improved the environmental quality of Alexandria and the Potomac River watershed.

NOW, THEREFORE, THE BOARD OF DIRECTORS hereby recognizes Karen Pallansch for her outstanding contribution to Alexandria Renew Enterprises, the City of Alexandria, its residents, businesses, and others served by AlexRenew in Fairfax County.

Ms. Pallansch thanked the Board, staff, and family members for their continuous support. She noted how small the water industry is and thanked everyone who has helped make her life successful. Additionally, through her leadership, Ms. Pallansch hoped to inspire others to see the possibilities of a utility and how this important work helps all of our communities, especially in Alexandria. She thanked everyone for their kind words.

The Chairman reported Ms. Pallansch has made Board service enjoyable and rewarding, but also easy, noting that AlexRenew's strong staff reflects her leadership. Ms. Pallansch reported that it means a lot that she has been able to support the Board.

There being no additional questions or comments, the Chairman requested a motion to approve the Proclamation. Mr. Dickinson moved, and Ms. Caldarelli seconded. The Board unanimously approved.

CEO Monthly Outcome Reports

Ms. Pallansch noted that members had her written report and referenced the Info Items Package in the last tab of the Board package. The Virginia General Assembly is in legislative session with approximately 1,900 bills being introduced. The last day to introduce bills is January 20, 2023. AlexRenew's Legislative Consultant; Preston Bryant, from McGuire Woods, VAMWA, and VWWA are currently in Richmond representing AlexRenew and monitoring bills for staff. Alexandria's Assistant City Manager, Sarah Taylor, is also monitoring the legislative session on behalf of the City. Crossover is February 8, 2023 when staff learn which bills will move forward. The new GM will keep the Board informed on the legislative progress.

Ms. Pallansch inquired if Members had questions on the RiverRenew Dashboard. The Chairman inquired and Ms. Pallansch confirmed that pile driving at Pendleton Street begins in February. Ms. Pallansch reported on the Council-Board Workgroup and Stakeholder Advisory Group (SAG) meetings on Wednesday, January 18, at 5:00 p.m. and from 7:00 p.m. to 9:00 p.m., respectively. Both meetings will include a presentation on Pendleton Street pile driving which Ms. Pallansch will provide to the Board. (See attached)

Mr. Dickinson inquired about two (2) permit requests on page 3 of the Dashboard. Mr. Jinks and Ms. Pallansch clarified that the requests are staff amendments to final site plans that do not require Council approval.

The Chairman inquired about an increase in delinquent accounts and if the \$500 thousand disbursed under the Cares Act will offset the \$900 thousand in the financial report; and Mr. Dickinson inquired on whether the delinquencies are primarily residential or commercial customers. Ms. Pallansch reported that the disbursement through the CARES Act was a one-time disbursement and reported that most delinquencies are from residential customers. Ms. Pallansch reported that due to the pandemic and in alignment with other utilities, AlexRenew discontinued shut-off notices for accounts in arrears. Once the shut-off process resumes, it will be a four (4) to six (6) month period before the customer receives the turn off notice. The CEO discussed the process of resuming customer shut-offs and offering a chance to pay or set up a payment plan. Ms. Caldarelli inquired about delinquencies slowly declining due to payment plans, and how this is reflected in the Budget. Ms. Pallansch confirmed the expected decline in delinquencies and noted that it is accounted for in AlexRenew revenue projections. The Chairman inquired if there is a general reason behind the non-payments, as a possible future discussion topic. Ms. Pallansch reported the reasons for non-payments have not been discussed with customers, however, there are customers who do not pay because there are no consequences. There are also customers who are having to choose between paying the bill or other living necessities. Staff works with customers who have a desire to pay and have a financial need for assistance. Mr. Jinks reported that communities are seeing financial pressures from all over and people are having to set priorities and decide which bills to pay.

Ms. Pallansch referenced the Board Calendar updates and requested that members contact the Board Secretary with any questions or edits

There being no additional Board business, the Chairman requested a motion to adjourn. Ms. Caldarelli moved, and Mr. Jinks seconded. The Board unanimously approved. The meeting adjourned at 6:27 p.m.

APPROVED:



Secretary-Treasurer