



1800 Limerick Street
Alexandria, VA 22314
alexrenew.com

Board of Directors
John Hill, Chair
James Beall, Vice Chair
Adriana Caldarelli, Sec'y-Treas
Mark Jinks
Rebecca Hammer
Chief Executive Officer
Justin Carl, PE
General Counsel
Amanda Waters

Tuesday, May 21, 2024 – 6:00 p.m.

Regular Board of Directors Meeting Agenda

In-person: AlexRenew Environmental Center (1800 Limerick St)
Ed Semonian Boardroom, Room 600

Virtual: [Microsoft Virtual Events Powered by Teams](#)

Public comments will be received at the meeting. If you wish to speak during public comment, please contact the Board Executive Assistant at (703) 721-3500 ext. 2260 or lorna.huff@alexrenew.com in advance. Submission of written statements is encouraged and may be emailed to the Board Executive Assistant.

A recording of the meeting will be posted on alexrenew.com after the meeting.

No.	Item	Presenter	Action
1.	Call to Order (6:00 p.m.)	Chair	
2.	Approval of Agenda (6:02 p.m.)	Chair	Approval
3.	Public Comment Period (6:05 p.m.)	Chair	
4.	Consent Agenda (6:10 p.m.)	Chair	Approval
	a. Minutes from April 16, 2024 meeting (Tab 1)		
	b. Review and Approve Update to Board Policy on Electronic Participation (Tab 2)		
5.	Member and Committee Updates (6:15 p.m.)	Chair	Information
	a. Community Meetings (Tab 3)		
	b. Finance & Audit Committee (as needed)		
	c. Governance Committee (as needed)		
	i. Board Compensation Philosophy (review revision in June)		
6.	Unfinished Business (6:20 p.m.)	Chair	Information
	a. Discuss upcoming Board Retreat	Mr. Carl	
	b. Update on the Lifeline Emergency Assistance Program (Tab 4)	Ms. Waters	
7.	New Business (6:35 p.m.)	Chair	Information
	a. Review and Approve Update to Board Policy on Procedures for the Procurement of Construction Management At-Risk (CMAR) and Design-Build (Tab 5)	Mr. Carl	
	b. Presentation on Solids Upgrade Program Construction Manager At-Risk (Tab 6)		
	c. Review and Approve Construction Manager At-Risk Contract to Support Solids Upgrade Program (Tab 7)		
	d. City-AlexRenew Commonwealth Interceptor Infiltration and Inflow Study Overview (Tab 8)		
	e. Approve Resolution Authorizing Up to \$51M of Revenue Bonds (Tab 9)		
	f. Approve Resolution Authorizing Sewer Revenue Refunding Bond (Tab 10)		
8.	AlexRenew Monthly Outcomes Update (7:25 p.m.) (Tab 11)	Mr. Carl	Information
9.	Adjourn (7:35 p.m.)	Chair	

Times shown in parentheses () are approximate start times and serve as guidelines

If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, please call (703) 721-3500 ext. 2260 at least three business days prior to the meeting.

The next Regular Board of Directors meeting is scheduled for Tuesday, June 18, 2024.

Minutes of the 917th Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
AlexRenew Board of Directors
6:00 p.m., Tuesday, April 16, 2024

On Tuesday, April 16, 2024, the AlexRenew Board of Directors held its regular meeting in the Edward Semonian Board Room at 1800 Limerick Street, and broadcast via Microsoft Teams, with the following present:

Members: Mr. James Beall, Vice Chair
Ms. Adriana Caldarelli, Secretary-Treasurer
Mr. Mark Jinks, Member
Ms. Becky Hammer, Member

Absent: Mr. John Hill, Chair

Staff: Mr. Justin Carl, General Manager/Chief Executive Officer
Ms. Amanda Waters, General Counsel/Deputy General Manager
Ms. Wendy Callahan, Chief Human Resources Officer
Mr. Lake Akinkugbe, Director of Finance
Mr. Matt Robertson, Director of Communications
Ms. Lorna Huff, Executive Assistant to the Board

Counsel: Mr. Steve Mikulic, McGuireWoods

Fairfax County Representative: Mr. William Barrack, Branch Chief, Wastewater Planning and Monitoring Division

City Representative: Ms. Erin Bevis-Carver, Division Chief, Sanitary Infrastructure Division

1. Call to Order

The Vice Chair called the meeting to order at 6:00 p.m.

2. Approval of Agenda

The Vice Chair requested that members review the agenda. There being no changes, Ms. Caldarelli moved approval and Ms. Hammer seconded. The Board unanimously approved.

3. Public Comment Period

There were no members of the public in attendance and wishing to speak; the Chair closed the public comment period.

4. Consent Agenda

Members reviewed the Consent Agenda which contained the Minutes of the March 19, 2024, meeting, and an action item to review and approve a Resolution to extend AlexRenew’s Line of Credit Financing. There being no comments on the Consent Agenda, the Vice Chair requested a motion to approve. Ms. Caldarelli moved and Mr. Jinks seconded. The Board unanimously approved.

5. Member and Committee Updates

- a. Community Meetings
Nothing to report.
- b. Finance and Audit Committee
Nothing to report.
- c. Governance Committee
Nothing to report.

Mr. Carl provided a preview of the Board retreat scheduled for February 2025. The retreat will begin on a Friday afternoon, followed by dinner, and Saturday morning work session on sewer rate pricing. Staff is working on securing guest speakers and will provide a draft agenda in the coming months.

Mr. Carl, Mr. Akinkugbe and Ms. Waters reported on the following key meetings:

Virginia Water and Wastewater Authorities Association (VWWAA)

Mr. Carl attended the VWWAA's annual meeting. Follow-up meetings with Prince William County and Wester Virginia Water Authority have been scheduled to discuss affordability and the usage of non-rate revenue to fund customer assistance programs. Loudoun Water is currently undergoing a CEO transition and meetings will be scheduled when complete.

CFO Forum

Mr. Akinkugbe attended a CFO Forum for water and wastewater utilities of all sizes. Members discussed their affordability challenges. He noted that many utilities are using customer assistance programs similar to AlexRenew's Lifeline Emergency Assistance Program (LEAP) some are implementing rate-funded assistance programs, which are permissible under their state law.

Water Week

Ms. Waters reported that AlexRenew partnered with Loudoun Water and HRSD to meet with AlexRenew's congressional delegation and advocate for permanent funding for the Low-Income Water Household Assistance Program (LIWHAP) and liability protection for PFAS under the new CERCLA rule.

She also attended an affordability roundtable hosted by NACWA, Policy Link, and the Center for Water Security and Cooperation. The purpose was to foster collaboration on federal policy solutions to address water rate affordability. Participants included several water and wastewater utilities, national associations, and NRDC. The group agree to continue working together to develop shared priorities with a strategic timeline for federal advocacy.

The CEO recognized Mr. Robertson to update the Board on the status of LEAP. He reported that Dollar Energy has been pursuing partnerships with several non-profits and had promising leads including Christ Church and Housing Alexandria.

AlexRenew has promoted Spring2Action on social media channels and sent out an all-customer email with its Open House reminder. Staff received feedback and a few donations from the mailing. AlexRenew will continue to promote the fundraising event

Mr. Carl reported that staff is finalizing two agreements with the City: the lease agreement for the 5th floor, and the billing services cost-share agreement.

6. Unfinished Business

a. FY2025 Operating and Capital Budget Review and Set Public Hearing

Mr. Carl thanked Mr. Beall and Mr. Jinks for their comments. As noted in Mr. Jinks comments, the budget was underfunded for debt service associated with the new bonds. Staff has revised the memo that was sent in the board packet with an updated final budget number of \$234.1 million from the original \$230 million.

He reported that the change in the debt service impacted the entire budget and staff provided a new budget. Mr. Jinks requested that revisions to previous charts be noted with a revision date.

The Vice Chair clarified that a motion should be made to approve the draft budget, authorize the CEO to post the notice of public hearing to receive comments, and update the winter quarter average. Ms. Caldarelli moved and Mr. Jinks seconded. The Board unanimously approved.

7. New Business

a. Overview of 2024 AlexRenew Compensation Study

The CEO recognized Ms. Callahan, Chief Human Resources Officer, to discuss AlexRenew's compensation policy, to share results of the bi-annual compensation study, and to discuss proposed changes to the compensation philosophy.

Ms. Callahan provided an overview of the compensation policy noting it was implemented in 2010 and last revised April 2022. It commits to maintaining comparability with other organizations, targets 90-110% of respective salary range, and a market study bi-annually to benchmark positions.

She reviewed AlexRenew's employee health benefits program and additional employee benefits like tuition assistance, paid family leave, professional development support, and wellness program as part of the employees' total compensation that should be incorporated into AlexRenew's compensation policy/philosophy. She responded to questions from members on AlexRenew's insurance program, salary bands, and compensation program.

8. Monthly Outcomes Update

The Vice Chair recognized Mr. Carl who referenced page 2 discussing Job Order Contracts (JOC) and the Safe Start program. The Safe Start program was implemented organization-wide and focused on safety from a behavioral perspective. Mr. Carl reported a cultural shift at the organization around safety as AlexRenew's approaches the one-year mark without a lost-time accident. In June, a guest speaker from Safe Start will give a presentation for Safety month. Plant staff have all completed the OSHA 10-hour safety course.

Mr. Jinks asked about the status of the CMAR legislation in the General Assembly. Mr. Carl reported that the legislation passed and prior design build experience cannot be used to short list in the first phase of CMAR. The criteria can be considered during the second phase. Ms. Hammer asked the reason for this legislation. Mr. Carl reported that it was due to smaller contractors missing out on opportunities to submit proposals.

Mr. Carl reported that delinquencies have stabilized and noted a decrease over the last month of approximately \$6,000. Staff reviewed commercial accounts and contacted large landlord/property management customers to learn their methodology for passing the AlexRenew bill through to tenants. AlexRenew recently contacted the board at Arlandria Chirilagua Housing Cooperative (ACHC), which represents approximately \$370,000 of the total commercial delinquency. Ms. Waters

reported that ACHC had not collected adequate fees from tenants nor budgeted appropriately to cover all utilities; it appears that ACHC did not pay AlexRenew due to its suspension of service disconnections. Staff will be meeting with their Board along with the City's Director of Housing to attempt to get ACHC on a sustainable payment schedule with oversight by the City.

Staff is communicating that shutoffs of delinquent accounts begins in July. Staff is currently promoting payment plans, and LEAP to delinquent customers.

Mr. Carl reported that the Open House was well attended and exceeded expectations. Mr. Beall and Ms. Hammer concurred that the event was well organized and exhibits were interesting. They thanked the CEO and staff for getting the site ready and accessible.

9. Closed Meeting Motion

At 7:15 p.m., pursuant to Sections 2.2-3711(A)(3) and (8) of the Virginia Code, Mr. Beall moved that the Board enter into a closed meeting for consultation with legal counsel on the Carlyle Plaza/Block 32 real property matter. Ms. Caldarelli seconded. The Board unanimously approved.

Return to Open Meeting Certification

At 8:05 p.m., pursuant to Virginia Code Section 2.2-3712(D), Mr. Beall asked each member to certify by voice vote that to the best of each member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements by Virginia law, and (2) only such public business matters identified in the motion by which this closed meeting was convened were heard, discussed or considered by the AlexRenew Board:

VOTE:

Mr. Beall	Aye
Ms. Hammer	Aye
Ms. Caldarelli	Aye
Mr. Jinks	Aye

At 8:05 p.m., there being no additional business, Mr. Beall moved to adjourn the meeting. Ms. Caldarelli seconded. The Board unanimously approved.

APPROVED:

Secretary-Treasurer

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Electronic Participation Policy

Date of Adoption: June 15, 2021

Date of Revision: June 20, 2023; May 21, 2024

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It is the policy (the "Policy") of the AlexRenew Board of Directors (the "Board") that individual Board members may participate in Board meetings by electronic means under certain circumstances and the Board may conduct all-virtual public meetings as permitted by the Virginia Freedom of Information Act ("FOIA") (Code of Virginia § 2.2-3700 et. seq.). FOIA requires the Board to adopt a written policy for the procedures to be used for all-virtual public meetings at least once annually.

This Policy shall apply to all committees or subcommittees in existence at the time of the Policy's adoption and those created by the Board after adoption. This Policy shall be applied strictly and uniformly, without exception, to all Board members and without regard to the identity of the Board member requesting to participate remotely or the matters that will be considered or voted on at the Board meeting.

AlexRenew may allow public access to their meetings and the opportunity to comment at such meetings through electronic communication means, including telephone or videoconferencing.

I. Remote Participation Policy

A. The Policy establishes that Board members may participate in Board meetings remotely in the following circumstances:

1. The Board member has a personal matter subject to the following conditions:
 - a. The Board member must identify with specificity the nature of the personal matter.
 - b. Participation by the absent Board member due to a personal matter shall be limited in each calendar year to: (1) two (2) meetings or (2) 25 percent of the meetings held rounded up to the next whole number, whichever is greater, of the Board.
2. Board member has a temporary or permanent disability¹ or other medical condition that prevents the member's physical attendance at the Board meeting. A Board member who is a person with a disability and uses remote participation counts toward the quorum as if the individual was physically present.
3. A medical condition of a Board member's family requires the Board member to provide care that prevents the Board member's physical attendance or the member is a caregiver² who must provide care for a person with a disability at the time the public meeting is being held thereby preventing the member's physical attendance. A Board member who is a caregiver and uses remote participation counts toward the quorum as if the individual was physically present.

¹ "Person with a disability" means any person who has a physical or mental impairment that substantially limits one or more of his major life activities or who has a record of such impairment.

² "Caregiver" is an adult who provides care for a person with a disability. A caregiver shall be either related by blood, marriage, or adoption to or the legally appointed guardian of the person with a disability for whom he is caring.

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



Title: Electronic Participation Policy

Date of Adoption: June 15, 2021

Date of Revision: June 20, 2023; May 21, 2024

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4. The Board member's principal residence is more than 60 miles from the Board meeting location.
- B. The Board shall comply with the following procedural requirements when a Board member wishes to participate remotely pursuant to this Policy:
1. On or before the day of a meeting, the Board member shall notify the Chair that the Board member wishes to participate in a Board meeting remotely due to any of the circumstances described in this Policy.
 2. The Chair may approve or disapprove the request for electronic participation. If the absent Board member's remote participation is disapproved because such participation would violate this Policy, the basis for the disapproval shall be recorded in the Board's minutes. The decision shall be based solely on the criteria in this Policy, without regard to the identity of the Board member or matters that will be considered or voted on during the meeting.
 3. A quorum of the Board must be physically assembled at the primary or central meeting location subject to the exceptions for persons with disabilities and caregivers set forth above in Section 1.A.
 4. The Board shall record in the Board meeting minutes the specific reason a Board member is participating remotely and identify the remote location from which the absent Board member participated remotely. The remote location may be identified in the minutes by a general location.
 5. For any remote participation by a Board member, the Board shall make arrangements for the voice of the absent Board member or Board members to be heard by all persons in attendance at the meeting location.

II. All-Virtual Meeting Policy

- A. The Board may hold all-virtual public Board meetings no more than two (2) times per calendar year or 50 percent of the meetings held per calendar year rounded up to the next whole number, whichever is greater. Such all-virtual public Board meetings are subject to the following requirements:
1. No all-virtual public Board meeting shall occur consecutively with another all-virtual public Board meeting.
 2. An indication of whether the Board meeting will be an in-person or all-virtual public meeting is included in the required meeting notice along with a statement notifying the public that the method by which the Board chooses to meet for future meetings shall not be changed unless the Board approves a new meeting notice in accordance with FOIA.
 3. Public access to the all-virtual public Board meeting must be provided via electronic communications means. Such electronic communications means shall include the use of technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar

City of Alexandria, Virginia Sanitation Authority Board Adopted Policy



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Date of Adoption: June 15, 2021

Date of Revision: June 20, 2023; May 21, 2024

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capabilities to transmit or receive information.

4. The electronic communications means used allows the public to hear all Board members participating in the Board's all-virtual public meeting and, when audio-visual technology is available, to see the Board members as well.
5. A Board member shall, for purposes of a quorum, be considered absent from any portion of the meeting during which visual communication with the member is voluntarily disconnected or otherwise fails or during which audio communication involuntarily fails.
6. A phone number or other live contact information is provided to alert the Board if the audio or video transmission of the meeting provided by the Board fails. The Board must monitor such designated means of communication during the Board meeting, and the Board must take a recess until public access is restored if the transmission fails for the public.
7. A copy of the proposed agenda and all agenda packets and, unless exempt, all materials furnished to Board members for a Board meeting is made available to the public in electronic format at the same time such materials are provided to Board members.
8. The public is afforded the opportunity to comment through electronic means, including by way of written comments, at Board meetings where public comment is customarily received.
9. No more than two Board members may gather together in any one remote location to discuss or transact AlexRenew business unless that public location is open to the public to physically access it.
10. If a closed session is held during an all-virtual public Board meeting, transmission of the meeting to the public resumes when the Board votes to certify the closed meeting as required by FOIA.
11. Minutes of all-virtual public Board meetings held by electronic communications means must be taken as required by FOIA. The Board meeting minutes must include the fact that the Board meeting was held by electronic communications means and the type of electronic communications means by which the Board meeting was held. If a Board member's participation from a remote location pursuant to this Policy is disapproved because such participation would violate this Policy, such disapproval shall be recorded in the Board meeting minutes with specificity.

III. Meetings Held During a Declared State of Emergency Policy

- A. The Board may also hold meetings through electronic communication means during a state of emergency without a quorum physically assembled at one location when the City of Alexandria has declared a local state of emergency or the Governor of Virginia has declared a state of emergency in accordance with § 44-146.17 in the following circumstances and for the duration of the declared emergency:

**City of Alexandria, Virginia Sanitation
Authority Board Adopted Policy**



Title: Electronic Participation Policy

Date of Adoption: June 15, 2021

Date of Revision: June 20, 2023; May 21,
2024

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1. The catastrophic nature of the declared emergency makes it impracticable or unsafe to assemble a quorum in a single location; or
 2. The purpose of the meeting is to provide for the Board's continuity of operations or the discharge of its lawful purposes, duties, and responsibilities.
- B. When holding meetings through electronic communication means during a declared emergency, the Board shall do the following:
1. Make arrangements for public access to such meeting through electronic communication means, including videoconferencing if already used by the Board; and
 2. Provide the public with the opportunity to comment at those meetings of the Board when public comment is customarily received.

AlexRenew Board of Directors
Alexandria Homeowners and Civic Associations Matrix
 Updated December 20, 2023

HOA	Contact	Meeting Info	Board Contact
Alexandria Federation of Civic Associations	Carter Flemming, Chair carterflemming@gmail.com	<ul style="list-style-type: none"> • Last Wednesday of the month • 7:00 PM • Hybrid 	John Hill
Del Ray Citizens Association	Katie Waynick, President president@delraycitizen.net	<ul style="list-style-type: none"> • Second Wednesday of the month • 7:00 PM • Meeting locations vary 	Jim Beall
North Old Town Independent Citizens Civic Association	Mace Carpenter, President notice.communications@gmail.com	<ul style="list-style-type: none"> • Meet three times a year 	Adrianna Caldarelli
Old Town Civic Association	Steve Milone, President stevemilone@yahoo.com or president@theoldtowncivicassociation.org	<ul style="list-style-type: none"> • Second Wednesday of the month • 7:00 PM • The Lyceum 	Mark Jinks
Rosemont Citizens Association (including PELT)	Jol Silversmith, President info@rosemontcitizensassoc.org or jol@thirdamendment.com	<ul style="list-style-type: none"> • None scheduled 	Rebecca Hammer

Lifeline Emergency Assistance Program (LEAP) Update

Briefing for AlexRenew Board of Directors

May 21, 2024

AlexRenew's Lifeline Emergency Assistance Program launched May 20, 2024



Application Requirements



Must be an AlexRenew account holder



Have a past-due balance of \$100 (\$50 if over 62)



Income \leq 150% of the federal poverty level

Applicants receive a max disbursement of \$350 per year



Partnering with:



How can I enroll in LEAP?



Call AlexRenew at (703) 851.2340 or Alive! to determine eligibility



Call or visit one of the Alive! locations in Alexandria



Alive!

510 S Van Dorn St
703-837-9300



Alive!

2601 Mt. Vernon Ave
703-837-9300



How do eligible customers receive LEAP funds?

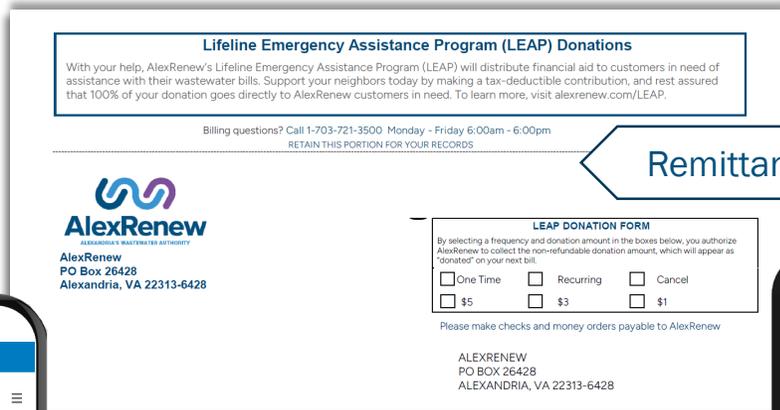
Customer completes application through Alive!

Alive! and AlexRenew confirm eligibility

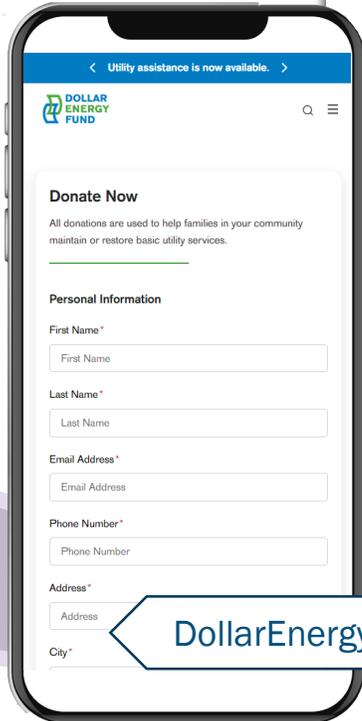
Dollar Energy is notified via software application

Funds are applied to AlexRenew customer accounts

How can I support LEAP?



Remittance Slips

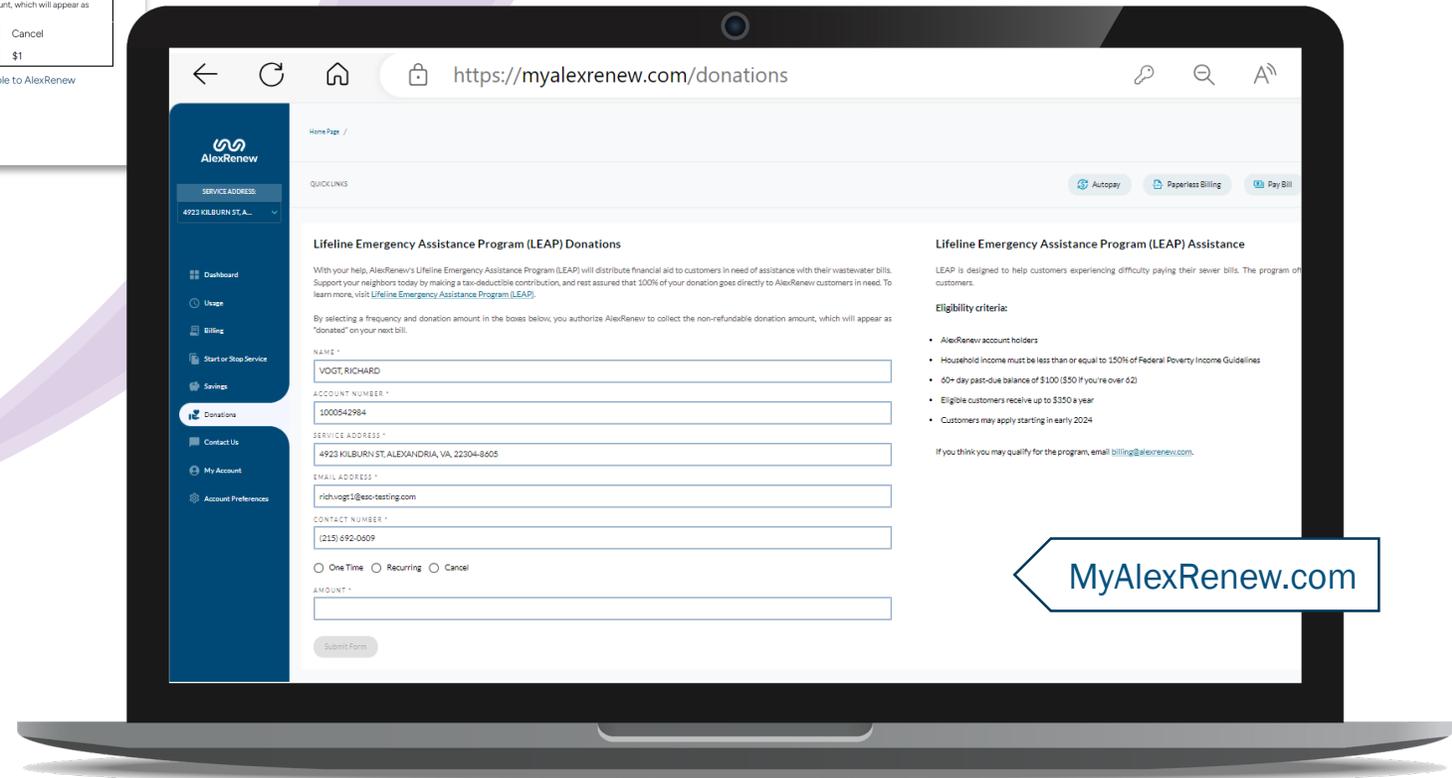


DollarEnergy.com



Signage

Scan the QR code and to help customers experiencing difficulty paying their sewer bills.



MyAlexRenew.com

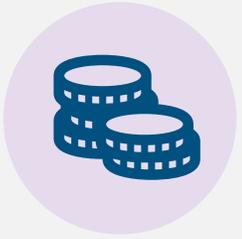
Other potential funding sources for LEAP



5th floor office space



Donations resulting from Environmental Center 6th floor usage



Customer billing payments from city



Donations resulting from parking



Energy demand reduction program funds



AlexRenew

To learn more, visit www.alexrenew.com

Construction Management At-Risk

In accordance with the provisions of § 2.2-4378 et seq. of the Code of Virginia (“VA Code”), AlexRenew (the “Authority”) hereby adopts the following procedures for the procurement of Construction Management At-Risk (“CMAR”) contracts, as defined in VA Code § 2.2-4379.

- I. **AUTHORITY:** Pursuant to VA Code § 2.2-4382, the Authority may enter into a contract with a Construction Manager (“CM”) on a lump sum or cost plus with a guaranteed maximum price basis in accordance with these procedures. The Authority is authorized to use competitive negotiations to procure CMAR contracts when it:
 - A. Has in its employ or under contract a licensed architect or engineer with professional competence appropriate to the project who shall advise the Authority regarding the use of CMAR contracts for the project and who shall assist the Authority with the preparation of the Request for Proposals (“RFP”) and the evaluation of such proposals; and
 - B. Determines in advance and provides written justification (i) that the design-bid-build project delivery method, as defined in VA Code § 2.2-4379, is not practicable or fiscally advantageous; (ii) that the project is complex as defined in VA Code § 2.2-4379; and (iii) that there is a benefit to the Authority by using a CMAR contract; and
 - C. Receives approval from the Authority’s Board of Directors (“Board”) to use a CMAR contract by resolution or motion specific to the project and adopted in a public forum prior to the issuance of the Request for Qualifications.
- II. **PROCEDURE FOR APPROVAL TO USE CMAR CONTRACT:** Prior to taking any further action, the Board shall pass a resolution approving the use of a CMAR contract on a project-by-project basis. The documentation requesting Board approval shall include:
 - A. Written justification that a CMAR contract meets the criteria found in Paragraph 1 above.
 - B. A stipulation that the CMAR contract will be entered into no later than the completion of the schematic phase of design unless prohibited by authorization of funding restrictions.
- III. **CMAR SELECTION PROCEDURES:** The following procedures shall be used in selecting a CM and awarding a contract:
 - A. The Authority shall appoint an Evaluation Committee (“Committee”) consisting of at least three members from the Authority. The Committee shall include a licensed professional engineer or architect employed by or under contract with the Authority.
 - B. The Committee shall determine the criteria for the contract award in accordance with § 2.2-4378 et seq. Cost is a critical component of the selection process. The criteria shall be submitted to the Chief Executive Officer (“CEO”), in advance, for approval.

- IV. TWO-STEP CONTRACT PROCUREMENT PROCESS: Procurement of the contract requires a two-step process.
- A. Request for Qualifications (STEP I): The Authority shall prepare a Request for Qualifications ("RFQ") inviting the submission of Statements of Qualifications ("SOQ") that enables the Authority to assess the qualifications and capabilities of the proposers.
- i. The RFQ shall include the justifications set forth above in Paragraph 1; a description of the type, size, and scope of the project; a summary of the qualifications required of the CM; the criteria to be used to evaluate the SOQs; and other relevant information.
 - ii. The RFQ will require a summary of the proposer's experience for a period of 10 prior years to determine whether the proposer has constructed, by any method of project delivery, at least three projects similar in scope and size. Prior construction management or design-build experience or previous experience with the Division of Engineering and Buildings of the Virginia Department of General Services shall not be considered as a prerequisite or factor considered for shortlisting. All proposers shall have a licensed Class "A" contractor registered in the Commonwealth of Virginia as part of the Project team.
 - iii. The RFQ shall be posted in accordance with § 2.2-4378 et seq., including posting on eVa and/or the Authority's own website, and shall require SOQs to be submitted electronically.
 - iv. SOQs shall include responses to the information contained in the RFQ.
 - v. SOQs and any other relevant information shall be evaluated by the Committee to determine those deemed most qualified with respect to the criteria established in the RFQ.
 - vi. Evaluation of SOQs shall result in a shortlist of three to five proposers to receive the RFP.
 - vii. At least 30 days prior to the date established for the submission of proposals, preferably within 14 days of selecting a shortlist, the Authority shall provide written notification of those selected for the shortlist to each proposer who submitted an SOQ. The Authority shall offer debriefs to proposers not shortlisted.
- B. Request for Proposals (STEP II): The Authority shall issue an RFP to the shortlisted proposers.
- i. The RFP shall include schematic design documents, proposed contract terms and conditions, and instructions to shortlisted proposers on RFP responses, including the criteria for award. The criteria will include the experience of each proposer on comparable construction management or design-build projects.
 - ii. Proposals shall include responses to the requirements contained in the RFP, including, but not limited to, a summary of the proposer's team qualifications, a summary of the proposer's anticipated plans for Project approach and execution, and a price proposal.
 - iii. Proposals shall be submitted electronically.
 - iv. Any pricing information contained in the proposals shall be sealed separately and submitted

**City of Alexandria, Virginia Sanitation
Authority Board Adopted Policy**



Title: Procedures for the Procurement of Construction Management At-Risk and Design-Build

Date of Adoption:
June 19, 2012

Date(s) of Revision: February 19, 2013; December 19, 2017;
June 20, 2023; January 16, 2024; May 21, 2024

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to the Authority's Price Designee who is not involved in the evaluation and selection process and shall be secured and kept sealed until evaluation of the technical proposals is complete.

- v. Proposals shall be evaluated and ranked by the Committee.
 - vi. Following evaluation and ranking of the proposals, the Committee shall make a recommendation to and obtain approval from the CEO to conduct negotiations with the proposer submitting the highest ranked proposal. The contract shall be awarded to the proposer who is fully qualified and has been determined to provide the best value in response to the RFP.
 - vii. Within 14 days of notifying the CEO, the Authority shall provide written notification to all proposers of the Authority's intent to award the contract to a particular proposer. When the terms and conditions of multiple awards are so provided in the RFP, awards may be made to more than one proposer. Upon request, documentation of the process used for the final selection shall be made available to the unsuccessful proposers.
- V. **REQUIRED CONSTRUCTION MANAGEMENT CONTRACT TERMS:** Any CMAR contract entered into by the Authority will contain provisions requiring that (1) not more than 10% of the construction work (measured by cost of the work) will be performed by the CM with its own forces and (2) that the remaining 90% of the construction work will be performed by subcontractors of the CM which the CM must procure by publicly advertised, competitive sealed bidding to the maximum extent practicable. This limitation on self-performance shall not apply to CMAR contracts involving infrastructure projects.
- A. Documentation shall be placed in the file detailing the reasons any work is not procured by publicly advertised competitive sealed bidding. The CEO may modify these contractual requirements in whole or in part for projects where it would be fiscally advantageous to the public to increase the amount of construction work performed by the CM.
 - B. The Guaranteed Maximum Price shall be established at the completion of 90% design unless the CEO grants a waiver to this requirement.
 - C. The Authority may post on eVA and/or the Authority's own website when and where the CM plans to advertise bid packages for subcontracting opportunities when appropriate.

Design-Build

In accordance with the provisions of § 2.2-4378 et seq. of the Code of Virginia (“VA Code”), AlexRenew (the “Authority”) hereby adopts the following procedures for the procurement of Design-Build (“D-B”) contracts, as defined in VA Code § 2.2-4379.

- I. **AUTHORITY:** Pursuant to VA Code § 2.2-4382, the Authority may enter into a contract with a Design-Builder on a fixed-price or not to exceed basis in accordance with these procedures. The Authority is authorized to use competitive negotiations to procure D-B contracts when it:
 - A. Has in its employ or under contract a licensed architect or engineer with professional competence appropriate to the project who shall advise the Authority regarding the use of D-B contracts for the project and who shall assist the Authority with the preparation of the Request for Proposals (“RFP”) and the evaluation of such proposals; and
 - B. Determines in advance and provides written justification (i) that the design-bid-build project delivery method, as defined in VA Code § 2.2-4379, is not practicable or fiscally advantageous; (ii) that the project is complex as defined in VA Code § 2.2-4379; and (iii) that there is a benefit to the Authority by using a D-B contract; and
 - C. Receives approval from the Authority’s Board to use a D-B contract by resolution or motion specific to the project and adopted in a public forum prior to the issuance of the Request for Qualifications (“RFQ”).
- II. **PROCEDURE FOR APPROVAL TO USE D-B CONTRACT:** Prior to taking any further action, the Board shall pass a resolution approving the use of D-B contract on a project-by-project basis. The documentation requesting Board approval shall include written justification that a D-B contract meets the criteria found in Paragraph 1 above.
- III. **D-B SELECTION PROCEDURES:** The following procedures shall be used in selecting a D-B and awarding a contract:
 - A. The Authority shall appoint an Evaluation Committee (“Committee”) consisting of at least three members from the Authority. The Committee shall include a licensed professional engineer or architect employed by or under contract with the Authority.
 - B. The Committee shall determine the criteria for the contract award in accordance with VA Code § 2.2-4378 et seq. Cost is a critical component of the selection process. The criteria for the award shall be submitted to the Chief Executive Officer (“CEO”), in advance, for approval.
- IV. **TWO-STEP CONTRACT PROCUREMENT PROCESS:** Procurement of the contract shall be a two-step process.
 - A. **Request for Qualifications (STEP I):** The Authority shall prepare a Request for Qualifications (“RFQ”) inviting the submission of Statements of Qualifications (“SOQ”) that enables the Authority to assess the qualifications and capabilities of the proposers.

**City of Alexandria, Virginia Sanitation
Authority Board Adopted Policy**



Title: Procedures for the Procurement of Construction Management At-Risk and Design-Build

Date of Adoption:
June 19, 2012

Date(s) of Revision: February 19, 2013; December 19, 2017;
June 20, 2023; January 16, 2024; May 21, 2024

Page 5 of 6

- i. The RFQ shall include the justifications set forth above in Paragraph 1 above; a description of the type, size, and scope of the project; a summary of the qualifications required of the Design-Builder; the criteria to be used to evaluate the SOQs; and other relevant information.
 - ii. The RFQ will require a summary of the proposer's experience for a period of 10 prior years to determine whether the proposer has constructed, by any method of project delivery, at least three projects similar in scope and size. Prior construction management or design-build experience or previous experience with the Division of Engineering and Buildings of the Virginia Department of General Services shall not be considered as a prerequisite or factor considered for shortlisting. All proposers shall have a licensed Class "A" contractor registered in the Commonwealth of Virginia as part of the Project team.
 - iii. The RFQ shall be posted in accordance with VA Code § 2.2-4378 et seq., including posting on eVA and/or the Authority's own website and shall require SOQs to be submitted electronically.
 - iv. SOQs shall include responses to the information contained in the RFQ, including, but not limited to,
 - v. SOQs and any other relevant information shall be evaluated by the Committee to determine those deemed most qualified with respect to the criteria established in the RFQ.
 - vi. Evaluation of SOQs shall result in a shortlist of three to five proposers to receive the RFP.
 - vii. At least 30 days prior to the date established for the submission of proposals, preferably within 14 days of selecting a shortlist, the Authority shall provide written notification of those selected for the shortlist to each proposer who submitted an SOQ. The Authority shall offer debriefs to proposers not shortlisted.
- B. Request for Proposals (STEP II): The Authority shall issue an RFP to shortlisted proposers requesting Technical Proposals and sealed Price Proposals.
- i. The RFP shall include design documents at a level of no less than 30%, proposed contract terms and conditions, and instructions for the shortlisted proposers on RFP responses, including the criteria for award. The criteria will include the experience of each proposer on comparable construction management or design-build projects.
 - ii. Proposals shall include responses to the requirements contained in the RFP, including a Technical Proposal that describes a summary of the proposer's team qualifications, a summary of the proposer's anticipated plans for Project approach and execution, and addresses other requirements from the RFP, and a Price Proposal.
 - iii. The Technical Proposal and the Price Proposal shall be submitted separately as described.
 - iv. Proposals shall be submitted electronically.
 - v. Price Proposals shall be sealed and submitted separately to the Authority's Price Designee

**City of Alexandria, Virginia Sanitation
Authority Board Adopted Policy**



Title: Procedures for the Procurement of Construction Management At-Risk and Design-Build

Date of Adoption:
June 19, 2012

Date(s) of Revision: February 19, 2013; December 19, 2017;
June 20, 2023; January 16, 2024; May 21, 2024

Page 6 of 6

who is not involved in the evaluation and selection process and shall be secured and kept sealed until evaluation of the Technical Proposals is complete.

- vi. Technical Proposals shall be evaluated by the Committee. Should the Authority determine in writing and in its sole discretion that only one proposer is, or that one proposer is clearly more highly qualified than the others under consideration, a contract may be negotiated and awarded to that offeror after approval of the CEO. Otherwise, the Authority shall open the Price Proposals and apply the criteria for award as specified in the RFP and approved by the CEO.
 - vii. The Committee shall make its recommendation on the selection of a Design-Builder to the CEO based on its evaluations of the Technical and Price Proposals. The contract shall be awarded to the proposer who has been determined to have provided the best value in response to the RFP.
 - viii. Within 14 days of notifying the CEO, the Authority shall provide written notification to all proposers of the Authority's intent to award the contract to a particular proposer. When the terms and conditions of multiple awards are so provided in the RFP, awards may be made to more than one proposer. Upon request, documentation of the process used for the final selection shall be made available to the unsuccessful proposers.
- V. **REQUIRED DESIGN-BUILD CONTRACT TERMS:** The Authority may post on eVA and/or the Authority's own website when and where the general contractor plans to advertise bid packages for subcontracting opportunities when appropriate.

Overview of Solids Upgrade Program Construction Management At-Risk

Briefing to AlexRenew Board of Directors

May 21, 2024

The **Solids Upgrade Program** is being implemented to upgrade solids processes to improve reliability and plan AlexRenew's solids future



Payne St

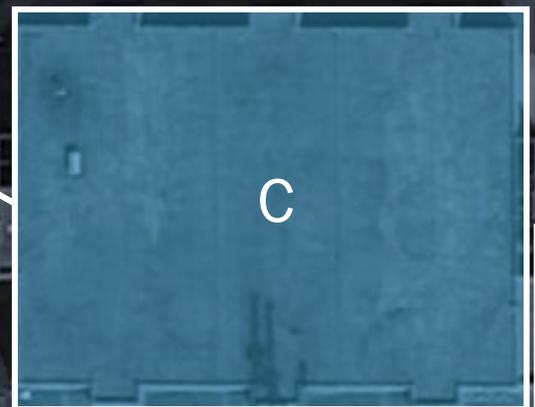
- New thickening and dewatering equipment
- Replacement of sludge mixers



- Digester heat exchanger replacement
- Digester mixing replacement



- Gravity thickener system overhaul
- Installation of solids dryer and building



- Pasteurization decommissioning



The Solids Upgrade Program will also include piloting innovative technologies to reduce solids volume and minimize regulatory risk



Pyrolysis

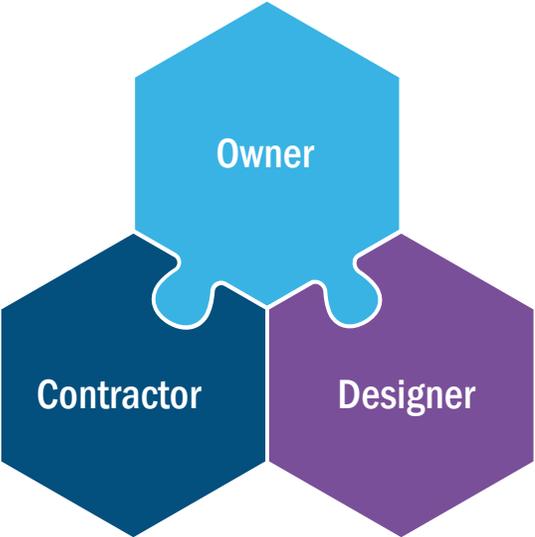


Hydrothermal
Liquefaction

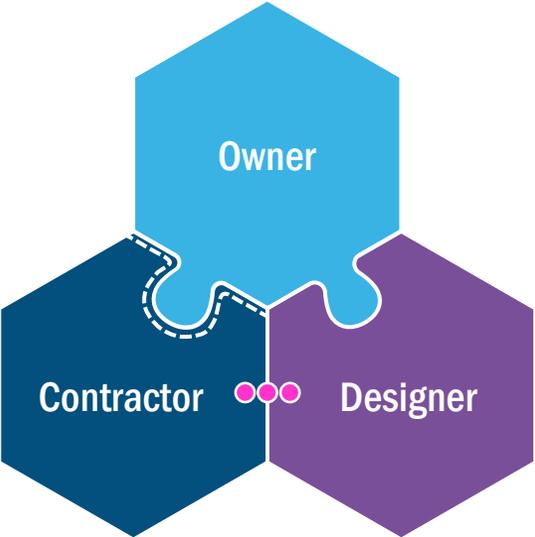


Supercritical
Water Oxidation

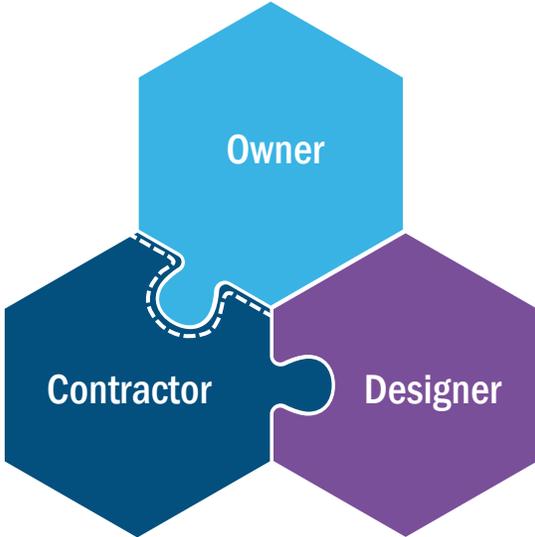
Overview of project delivery methods



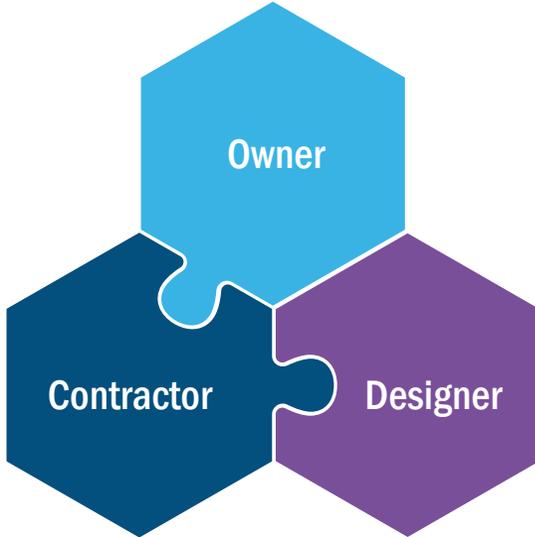
Design-Bid-Build



Construction Management At-Risk



Progressive Design-Build



Fixed-Price Design-Build



Contractual Relationship

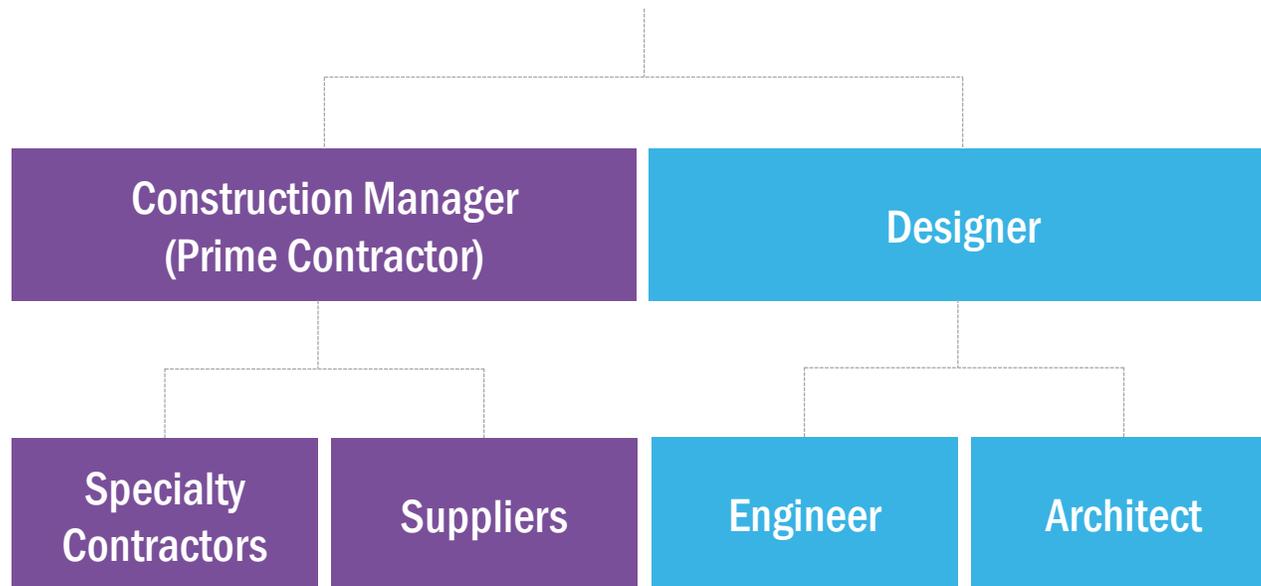


Contractual Amendment

••• Embedded Relationship

Overview of Construction Management At-Risk Project Delivery

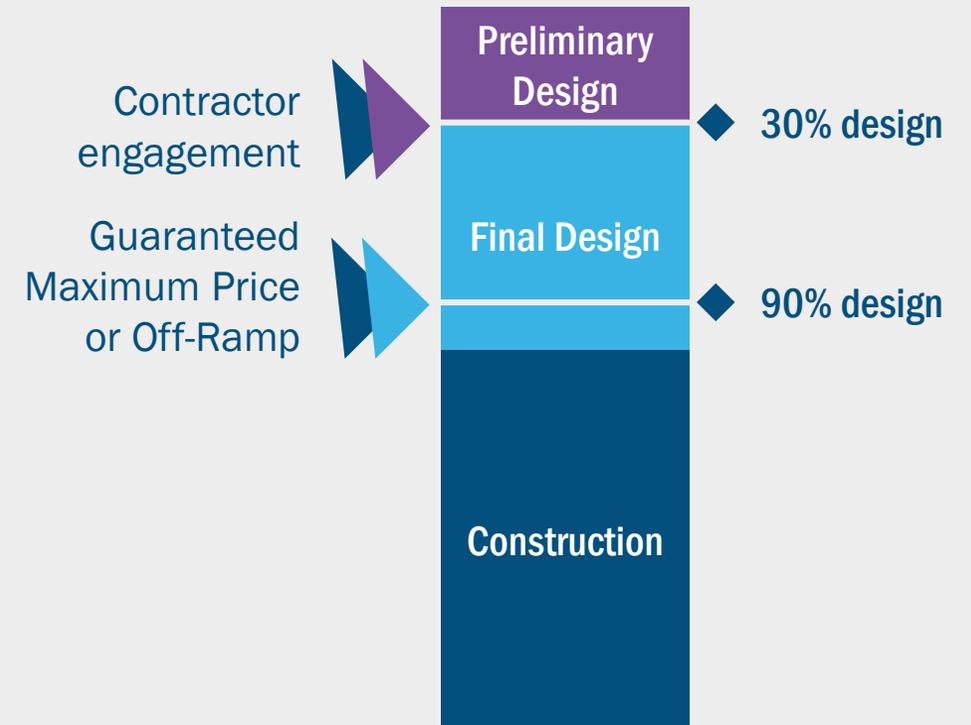
Construction Management At-Risk Structure



Key points

- College roommate/forced marriage
- Design completed in parallel with construction planning and estimating
- Open book pricing
- Construction after mutual price agreement
- Off-ramp

Contractor engagement and cost certainty



Key benefits of Construction Management At-Risk

- ✓ Accelerated schedule
- ✓ Non-price factors considered in selection
- ✓ Direct relationship with designer
- ✓ Contractor collaboration and input during design
- ✓ Open book cost estimating
- ✓ High degree of cost certainty prior to design completion
- ✓ Construction can be executed in discrete phases

Two-step Construction Management At-Risk process for Solids Upgrade Program



Solids Upgrade Program evaluation criteria and weighting

Request for Qualifications

Evaluation Criteria	Weighting
Team Organization and Commitment	50
Related Project Experience	30
Project Risks and Mitigation	10
Safety Program and Record	10
Total	100

Request for Proposals

Evaluation Criteria	Weighting
Project Team Qualifications	25
Project Approach and Execution	60
Contractor’s Fee Percentage	10
Total Cost for Preconstruction Services	5
Total	100

PC Construction was the highest-ranked proposer following the review of Technical/Management and Price Proposals

Summary of Solids Upgrade Program Technical/Management and Price Proposal evaluation

Item	PC Construction	Proposer A	Proposer B
Technical/Management and Price Proposal Score (out of 100 points)	75.3	72.4	65.7

PC Construction company profile



Over 50 years of executing **wastewater construction** projects in the DC metro area



Regional office in Baltimore, MD



Extensive experience in construction of **solids process upgrades** on active wastewater plants



Delivering **CMAR projects** for over 35 years

Solids Upgrade Program preliminary schedule

Activity	2024												2025												2026											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Procurement	[Hatched Bar]					Package A GMP Digester heat exchangers, thickening, & dewatering equipment						Package B GMP Digester mixers, gravity thickeners, pasteurization, sludge mixing																								
Preliminary Design	[Purple Bar]																	Package C GMP Drying & pilot project																		
Design						[Blue Bar with 3 diamonds]																														
Preconstruction Services						[Grey Bar]																														
Construction						[Dark Blue Bar]																														
Pilot Technologies																		[Dark Blue Bar]																		

Contractor scope of work during preconstruction services phase



Provide input on design



Perform constructability reviews



Develop approach to maintain plant operations



Prepare open book cost estimates



Develop project schedule



Prepare and manage the construction risk register



Procure subcontractors and suppliers



Prepare and submit a Guaranteed Maximum Price

Solids Upgrade Program cost tracking and points of cost certainty

Date (estimated)	May 2024	June 20, 2024	September 2024	March 2025	December 2025
Milestone	CMAR Notice to Proceed	CMAR Preliminary Design Review	Package A GMP <i>Digester heat exchangers, thickening & dewatering equipment</i>	Package B GMP <i>Digester mixers, gravity thickeners, pasteurization, sludge mixing</i>	Package C GMP <i>Drying & pilot project</i>
Project Definition	10%	15%	25%	40%	90%
Cost Variability based on Project Definition	-30 to +50%	-20 to +30%	-20 to +30%	-15 to +20%	-10 to +15%
Program Capital Cost	\$220M	See note	See note	See note	See note
Program Capital Cost (High)	\$330M	See note	See note	See note	See note

Note: Program Capital Costs will be determined at milestone

Next steps

- **May 21:** AlexRenew Board of Directors approval
- **May 22:** Award contract to PC Construction
- **May 29:** Issue Notice to Proceed to PC Construction
- **June 3:** Issue 30 percent design



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MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: May 21, 2024

SUBJECT: *New Business, Joint Use*
Review and approve award of Construction Management Agreement Contract 24-001 to PC Construction to support the Solids Upgrade Program (Construction Management At-Risk)

Issue

To construct the Solids Upgrade Program, AlexRenew must award a contract resulting from the two-step construction management at-risk procurement process associated with Request for Qualifications/Proposals 24-001.

Recommendation

Staff respectfully requests the Board of Directors authorize the Chief Executive Officer to execute a Construction Management Agreement with PC Construction to provide preconstruction services in the amount of \$440,000.

Budget and Funding

Funding for the Solids Upgrade Program is included in the Fiscal Year 2024 budget and proposed Fiscal Year 2025 budget as debt proceeds resulting from the upcoming sale of wastewater revenue bonds through the municipal bond market.

Discussion

In June 2022, AlexRenew started the development of a long-term plan to upgrade its solids treatment and handling system. The plan identified several short-term upgrades to enhance the reliability of aging processes and equipment. A professional services contract to support the design of these upgrades was awarded to Stantec in November 2023.

Construction services to support the short-term upgrades are being procured through a construction management at-risk (CMAR) contract. CMAR was selected as the delivery method to foster a collaborative environment between the owner, designer, and contractor; accelerate schedule; support flexibility in the phasing of work; and engage a contractor with specialized experience in executing solids upgrades at active wastewater treatment plants.

The CMAR procurement process was conducted in accordance with the Virginia Public Procurement Act § 2.2-4382 and AlexRenew’s adopted *Procedures for the Procurement of Construction Management At-Risk and Design-Build*. The two-step process included a Request for Qualifications (RFQ) and Request for Proposals (RFP). The RFQ was released in September 2023 and five (5) contractors provided Statements of Qualifications in response to the RFQ. In November 2023, AlexRenew shortlisted three (3) contractors bringing the RFQ period to a close.

In January 2024, AlexRenew issued the RFP to shortlisted contractors. Following a series of meetings with the shortlisted contractors in February 2024, Technical/Management and Price Proposals were received by AlexRenew in April 2024.

Following evaluation of the Technical/Management and Price Proposals using the criteria outlined in the RFP, PC Construction was selected as the highest-ranked proposer. Table 1 summarizes the evaluation results of Technical/Management and Price Proposals associated with RFP-24-001.

Table 1. Summary of RFP-24-001 Technical/Management and Price Proposal evaluation

Item	PC Construction	Proposer A	Proposer B
Technical/Management and Price Proposal Score (out of 100 points)	75.3	72.4	65.7

Following selection, staff negotiated a satisfactory contract with PC Construction at a price considered fair and reasonable and pursuant to contractual terms and conditions.

This action supports AlexRenew’s strategic goal of Operational Excellence.

ACTION TAKEN

Approved: _____

Disapproved: _____

Approved with Modification: _____

Modification(s): _____



Commonwealth Interceptor Infiltration and Inflow Study Update

Briefing for AlexRenew Board of Directors

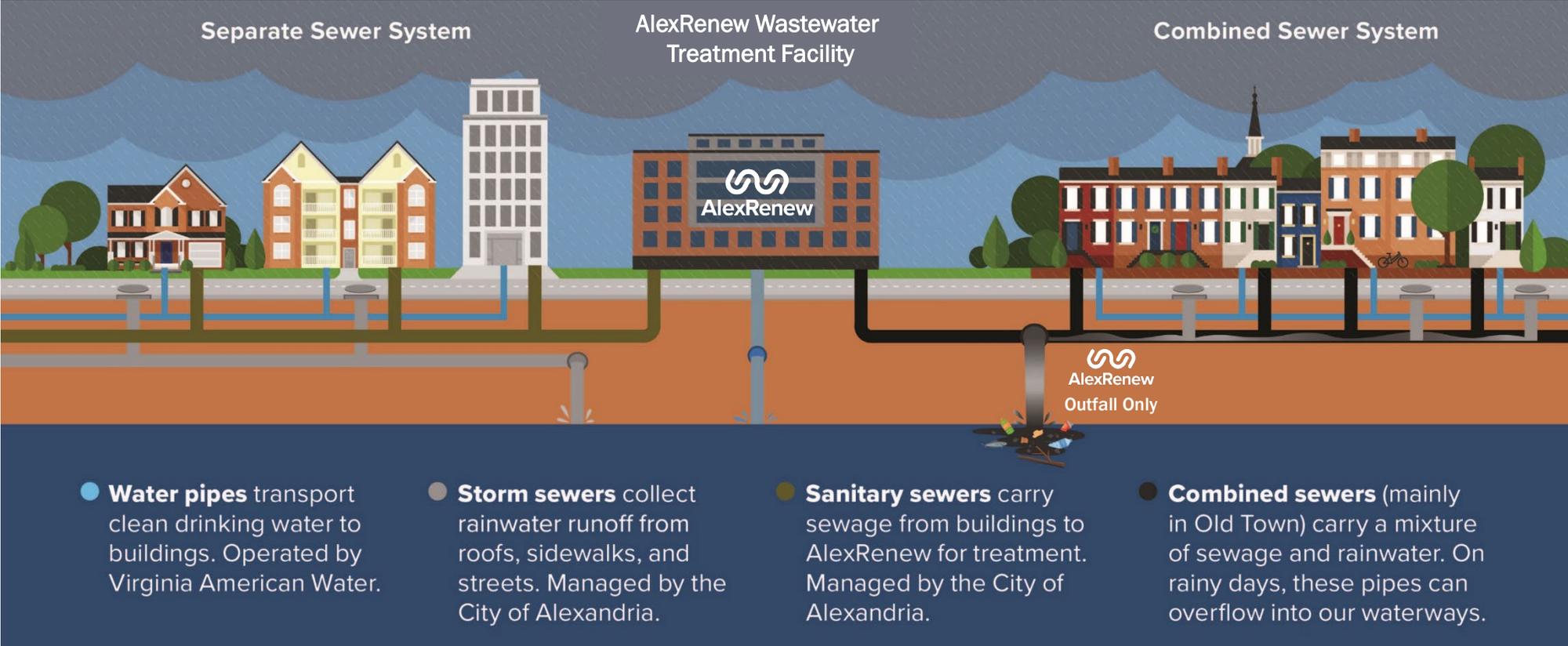
May 21, 2024

DRAFT

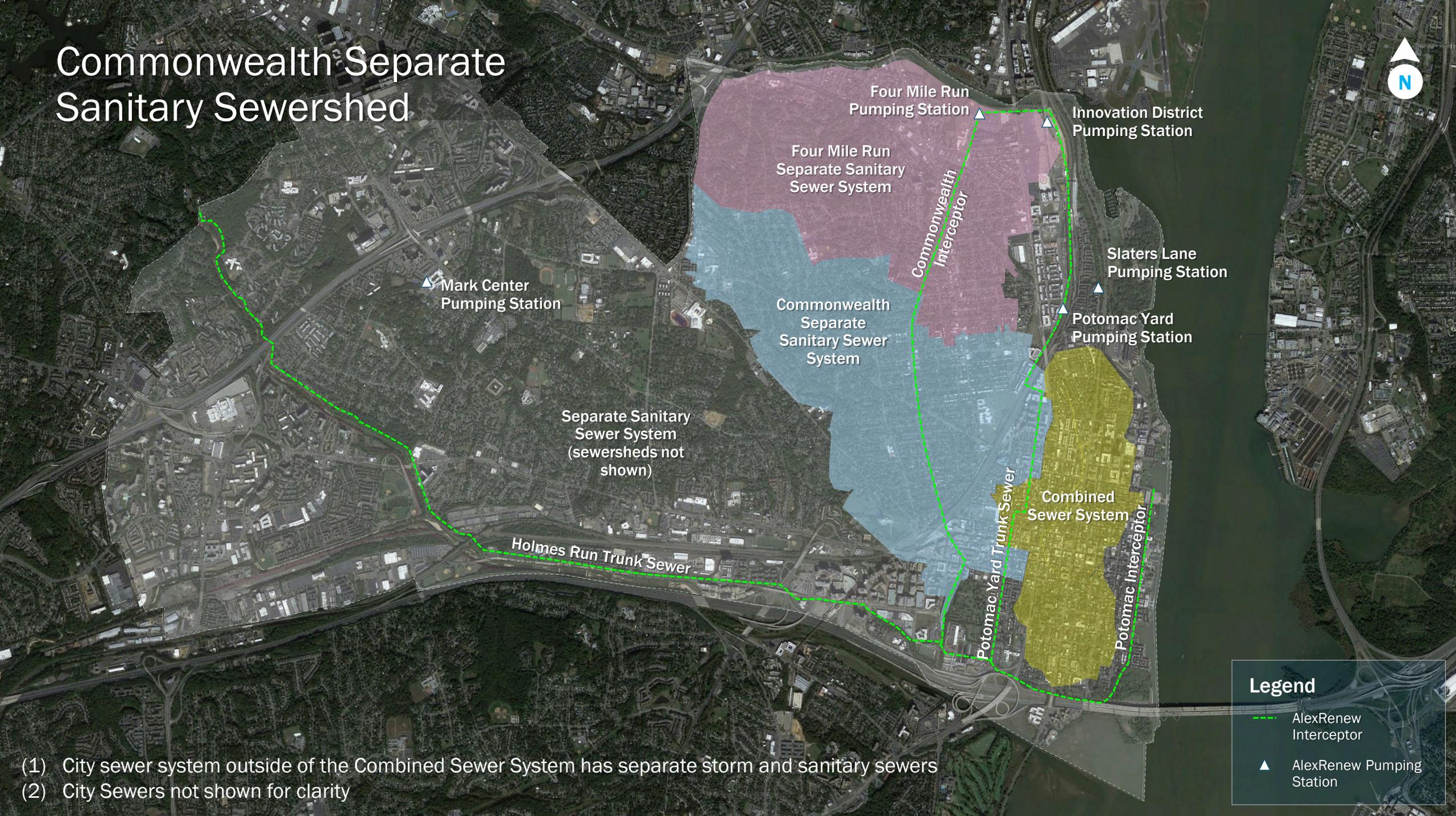
Today's Presentation

- Background on excess infiltration and inflow into the Commonwealth Separate Sanitary Sewer System
- Approaches to alleviate excess infiltration and inflow within the Commonwealth Separate Sanitary Sewer System
- Timeline of Joint City-AlexRenew Study on Commonwealth Infiltration and Inflow
- Current Initiatives in support of the Study

Alexandria is served by three separate water entities



Commonwealth Separate Sanitary Sewershed



- (1) City sewer system outside of the Combined Sewer System has separate storm and sanitary sewers
- (2) City Sewers not shown for clarity

Legend

- AlexRenew Interceptor
- ▲ AlexRenew Pumping Station

AlexRenew's interceptors are designed to carry 2.5 × dry weather flow per Virginia SCAT regulations

 **Separate Sanitary Interceptors**

 **Storm Sewers**

Governance

State Water Control Board through Virginia Department of Environmental Quality

City of Alexandria, Virginia

Regulation

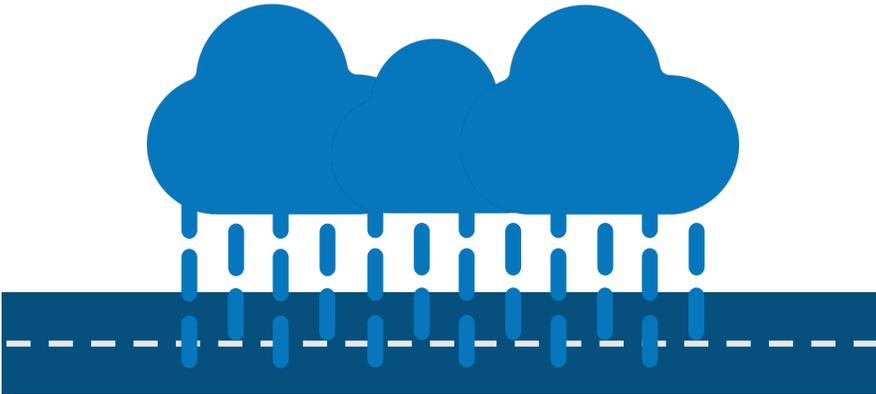
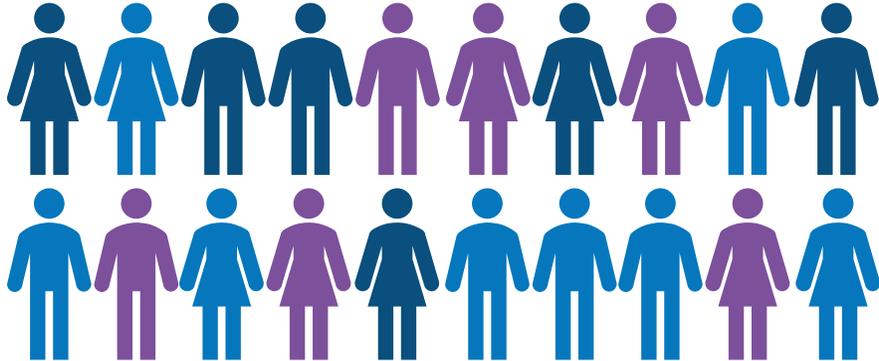
Virginia Code (9VAC25-790) Sewage Collection and Treatment (SCAT) Regulations

Design and Construction Standards

Design Requirements

People: 250% of the average daily sewage flow per person

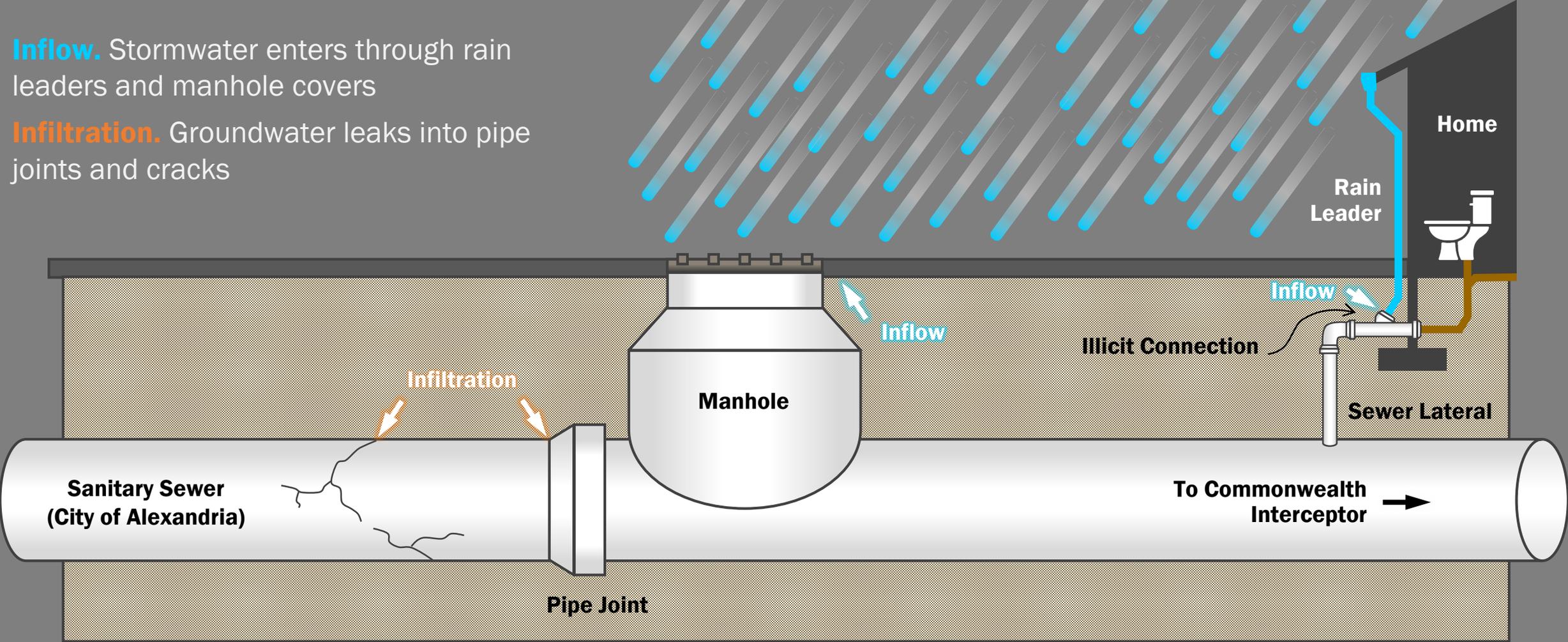
Precipitation: 10-year, 24-hour storm



The Commonwealth Separate Sanitary Sewer System is affected by excess infiltration and inflow during rain events

Inflow. Stormwater enters through rain leaders and manhole covers

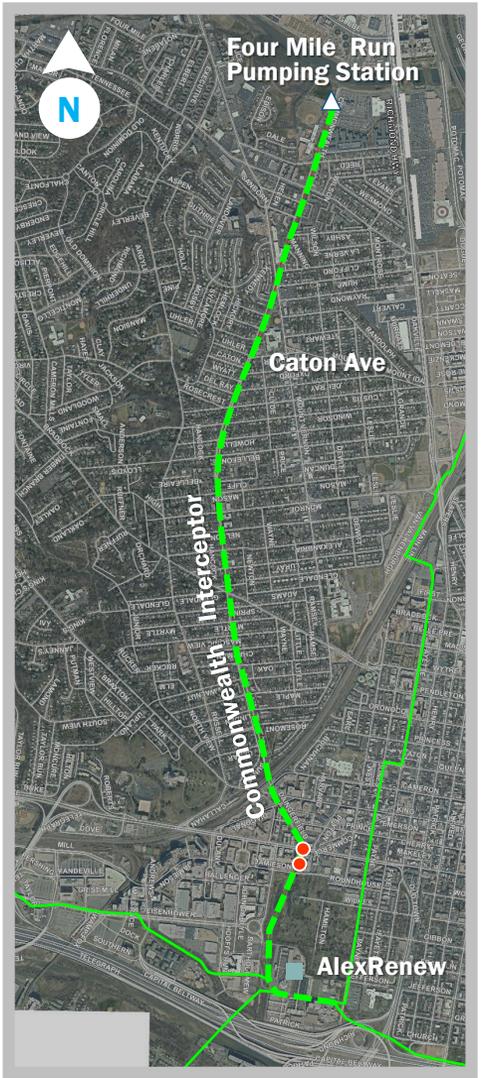
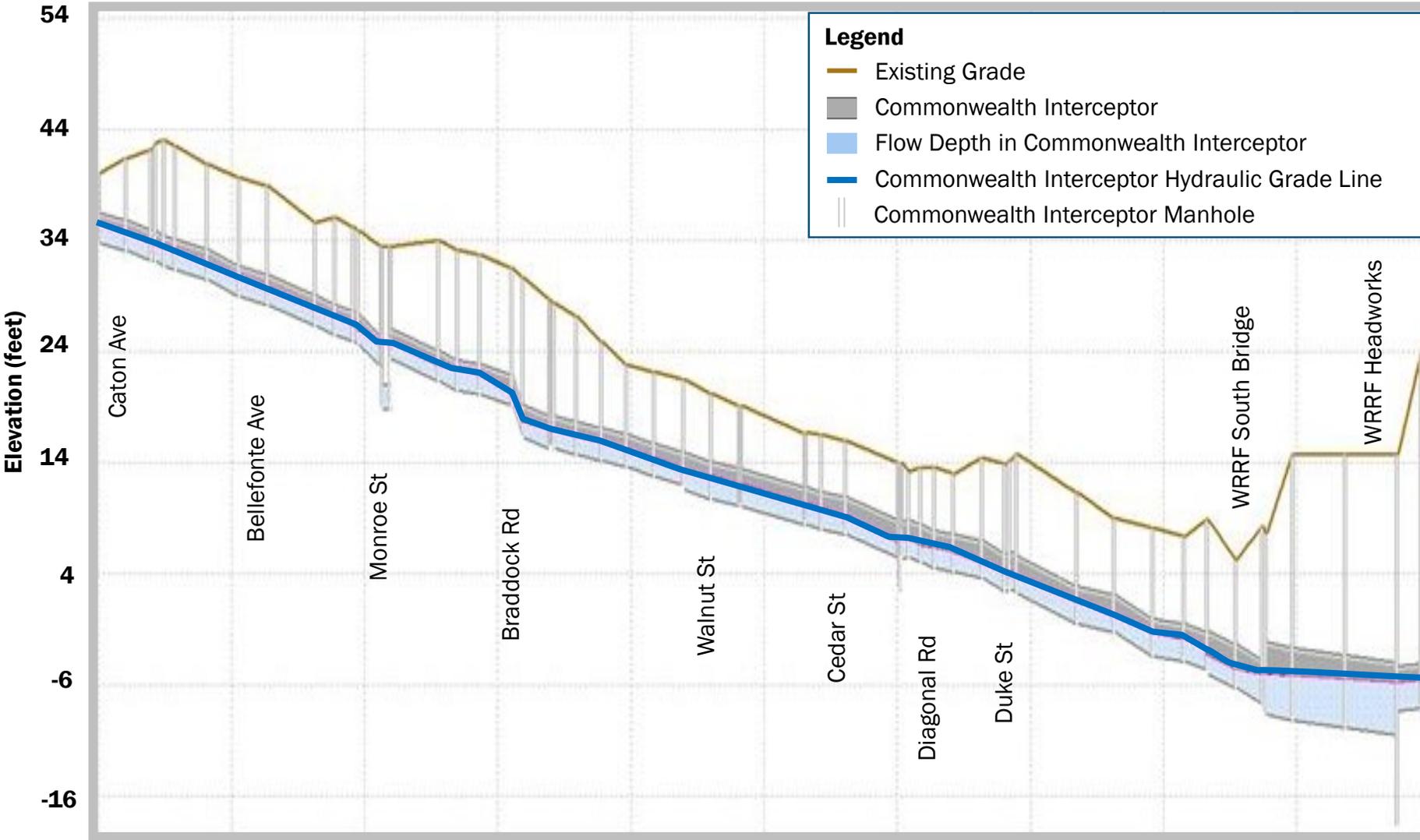
Infiltration. Groundwater leaks into pipe joints and cracks



Excess infiltration and inflow from the Commonwealth Separate Sanitary Sewer System overwhelms the Commonwealth Interceptor and can lead to basement backups



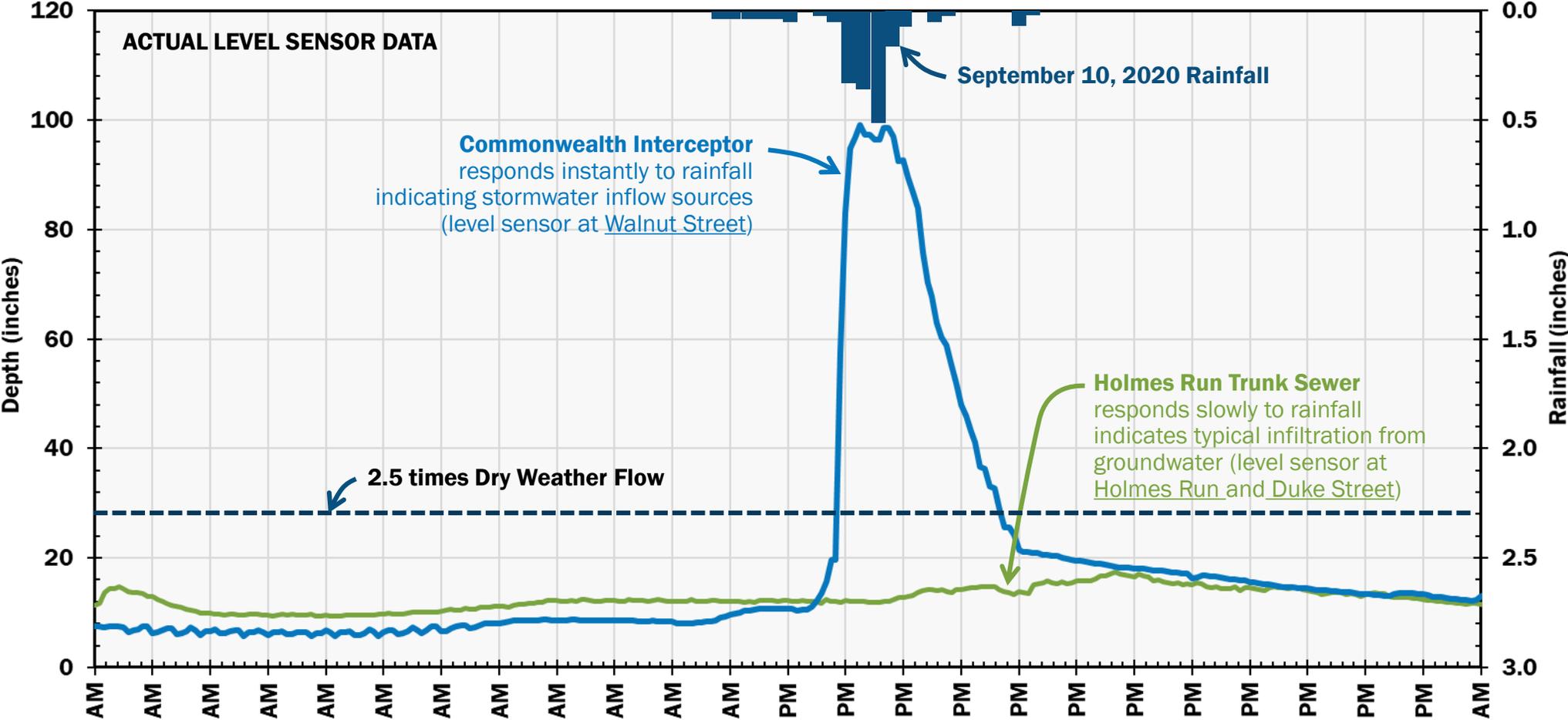
The Commonwealth Interceptor, as designed, has sufficient capacity to deliver $2.5 \times$ dry weather flow to AlexRenew*



*As required per Virginia's Sewage Collection and Treatment Regulations

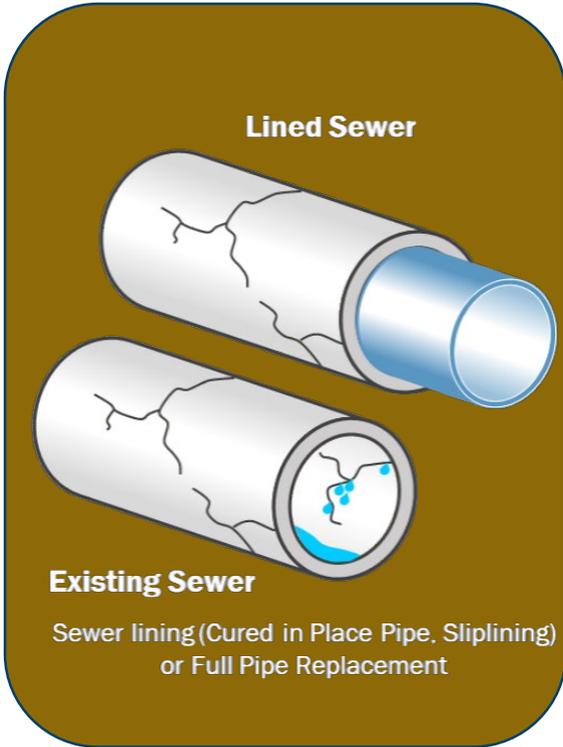
During storm events, the Commonwealth Interceptor responds like a combined sewer, not a separate sanitary sewer due to excess infiltration and inflow from the Commonwealth Separate Sanitary Sewer System

September 10, 2020 Storm (10-year Return Interval)
Depth of Flow in Commonwealth Interceptor and Holmes Run Trunk Sewer

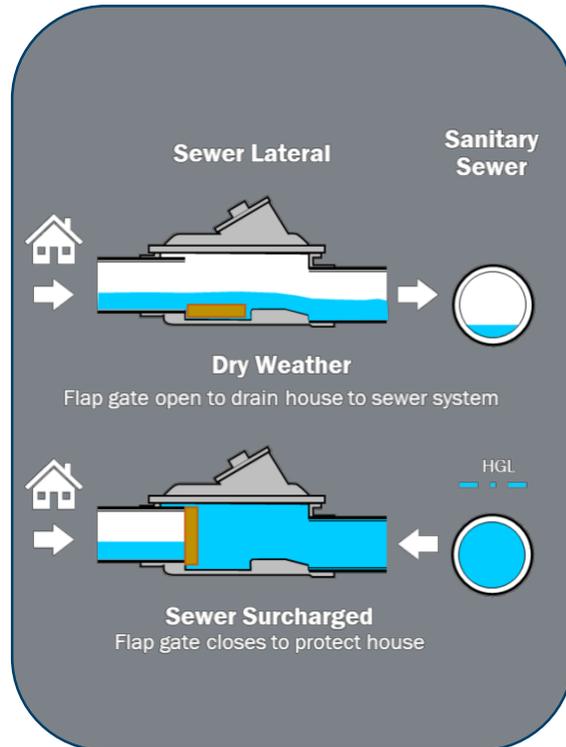


How is infiltration and inflow typically addressed?

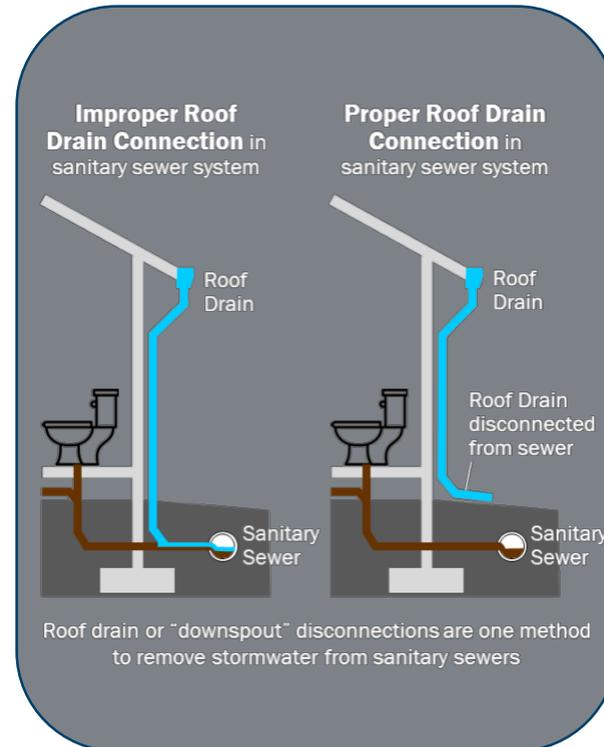
Sewer Rehabilitation



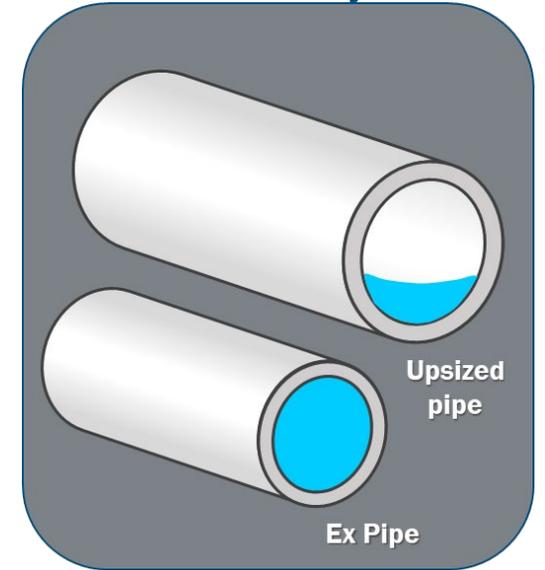
Backflow Preventer Installation in Sewer Lines



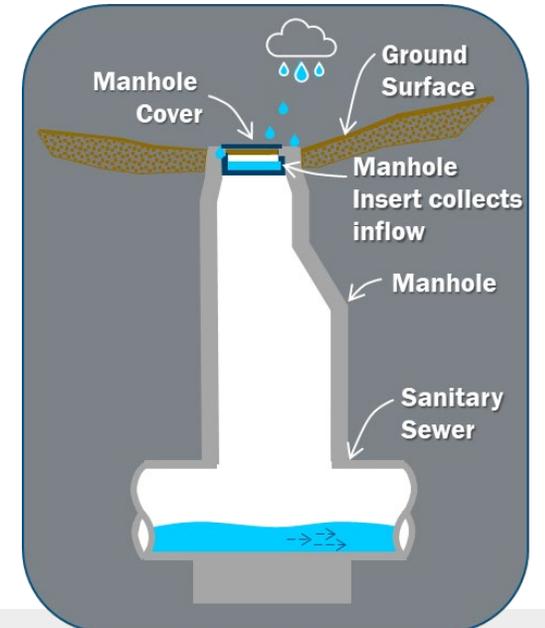
Address Cross Connections



Increase Capacity of Storm Sewer System



Install Manhole Inserts



The City and AlexRenew have partnered to develop a study to evaluate and address infiltration and inflow in the Commonwealth Separate Sanitary sewershed

1. Introduction
2. Existing Separate Sanitary Sewer System characterization
3. Identification and quantification of Infiltration and Inflow sources
4. Evaluation of Infiltration and Inflow reduction approaches
5. Recommended Plan

Commonwealth Interceptor Infiltration and Inflow Study

Prepared for
AlexRenew
December XX, 2024



Current initiatives to support the Commonwealth Infiltration and Inflow study



Flow meter installation and metering



Sewer manhole inspection



Site survey



Collection of historic data and 311 Calls



Closed Circuit TV inspection of sewers

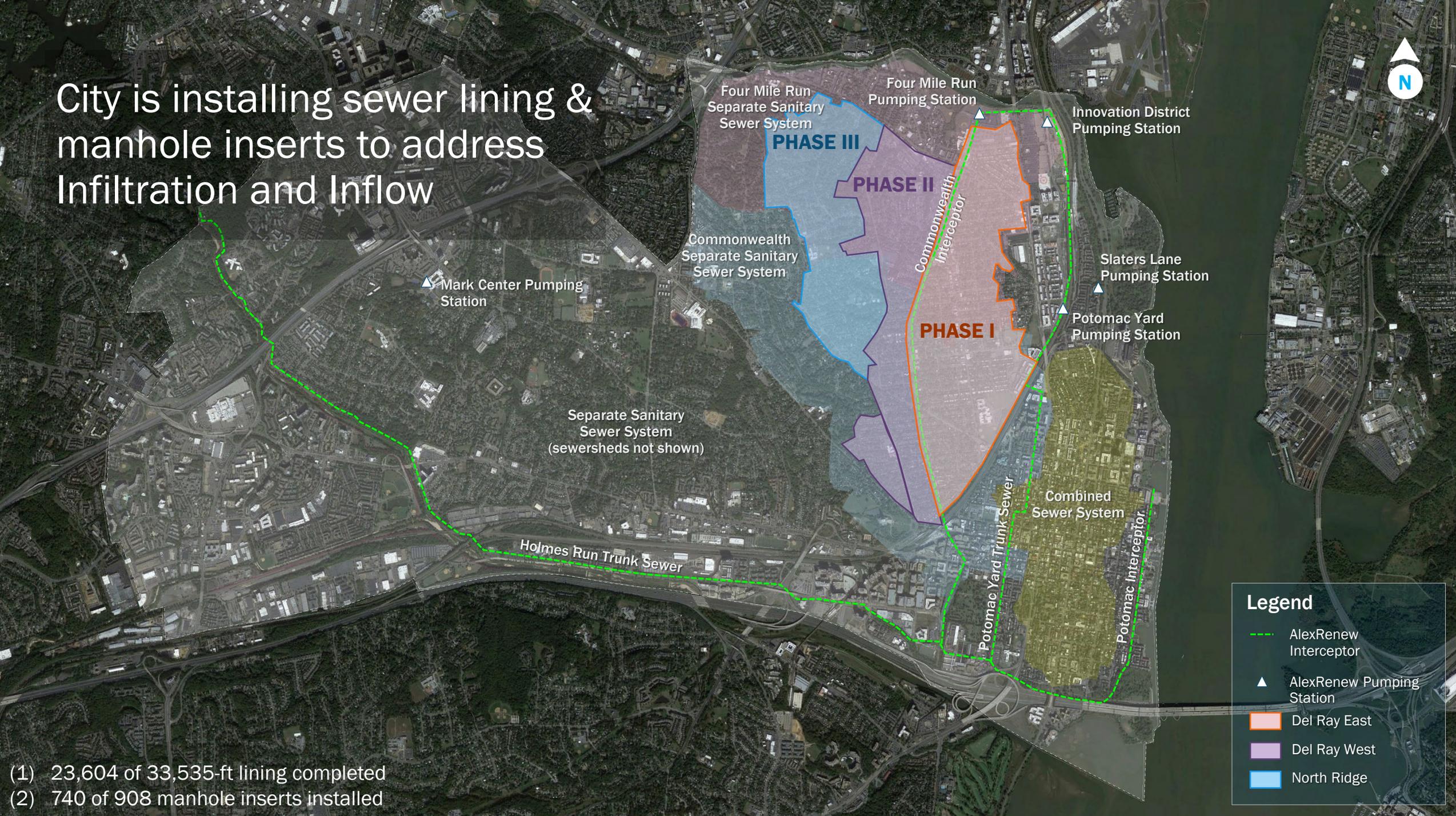


Review of backflow prevention program



Hydraulic Modeling

City is installing sewer lining & manhole inserts to address Infiltration and Inflow

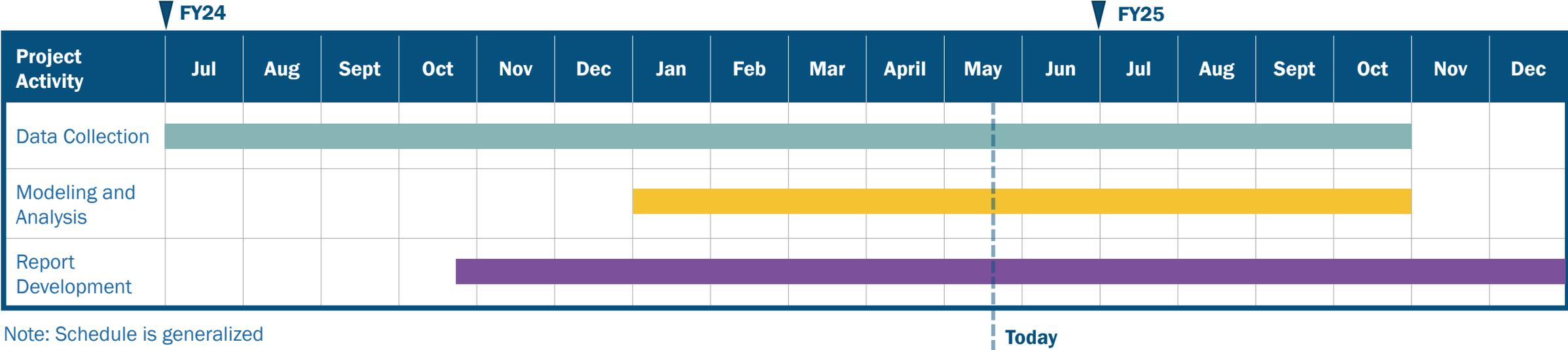


Legend

- AlexRenew Interceptor
- AlexRenew Pumping Station
- Del Ray East
- Del Ray West
- North Ridge

- (1) 23,604 of 33,535-ft lining completed
- (2) 740 of 908 manhole inserts installed

Commonwealth Infiltration/Inflow Study Schedule



Next Steps



Continued flow Monitoring



Evaluation of infiltration and inflow reduction approaches



Hydraulic modeling



Study completion anticipated in early 2025



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MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: May 21, 2024

SUBJECT: *New Business, Alexandria-only*
Review and approve Resolution authorizing the issuance, sale, and award of up to \$51 million of Wastewater Revenue Bonds

Issue

AlexRenew requires a Resolution from the Board of Directors to authorize the issuance, sale, and award of Wastewater Revenue Bonds to support its capital improvement program.

Recommendation

Staff respectfully requests the Board approve the attached Resolution authorizing the Chief Executive Officer to issue Wastewater Revenue Bonds in an aggregate principal amount of up to \$51,000,000 (2024 Bonds).

Budget and Funding

Debt service associated with the 2024 Bonds is included in the proposed Fiscal Year 2025 budget.

Discussion

AlexRenew is implementing upgrades to improve the reliability and operational performance of its preliminary and primary, tertiary, and solids processes (projects) as part of its 10-year capital improvement program. Total expenditures of \$145.8 million are projected for these projects over the next three (3) fiscal years.

Based on a market analysis and comparison with other financing options through existing loan programs, public bonds provide the lowest available source of funding in the current market.

The 2024 Bonds are sized to fund \$50 million in capital costs associated with the projects and pay the costs of issuing the bonds, with a total principal amount of up to \$51 million. Additional funding for the projects will be paid by Fairfax County based on the existing Service Agreement and cash.

The debt is structured to be repaid through user rates via net revenue over 30 years, with semi-annual debt service payments beginning in January 2025. The bond closing is anticipated for late June 2024. As part of the bond sale, AlexRenew requested a rating on the bonds from S&P Global

Ratings (S&P). AlexRenew maintains the highest possible credit rating of 'AAA' from S&P, which was last affirmed in October 2023.

This action supports the strategic goals of Operational Excellence and Commitment to the Community.

ACTION TAKEN

Approved: _____

Disapproved: _____

Approved with Modification: _____

Modification(s): _____

**CITY OF ALEXANDRIA, VIRGINIA, SANITATION AUTHORITY D/B/A
ALEXRENEW**

**RESOLUTION (1) AUTHORIZING THE ISSUANCE, SALE AND AWARD
OF UP TO \$51,000,000 OF REVENUE BONDS OF THE AUTHORITY, AND
(2) SETTING FORTH THE FORM, DETAILS AND PROVISIONS FOR
THE PAYMENT THEREOF**

A. The City of Alexandria, Virginia, Sanitation Authority d/b/a AlexRenew (the "Authority") is a public body politic and corporate of the Commonwealth of Virginia 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").

B. The Board of Directors of the Authority (the "Board") has determined that it is necessary and desirable to issue one or more series of its Wastewater Revenue Bonds in an aggregate principal amount of up to \$51,000,000 (the "2024 Bonds"), and to use the proceeds thereof, together with other available funds of the Authority, to (i) pay all or a portion of the cost of various projects comprising a portion of the System (as more particularly defined in the Master Indenture (as defined herein)) (the "Project") and, (ii) pay the underwriter's discount and costs of issuance of the 2024 Bonds.

C. The 2024 Bonds will be issued as parity indebtedness ("Parity Indebtedness") under the Master Indenture. The 2024 Bonds will be secured by a pledge of the net revenues (as more particularly defined in the Master Indenture, the "Net Revenues") derived by the Authority from the ownership and operation of the System (as defined in the Master Indenture).

D. The foregoing arrangements will be reflected in the following documents: (i) the Master Indenture of Trust dated as of March 15, 1999, as previously supplemented and amended (the "Master Indenture"), between the Authority and U.S. Bank Trust Company, National Association, as successor trustee (the "Trustee"); (ii) one or more Supplemental Indentures of Trust in substantially the form of the Fourth Supplemental Indenture of Trust presented to this meeting (each a "Supplemental Indenture"), between the Authority and the Trustee, with the form of the 2024 Bonds attached as an exhibit; (iii) a Preliminary Official Statement in substantially the form presented to this meeting (the "Preliminary Official Statement"), prepared for distribution to potential purchasers of the 2024 Bonds; and (iv) a Continuing Disclosure Agreement in substantially the form presented to this meeting (the "Continuing Disclosure Agreement").

E. The Master Indenture, the Supplemental Indenture and the Continuing Disclosure Agreement are referred to collectively in this Resolution as the "Financing Documents."

**NOW THEREFORE, AFTER CONSIDERATION AND IN FURTHERANCE OF
THE PUBLIC PURPOSES FOR WHICH THE AUTHORITY WAS CREATED, BE IT
RESOLVED THAT:**

1. **Authorization of 2024 Bonds; Board Findings and Use of Proceeds.** The Board finds that the issuance of the 2024 Bonds in an aggregate principal amount not to exceed \$51,000,000 for the purposes described in Recital B will promote the health, safety, welfare,

morals and prosperity of the citizens served by the Authority and will promote the governmental purposes of the Act. Accordingly, the Board hereby authorizes and approves the issuance and sale of the 2024 Bonds, subject to the parameters set forth in paragraph 4. Each series of the 2024 Bonds shall be known as the Wastewater Revenue Bonds, together with an appropriate series designation. The Authority shall use the proceeds of the issuance of the 2024 Bonds, together with other available funds of the Authority, in accordance with the terms of the Financing Documents for the purposes described in Recital B.

2. Authorization of Chair and Chief Executive Officer. Any authorization of the Chief Executive Officer under this Resolution shall (i) entitle the Chief Executive Officer to exercise his discretion in taking action on behalf of the Authority, unless expressly provided otherwise herein, and (ii) be deemed an authorization of the Chair, and either officer may act under such authorizations.

3. Offering of the 2024 Bonds. The Board hereby delegates the Chief Executive Officer, after consultation with the Authority's financial advisor (the "Financial Advisor"), the authority to determine whether to offer the 2024 Bonds at a competitive sale or at a negotiated sale. If the 2024 Bonds are offered for sale at a negotiated sale, then the Board hereby authorizes the Chief Executive Officer to enter into a bond purchase agreement (a "Bond Purchase Agreement") with an underwriter or group of underwriters selected by the Chief Executive Officer, after consultation with the Financial Advisor, that have demonstrated experience in underwriting similar securities. If the 2024 Bonds are offered for sale at a competitive sale, then the board hereby authorizes and directs the Chief Executive Officer to accept the bid or proposal for the purchase of the 2024 Bonds that results in the lowest true interest cost to the Authority, subject to the parameters set forth in paragraph 4.

4. Details of the 2024 Bonds. The Authority shall issue the 2024 Bonds as fully registered bonds without coupons. The 2024 Bonds shall be in substantially the form attached as an exhibit to the related Supplemental Indenture, with such completions, deletions, insertions and changes not inconsistent with this Resolution as may be approved by the Chief Executive Officer. The 2024 Bonds shall be issued in the denominations of \$5,000 and integral multiples of \$5,000 and shall be numbered from R-1 upwards. Each series of 2024 Bonds shall be in an aggregate principal amount and dated the date to be approved by the Chief Executive Officer, shall bear interest payable semiannually on dates to be determined by the Chief Executive Officer, until payment at the rates to be approved by the Chief Executive Officer, with such interest computed upon the basis of a 360-day year of twelve 30-day months, and shall mature, subject to prior redemption, as approved by the Chief Executive Officer; provided, however, that (i) the aggregate principal amount of all series of 2024 Bonds shall not exceed \$51,000,000 and (ii) the final maturity of the 2024 Bonds shall occur no later than 31 years from the issuance date of the 2024 Bonds.

5. Pledge of Net Revenues and Parity Indebtedness. The 2024 Bonds shall be limited obligations of the Authority and, except to the extent payable from the proceeds of the sale of the 2024 Bonds or the income, if any, derived from the investment thereof, is payable exclusively from the Net Revenues of the System which are hereby pledged to pay the principal of and premium, if any, and interest on the 2024 Bonds pursuant to the terms of the Master Indenture. The Board hereby determines that the 2024 Bonds shall be issued as Parity Indebtedness

under the Master Indenture. The Board hereby acknowledges that as Parity Indebtedness the 2024 Bonds will be secured equally and ratably with the Authority's outstanding Parity Indebtedness or Bonds (as defined in the Master Indenture) and any Parity Indebtedness or Bonds issued in the future, subject to Section 2.1(b) of the Master Indenture. Neither the Commonwealth nor any of its political subdivisions, including the Authority, shall be obligated to pay the principal of or interest on the 2024 Bonds or other costs incident to it except from the revenues and any other money or property pledged for such purpose, and neither the faith and credit nor the taxing power of the Commonwealth or any of its political subdivisions, including the Authority, is pledged to the payment of the principal of or interest on the 2024 Bonds or other costs incident to them. The issuance of the 2024 Bonds does not directly, indirectly or contingently obligate the Commonwealth or any of its political subdivisions, including the Authority, to levy any taxes for the payment of the 2024 Bonds. It is expected that the principal of, premium, if any, and interest on the 2024 Bonds will be paid from Net Revenues derived from the Authority's retail customers in the City of Alexandria, Virginia, and not from payments derived from Fairfax County under the Amended and Restated Service Agreement dated as of October 1, 1998, between the Authority and the Board of Supervisors of Fairfax County.

6. Project Part of System. The Board hereby confirms that the Project shall constitute part of the System.

7. Redemption of 2024 Bonds. The Chief Executive Officer is authorized and directed to approve such optional and mandatory redemption provisions with respect to the 2024 Bonds as he may deem to be in the best interest of the Authority.

8. Parity Debt Service Fund Accounts. The Board hereby authorizes the creation of a series-specific Bond Account in the Parity Debt Service Fund described in Section 7.5 of the Master Indenture. The Board hereby covenants that the Authority shall use money in such Bond Account to make payments on the 2024 Bonds when due.

9. Evidence of Approval. Unless otherwise provided in this Resolution, the approval or determination of all of the details and provisions of each series of 2024 Bonds, the related Financing Documents and any agreements, arrangements and transactions that an officer of the Authority has been authorized or directed to approve under this Resolution shall be evidenced conclusively by the execution and delivery of the 2024 Bonds or such agreement, document or instrument on the Authority's behalf by the officer(s) authorized hereby.

10. Approval of Financing Documents. The forms of the Financing Documents are hereby approved. The Chair, Vice Chair and Chief Executive Officer, any of whom may act, are authorized to execute and deliver on behalf of the Authority the Financing Documents in substantially the forms submitted to this meeting with respect to the issuance of each series of the 2024 Bonds, with such changes, insertions or omissions as may be approved by the Chair, Vice Chair, or Chief Executive Officer, whose approval will be evidenced conclusively by the execution and delivery of the respective document. Each officer authorized hereby is authorized to execute and deliver on behalf of the Authority such other instruments, documents or certificates, and to do and perform such other things and acts, as he or she deems necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the 2024 Bonds and the Financing Documents, and all of the foregoing, previously done or performed by any such officer

of the Authority, are in all respects approved, ratified and confirmed. The Board hereby authorizes the Chief Executive Officer to enter into Supplemental Indentures that amend the Master Indenture that he determines are necessary or appropriate to carry out the transactions authorized by this Resolution. The Board hereby authorizes the Secretary-Treasurer of the Authority to attest to, apply the seal of the Authority to, or sign any and all instruments, documents or certificates executed and delivered under the authorizations of this Resolution.

11. Preparation, Execution and Delivery of Bonds. The Chief Executive Officer is authorized to have each series of 2024 Bonds (i) prepared, (ii) executed pursuant to the Master Indenture and the related Supplemental Indenture, (iii) delivered to the Trustee for authentication and (iv) delivered to or for the account of the original purchasers upon payment of the purchase price thereof. The Secretary-Treasurer is authorized to affix the seal of the Authority to the executed 2024 Bonds and to attest it.

12. Approval of Preliminary Official Statement and Official Statement. The form of the Preliminary Official Statement and a final Official Statement in substantially the form of the Preliminary Official Statement are approved and their use in connection with the offering and sale of each series of 2024 Bonds is approved, ratified and confirmed. The Chair, Vice Chair, or Chief Executive Officer, any of whom may act, are authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission (the "Rule"). The Chair, Vice Chair, or Chief Executive Officer, any of whom may act, are authorized and directed to execute and deliver the final Official Statement with respect to any series of 2024 Bonds in substantially the form of the Preliminary Official Statement submitted to this meeting, with such changes, insertions or omissions as the executing officer may approve, such execution to constitute conclusive evidence that the final Official Statement has been deemed "final" by the Authority within the meaning of the Rule.

13. Tax Covenants. The Authority covenants that it shall not take or omit to take any action the taking or omission of which will cause the 2024 Bonds to be "arbitrage bonds," within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, including regulations applicable thereto (the "Code"), or otherwise cause interest on the 2024 Bonds to be includable in the gross income for federal income tax purposes of the registered owners thereof under existing law. The Chair, Vice Chair, or Chief Executive Officer, any of whom may act, are authorized and directed 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 2024 Bonds and containing such covenants as may be necessary or appropriate in order to cause the 2024 Bonds to comply with the provisions of the Code, including, without limitation, the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The Authority covenants that the proceeds from the issuance and sale of the 2024 Bonds will be invested and expended as set forth in the Tax Documents, to be delivered simultaneously with the issuance and delivery of the 2024 Bonds, and the Authority shall comply with the other covenants and representations contained therein.

14. Further Actions; Authorized Representative. The Board hereby authorizes and directs the Chief Executive Officer and such officers and agents of the Authority as may be designated by either of them to take such further actions as they deem necessary regarding the issuance and sale of the 2024 Bonds and the execution, delivery and performance of the



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AlexRenew.com f @ in

MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: May 21, 2024

SUBJECT: *New Business, Alexandria-only*
Review and approve a Resolution authorizing the issuance, award, and sale of Sewer Revenue Refunding Bond, Series 2014C

Issue

AlexRenew requires a Resolution from the Board of Directors to refinance its Sewer Revenue and Refunding Bond, Series 2014C (Series 2014C Bond) for debt service cost savings.

Recommendation

Staff respectfully requests the Board approve the attached Resolution authorizing the Chief Executive Officer to execute documents associated with the Series 2014C Bond.

Budget and Funding

Issuance of the Series 2014C Bond is anticipated to provide debt service savings. Under current market conditions, total debt service savings are estimated at approximately \$1 million.

Discussion

In 2014, AlexRenew issued a \$19,455,000 Series 2014C Bond to the Virginia Resources Authority (VRA) to fund capital improvement projects.

VRA is working to bring its next bond issuance to market in July 2024 and has approached AlexRenew to participate in VRA's pooled financing program to refund the Series 2014C Bond for debt service savings. The callable amount of the remaining Series 2014C Bond principal is approximately \$18,000,000. At the time of the sale, the Series 2014C Bond will be eligible for a tax-exempt refinancing with no penalty.

The Resolution sets forth a minimum net present value savings threshold of 3% of the refunded principal, which is the minimum savings target set forth in AlexRenew's financial policy. Interest rates and the associated savings would be subject to change based on market conditions until VRA prices the related pooled bonds in July.

This action supports the strategic goal of Commitment to the Community.

ACTION TAKEN

Approved: _____

Disapproved: _____

Approved with Modification: _____

Modification(s): _____

CITY OF ALEXANDRIA, VIRGINIA, SANITATION AUTHORITY

RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE, AWARD AND SALE OF SEWER REVENUE REFUNDING BOND OF THE CITY OF ALEXANDRIA, VIRGINIA, SANITATION AUTHORITY, AND SETTING FORTH THE FORM, DETAILS AND PROVISIONS FOR THE PAYMENT THEREOF

WHEREAS, the City of Alexandria, Virginia, Sanitation Authority d/b/a AlexRenew ("**AlexRenew**") 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, AlexRenew previously issued its Sewer Revenue and Refunding Bond, Series 2014C (the "**Series 2014C Bond**") to Virginia Resources Authority ("**VRA**");

WHEREAS, VRA has approached AlexRenew with an opportunity to participate in VRA's pooled financing program to refund the Series 2014C Bond for debt service savings and pay the costs of issuing the refunding bonds and refinancing the Series 2014C Bond (the "**Project**");

WHEREAS, the refunding will be achieved by AlexRenew issuing a Sewer Revenue Refunding Bond (the "**Bond**") and VRA purchasing the Bond from the proceeds of one or more series of its Infrastructure and State Moral Obligation Revenue Bonds (Virginia Pooled Financing Program) (collectively, the "**VRA Bonds**"), in accordance with the terms of a Local Bond Sale and Financing Agreement dated a date to be agreed to by VRA and AlexRenew (the "**Financing Agreement**"), between VRA and AlexRenew, in substantially the same form as the financing agreement applicable to the Series 2014C Bond;

WHEREAS, the Financing Agreement is expected to indicate that AlexRenew requests an amount of proceeds sufficient to refund the Series 2014A Bond, subject to the parameters below, plus an amount sufficient to pay the costs of issuing the Bond and refinancing the Series 2014C Bond or such other amount as requested by AlexRenew in writing and approved by VRA prior to VRA's bond pricing (the "**Proceeds Requested**");

WHEREAS, VRA has advised AlexRenew that the sale date of the VRA Bonds will occur in the summer of 2024 (the sale date is referred to as, the "**VRA Sale Date**"), and that VRA's objective is to pay AlexRenew a purchase price for the Bond that in VRA's judgment reflects its market value (the "**Purchase Price Objective**") taking into consideration the Proceeds Requested and such factors as the purchase price received by VRA for the VRA Bonds, the issuance costs of the VRA Bonds (consisting of the underwriters' discount and other costs incurred by VRA) (collectively, the "**VRA Costs**") and other market conditions relating to the sale of the VRA Bonds;

WHEREAS, such factors are expected to result in AlexRenew receiving a purchase price other than the par amount of the Bond and consequently (i) the aggregate principal amount of the Bond may be greater than or less than the Proceeds Requested in order to receive an amount of proceeds that is substantially equal to the Proceeds Requested or (ii) if the maximum authorized principal amount of the Bond set forth in Section 1 of this Resolution does not exceed the Proceeds Requested by at least the amount of the VRA Costs and any original issue discount, the amount to

be paid to AlexRenew, given the Purchase Price Objective and market conditions, will be less than the Proceeds Requested;

WHEREAS, the Bond will be issued as parity indebtedness ("**Parity Indebtedness**") under the Master Indenture of Trust dated as of March 15, 1999 (as supplemented and amended, the "**Master Indenture**"), between AlexRenew and U.S. Bank National Association, as successor trustee (the "**Trustee**"). The Bond will be secured by a pledge of the net revenues (as more particularly defined in the Master Indenture, the "**Net Revenues**") derived by AlexRenew from the ownership and operation of its sewage disposal and sewer systems (as more particularly defined in the Financing Agreement, the "**System**"); and

WHEREAS, the foregoing arrangements will be reflected in the Financing Agreement, a form of which has been filed in AlexRenew's records.

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 Bond and Use of Proceeds. The Board hereby determines that it is in the best interest of AlexRenew to contract a debt and to issue the Bond and to award and sell the Bond to or at the direction of VRA, all pursuant to the Act and the terms of this Resolution and the Financing Agreement. The Board hereby finds that the issuance of the Bond will promote the health, safety, welfare, morals and propriety of the citizens served by AlexRenew and will promote the governmental purposes of the Act. Accordingly, the Board hereby authorizes the issuance, award and sale of the Bond in accordance with the terms of this Resolution and the Financing Agreement. The Bond shall be known as the "City of Alexandria, Virginia, Sanitation Authority, Sewer Revenue Refunding Bond, Series 2024B" or such other designation as the Chair of AlexRenew (the "**Chair**") may approve. The Board hereby covenants that the proceeds from the issuance and sale of the Bond shall be used, together with other available funds, if any, to pay the costs of the Project.

2. Authorization of Financing Agreement. The Chair or the Chief Executive Officer of AlexRenew (the "**Chief Executive Officer**") are each authorized and directed to approve the final form of the Financing Agreement and to execute the Financing Agreement, whose approval shall be evidenced conclusively by the execution and delivery thereof.

3. Details of Bond. (a) The Bond, may be issued in one or more series, and the Bond of each series shall be issued as a single bond in fully registered form and shall be dated the date of its issuance.

(b) The Bond shall be issued and sold to or at the direction of VRA on terms that VRA shall determine subject to VRA's Purchase Price Objective and market conditions described in the Recitals hereof; provided, however, that (i) the refunding of the Series 2014C Bond shall achieve an aggregate net present value debt service savings as a percentage of the principal amount of the portion of the Series 2014C Bond being refunded of no less than 3.0%, and (ii) the Bond shall not mature later than the final maturity date of the Series 2014C Bond.

(c) Subject to the parameters in subsection (b), AlexRenew further authorizes the Chief Executive Officer to accept the final terms presented by VRA, including the final principal amount and the amortization schedule (including the principal installment dates and amounts) of the Bond. If the limitation on the maximum aggregate principal amount of the Bond set forth above restricts VRA's ability to generate the Proceeds Requested, taking into account the VRA Costs, the Purchase Price Objective and market conditions, the Chief Executive Officer is authorized to accept a purchase price for the Bond at an amount less than the Proceeds Requested.

(d) The actions of the Chief Executive Officer in determining the final terms of the Bond shall be conclusive, and no further action shall be necessary on the part of AlexRenew board. As set forth in the Financing Agreement, AlexRenew agrees to pay such "supplemental interest" and other charges as provided therein, including such amounts as may be necessary to maintain or replenish the VRA Reserve. The principal of and premium, if any, and interest on the Bond shall be payable in lawful money of the United States of America.

4. Pledge of Net Revenues and Parity Indebtedness. (a) The Bond shall be a limited obligation of AlexRenew and, except to the extent payable from the proceeds of the sale of the Bond or the income, if any, derived from the investment thereof, is payable exclusively from the Net Revenues of the System. AlexRenew hereby renews its pledge of the Net Revenues to pay the principal of and premium, if any, and interest on the Bond pursuant to the terms of the Master Indenture and the Financing Agreement. The Board hereby determines that the Bond shall be issued as Parity Indebtedness under the Master Indenture. The Board hereby acknowledges that as Parity Indebtedness the Bond will be secured equally and ratably with AlexRenew's outstanding Parity Indebtedness or Bonds (as defined in the Master Indenture) and any Parity Indebtedness or Bonds (as defined in the Master Indenture) issued in the future, subject to Section 2.1(b) of the Master Indenture.

(b) Neither the Commonwealth of Virginia nor any of its political subdivisions, including AlexRenew, shall be obligated to pay the principal of or premium, if any, or interest on the Bond or other costs incident to it except from the revenues and any other money or property pledged for such purpose, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia or any of its political subdivisions, including AlexRenew, is pledged to the payment of the principal of or premium, if any, or interest on the Bond or other costs incident to it. The issuance of the Bond does not directly, indirectly or contingently obligate the Commonwealth of Virginia or any of its political subdivisions, including AlexRenew, to levy any taxes for the payment of the Bond. It is expected that the principal of and premium, if any, and interest on the Bond will be paid from Net Revenues derived from AlexRenew's retail customers in the City of Alexandria, Virginia, and not from payments derived from Fairfax County under the Amended and Restated Service Agreement dated as of October 1, 1998, between AlexRenew and the Board of Supervisors of Fairfax County.

5. Project Part of System. The Board hereby confirms that the Project shall constitute part of the System.

6. Form of Bond. The Bond shall be in substantially the form attached as Exhibit A to the Financing Agreement and on file in AlexRenew's records, with such variations, insertions or deletions as may be approved by the Chair or the Chief Executive Officer. There may be

endorsed on the Bond such legend or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

7. **Execution and Delivery of Bond.** The Board hereby authorizes and directs the Chair or the Chief Executive Officer to execute the Bond. The Board hereby authorizes and directs the Secretary-Treasurer to affix the seal of AlexRenew to the executed Bond and to attest to it and then to deliver the Bond to or at the direction of VRA upon payment of the first principal advance thereunder. An authorized representative or other designee of VRA shall enter the amount and date of each principal advance as provided in the Certificate of Advances attached to the Bond when the proceeds of such advance are delivered to AlexRenew.

8. **Parity Debt Service Fund Accounts.** The Board hereby authorizes the creation of a Series 2024B Bond Account in the Parity Debt Service Fund described in Section 7.5 of the Master Indenture. The Board hereby covenants that AlexRenew shall use money in the Series 2024B Bond Account to make payments on the Bond when due.

9. **Tax Compliance Agreement.** Such officers of AlexRenew as may be requested are authorized and directed to execute and deliver a non-arbitrage certificate and tax compliance agreement (the "**Tax Compliance Agreement**") in a form to be approved by the officers of AlexRenew executing such document, whose approval shall be evidenced conclusively by the execution and delivery thereof.

10. **Arbitrage Covenants.** AlexRenew covenants that it shall neither take nor omit to take any action the taking or omission of which will cause the VRA Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and regulations issued pursuant thereto (the "**Code**"), or otherwise cause interest on the VRA Bonds to be includable in the gross income of the registered owner thereof under existing law. Without limiting the generality of the foregoing, AlexRenew shall comply with any provision of the Tax Compliance Agreement that may require AlexRenew at any time to rebate to the United States any part of the earnings derived from the investment of the gross proceeds of the Bond, unless AlexRenew receives an opinion of nationally recognized bond counsel that such compliance is not required to prevent interest on the VRA Bonds from being included in the gross income for federal income tax purposes of the registered owners thereof under existing law. AlexRenew shall pay any such required rebate from legally available funds.

11. **Official Statement.** AlexRenew authorizes and consents to the inclusion if necessary of information with respect to AlexRenew contained in VRA's Preliminary Official Statement and VRA's Official Statement in final form, both prepared in connection with the sale of the VRA Bonds. If appropriate, such disclosure documents shall be distributed in such manner and at such times as any of them shall determine. The Chief Executive Officer is authorized and directed to take whatever actions are necessary or appropriate to aid VRA in ensuring compliance with Securities and Exchange Commission Rule 15c2-12.

12. **SNAP Investment Authorization.** AlexRenew has heretofore received and reviewed the Information Statement (the "**Information Statement**") describing the State Non-Arbitrage Program of the Commonwealth of Virginia ("**SNAP**") and the Contract Creating the

State Non-Arbitrage Program Pool dated November 13, 2017 (the "**Contract**"), and AlexRenew has determined to authorize the Chief Executive Officer to utilize SNAP in connection with the investment of the proceeds of the Bond, if the Chief Executive Officer determines that the utilization of SNAP is in the best interests of AlexRenew. AlexRenew acknowledges the Treasury Board of the Commonwealth of Virginia is not and shall not be in any way liable to AlexRenew in connection with SNAP, except as otherwise provided in the Contract.

13. Evidence of Approval. The approval or determination of all of the details and provisions of the Bond, the Financing Agreement and all other documents executed under the authority of this Resolution shall be evidenced conclusively by the execution and delivery of the Bond, the Financing Agreement and such other document by the officer or officers authorized hereby.

14. Further Actions; Authorized Representative. The Board hereby authorizes and directs the Chair and the Chief Executive Officer and such officers and agents of AlexRenew as may be designated by either of them to take such further actions as they deem necessary regarding, the issuance and sale of the Bond and the execution, delivery and performance of the Financing Agreement and closing documents and certificates, including without limitation the use of AlexRenew funds to defease portions of the Series 2014C Bond in connection with the refunding. All such actions previously taken by such officers and agents are ratified and confirmed. The Board hereby designates the Chief Executive Officer, the Chief Administrative Officer of AlexRenew (the "**Chief Administrative Officer**"), and the Director of Finance of AlexRenew (the "**Director of Finance**") as AlexRenew's authorized representatives for purposes of the Financing Agreement. The authorization granted in this Resolution to the Chair, Chief Executive Officer, Secretary-Treasurer may be carried out by the Vice Chair (in the case of the Chair), the Chief Administrative Officer or the Director of Finance (in the case of the Chief Executive Officer), and the Assistant or Acting Secretary (in the case of the Secretary-Treasurer), or such other officer as any of the named officers may designate in writing. When this Resolution authorizes the Chair or the Chief Executive Officer to act, it shall be sufficient for either the act.

15. Filing of Resolution. The Board hereby directs counsel to AlexRenew 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.

16. Effective Date. This Resolution shall take effect upon adoption.

CERTIFICATE

The undersigned Secretary of the Board of the City of Alexandria, Virginia, Sanitation Authority d/b/a AlexRenew (the "Authority") certifies that the foregoing is a true, correct and complete copy of a Resolution adopted by the affirmative vote of a majority of the members of the Board of the Authority present at a public meeting duly called and held on May 21, 2024, at which meeting a quorum was present and acting throughout.

Dated: May 21, 2024

Adriana Caldarelli, Secretary-Treasurer,
City of Alexandria, Virginia, Sanitation Authority
d/b/a AlexRenew

[SEAL]



1800 Limerick Street
Alexandria, VA 22314
alexrenew.com

Board of Directors
John Hill, Chair
James Beall, Vice Chair
Adriana Caldarelli, Sec'y-Treas
Mark Jinks
Rebecca Hammer
Chief Executive Officer
Justin Carl, PE
General Counsel
Amanda Waters

Monthly Report

Reporting Period: April 1-30, 2024

This report represents a summary of AlexRenew’s progress toward its strategic goals – Operational Excellence, Thriving Workforce, Strategic Partnerships, Environmental Sustainability, and Commitment to the Community for April 2024.

1 Operational Excellence

Performance of AlexRenew’s operations is reviewed and evaluated monthly to oversee operational excellence and the proactive steps to meet current and future challenges.

1.1 Water Resource Recovery Facility (WRRF) Performance

Precipitation for the month was 2.06 inches of rain and trace amounts of snow, which is below the historical average precipitation of 3.21 inches of rain and above the historical average precipitation of 0.0 inches of snow for the month.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for April 2024 as outlined in Table 1.1.

Table 1.1. Summary of VPDES Permit VA0025160 Effluent Parameters

	Average Flow	Carbonaceous Biochemical Oxygen Demand	Total Suspended Solids	Ammonia (as N)	Total Phosphorus	Dissolved Oxygen	Total Nitrogen	Total Nitrogen Load	Total Phosphorus Load
	MGD	Monthly Average (mg/L)	Monthly Average (mg/L)	Monthly Average (mg/L)	Monthly Average (mg/L)	Minimum (mg/L)	Annual Average (mg/L)	Year-to-Date (lb)	Year-to-Date (lb)
Permit	54.0	5.0	6.0	Seasonal (1)	0.18	6.0	3.0	493,381	29,603
Reported	40.0	ND	3.4	0.26	0.07	8.4	2.6	105,320	2,813

Notes: (1) Ammonia has seasonal limits April – October: 1.0 mg/L

1.2 Capital Improvement Program

Specific projects within AlexRenew’s Capital Improvement Program (CIP) are highlighted monthly to support operational excellence.

In July 2023, the Board approved three (3) Job Order Contracts (JOC) to support AlexRenew’s ongoing construction and maintenance needs. To date, a total of \$1.1 million of work has been completed under the JOC contracts. Table 1.2 summarizes the status of active JOC task orders.

Table 1.2. Summary of JOC Task Orders

Task Order	Estimate	Status
Four Mile Run Pumping Station Valve Modifications	\$480,000	Work ongoing
Tertiary Settling Tank Valve Replacement	\$425,000	Work ongoing
WRRF General Housekeeping	\$350,000	Work ongoing
BRB Mixing System Improvements	\$200,000	Work ongoing
Building A Flare System Repairs	TBD	Scoping
Environmental Center Improvements	TBD	Work ongoing
Primary Sludge Pump Upgrades	TBD	Scoping
Gravity Thickened Sludge Pumps	\$300,000	Completed
Digester Gas Mixing Compressors	TBD	Scoping
Tertiary Filter Valve Replacement	TBD	Scoping
Filter Backwash Tank Cleaning and Upgrades	\$275,000	Work Ongoing
Plant Air Compressor Upgrades	TBD	Scoping
Primary Sludge Loop Cleaning and Valve Replacements	\$300,000	Work ongoing
Secondary Settling Tank Raw Activated Sludge Pipe Cleaning	\$125,000	Work ongoing
Building A Coarse Screen Repairs	TBD	Scoping
Building L W1 Booster Pump Skid Replacement	TBD	Scoping
WRRF Tank Access Improvements	\$450,00	Work ongoing
Activated Sludge Pumps, W3, and Primary Settling Repairs	\$250,000	Work ongoing

1.3 RiverRenew

Updates on RiverRenew are outlined in the RiverRenew Dashboard.

1.4 Additional Capital Projects

Technical/Management and Price Proposals from the three (3) shortlisted contractors for the Preliminary and Primary Systems Upgrade Project will be submitted in May 2024. It is anticipated that the contract will be presented to the Board for approval at the July monthly meeting.

In April 2024, AlexRenew executed a task order for a climate resilience study. The scope includes a risk assessment of climate projections for flooding, extreme weather, and thermal stress and associated short, medium, and long-term actions to enhance climate resilience.

2 Thriving Workforce

Efforts toward the thriving workforce strategic goal are highlighted monthly to report progress in investing in our staff and fostering a culture of belonging.

In April, monthly CEO roundtable sessions were hosted to receive constructive feedback on opportunities for improvement from staff. Staff also completed the second Net Promoter Score survey,

with results showing an improvement of sixteen points from the initial survey conducted in October 2023.

Since August 3, 2023, AlexRenew has logged 156,708 hours without a lost time accident.

3 Strategic Partnerships

In April, AlexRenew continued to foster strategic partnerships that promote watershed-level thinking through collaboration and advocacy.

AlexRenew, in partnership with the City of Alexandria, Environmental Policy Commission, and the Pickering family presented the 2024 Ellen Pickering Environmental Excellence Award on Sunday, April 21 to Scott Knudsen and Jennifer Pease, who co-manage a biannual native plant sale and grassroots efforts to educate the community about sustainable landscaping.

AlexRenew participated in a panel focused on collaborative delivery in Virginia at the 2024 Annual VWWAA Meeting on April 8. Staff also presented on RiverRenew's procurement approaches and progress at both the 2024 Design-Build for Water/Wastewater Conference in Cincinnati, Ohio on April 16 and at the annual Wet Weather Partnership Conference in Richmond on April 25.

Staff are currently coordinating with the City to finalize the lease agreement for the 5th floor and billing services agreement to bill for sewer services on their behalf.

4 Environmental Sustainability

Each month, progress is reported on AlexRenew's work toward environmental sustainability, with the goal of being good stewards of our resources to minimize our impact on the environment.

Biosolids production in April was 1,846 wet tons. All the produced biosolids were beneficially reused on farms in the Virginia counties of Essex, King George, and Caroline.

AlexRenew recycled 76 million gallons of water during the month of April, including 250,000 gallons of reclaimed water that was distributed to the Environmental Center.

In April, plant processes used 5.7 million standard cubic feet of biogas that was produced on-site in the anaerobic digesters.

On April 25, AlexRenew held its first organization-wide electronic waste recycling event with our partner, Techno Rescue. Seven pallets of electronic waste were collected from our facility. This electronic waste will be either refurbished or recycled.

5 Commitment to the Community

Each month, progress is reported on AlexRenew's work toward strengthening connections with the public and providing affordable service.

2.1 FY2024 Operating and Capital Budget – Revenues and Expenditures

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

Table 2.1 summarizes AlexRenew revenues and expenditures for this period. Major takeaways for this period include:

- Wastewater Treatment Charge revenues (\$47.8 million) are trending slightly higher than projections due to usage;
- Operating and maintenance expenses are trending slightly below projections; and
- Total expenses (\$150.7 million) are currently trending lower than the budgeted expenses due to the timing of capital expenditures. This timing also impacts debt proceed revenues (\$79.4 million), which are lower than budgeted as most current capital expenditures are funded through debt.

Table 2.1. Revenues and Expenditures for this Period

Revenues and Expenditures	Total FY2024 Budget	FY2024 To-Date	% of Budget To-Date	% of FY2024 Completed	Total FY2024 Projected
Revenues					
Wastewater Treatment Charge	53,672,299	47,785,318	89	83	57,500,000
Fairfax Operating Expense Charge	12,796,021	10,663,351	83	83	12,500,000
Fairfax IRR* and Capital Contributions	36,419,800	12,857,763	35	83	20,000,000
Debt Proceeds and Other Sources	159,923,187	79,362,180	50	83	111,200,000
Total Revenues	262,811,307	150,668,612	57	83	201,200,000
Expenditures					
Operating and Maintenance	33,023,593	26,717,930	81	83	33,000,000
Parity Debt Service	16,448,494	12,528,622	76	83	13,300,000
IRR*	10,818,748	9,172,580	85	83	11,700,000
Capital	202,520,472	102,249,480	50	83	143,200,000
Total Expenditures	262,811,307	150,668,612	57	83	201,200,000

*IRR: Improvement, Renewal, and Replacement

2.2. Status of Customer Delinquencies

Figure 2.1 illustrates active AlexRenew accounts 60 or more days delinquent and total delinquent dollar amount owed over the last three (3) years. Major takeaways for this period include:

- The number of accounts delinquent by more than 60 days was 1,261 in April, a decrease of 14 accounts month-over-month.
- The total dollar amount owed to AlexRenew from these accounts totaled \$1,593,742.82 at the end of April, an increase of \$117,511.59 month-over-month.
- Approximately 53 percent of the delinquency value is from residential accounts.
- Currently, 231 residential and 31 commercial accounts are on active payment plans.

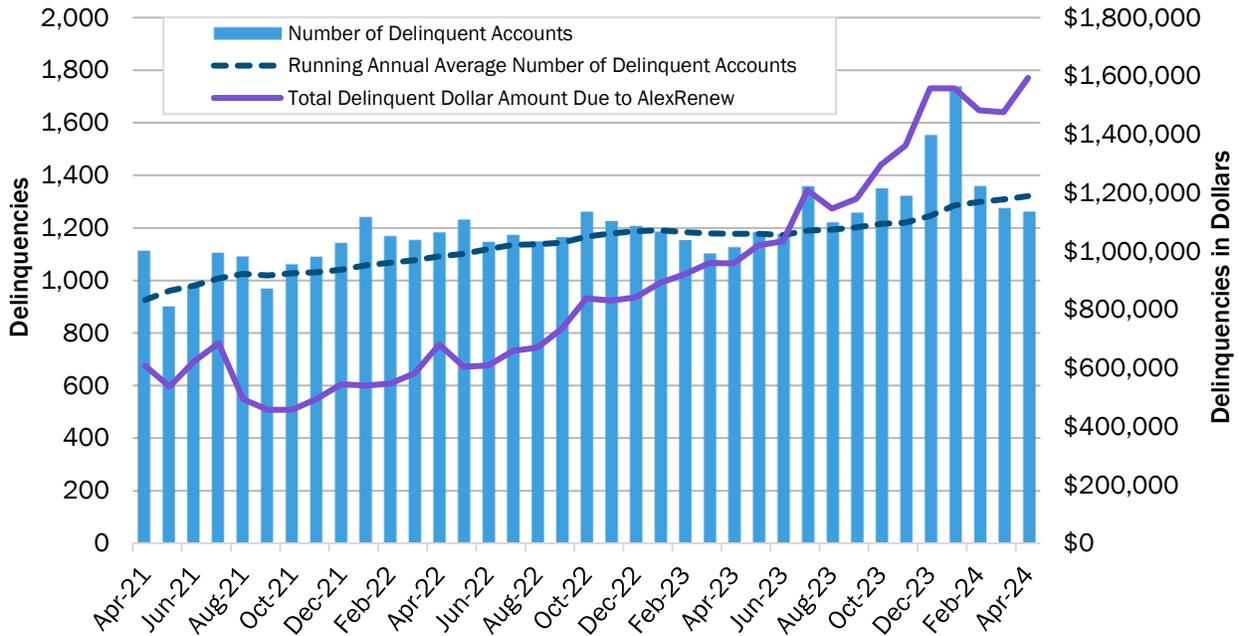


Figure 2.1. Active Accounts 60 or more days Delinquent

2.5 Customer Service and Community Engagement

AlexRenew also shares a monthly summary of its community engagement and customer service statistics to highlight its contributions toward its commitment to engagement and trust.

AlexRenew participated in this year’s Spring2Action event on April 24 to collect donations for LEAP. The event raised over \$600 to support customers facing financial challenges paying their bills.

On April 13, AlexRenew hosted the RiverRenew Tunnel Completion Open House with an estimated attendance of 1,000 community members, stakeholders, and partners.

Additionally, throughout the month of April, AlexRenew participated in the following events:

- April 6 – City of Alexandria’s 275th Anniversary Kickoff Event
- April 20 – ALX Dog Walk
- April 21 – Del Ray GardenFest
- April 30 – Science Unrestricted (STEM learning)

On April 19, AlexRenew also supported the Alexandria Chamber of Commerce by participating in a sustainability panel discussion for its Leadership ALX program. Director of Communications, Matt Robertson, graduated from the program in April as well.

Customer bill inserts and outbound emails were sent to all account holders, providing information about payment plans and LEAP. This information was also shared on social media.

Additional April Outreach: AlexRenew hosted tours for Department of Commerce, WEFMAX, King County Wastewater Treatment Division, Virginia Tech, Episcopal High School, Latin PCS, Potomac

Conservancy, and ESI. AlexRenew welcomed an estimated total of 430 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center in April: Alexandria A Capella Collective (180), Campagna Center (30), Alexandria City Public Schools (80), City of Alexandria (30), ACT for Alexandria (40), Alexandria Chamber of Commerce (40), and Moms Demand Action (30).

In April, AlexRenew customer service received a total of 984 calls. Average wait time before calls were answered was 32 seconds. Call center staff answered 322 emails.

RiverRenew Board of Directors Dashboard



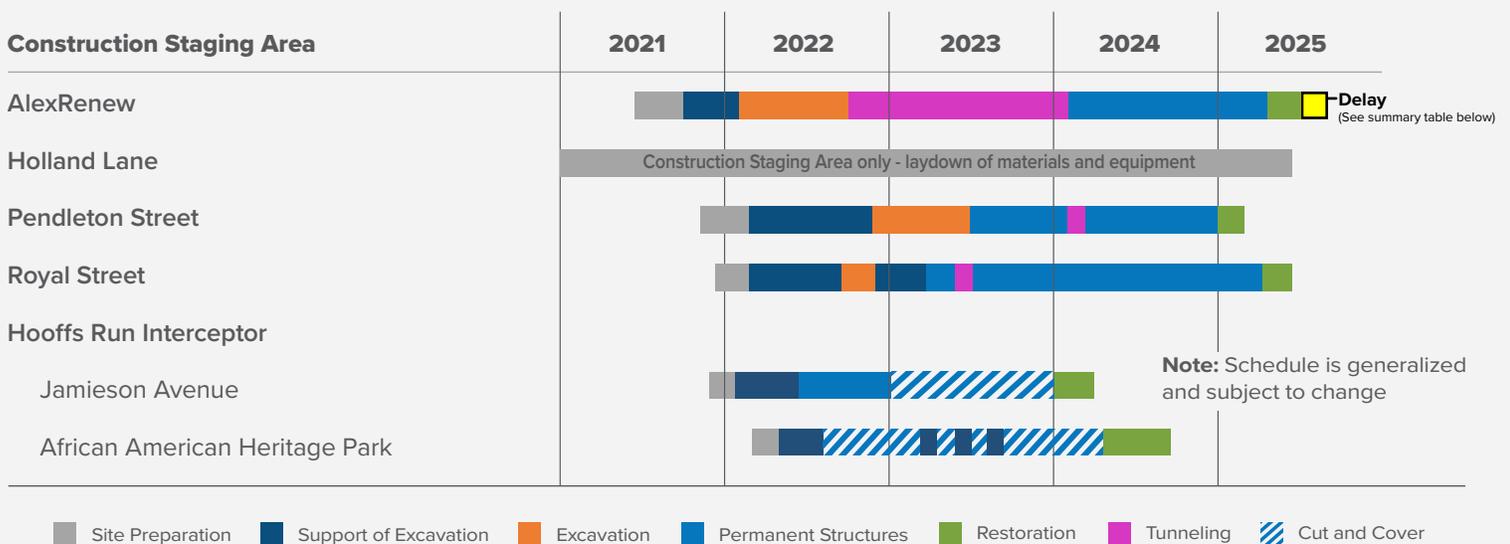
MONTH ENDING: APRIL 30, 2024

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

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 of the four RiverRenew projects are complete. The remaining Tunnel Project includes the construction of a new tunnel to connect AlexRenew's wastewater treatment plant to the four existing combined sewer outfalls, as illustrated on Page 4 of this dashboard. The phases of construction for the five primary construction sites 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.
4/2023	Due to the events in January and February 2022 (noted above), the Tunnel Project is currently 60 days behind schedule. The delay will primarily impact scheduled work at the AlexRenew site.
9/2023	Due to the delays noted above, the Tunnel Project is currently 90 days behind schedule. The delay will primarily impact scheduled work at the AlexRenew site.
3/2024	Legislation to extend the project's statutory deadline by one year to July 1, 2026 signed into law on 3/8/24 (SB372) and 3/20/2024 (HB71).

RiverRenew Tunnel Project Design-Build Progress

Overall Project Progress

(Design and Construction)



▲ DEC 2020

JUL 2025 ▲



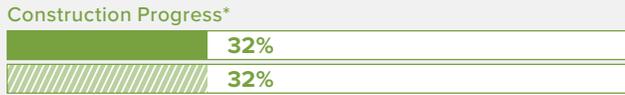
Pendleton Street
Permanent concrete placement ongoing



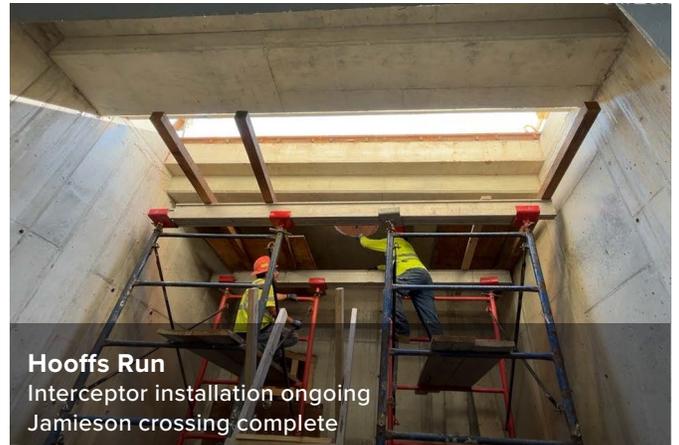
NOV 2024 ▲



Royal Street
Excavation for near surface structures ongoing



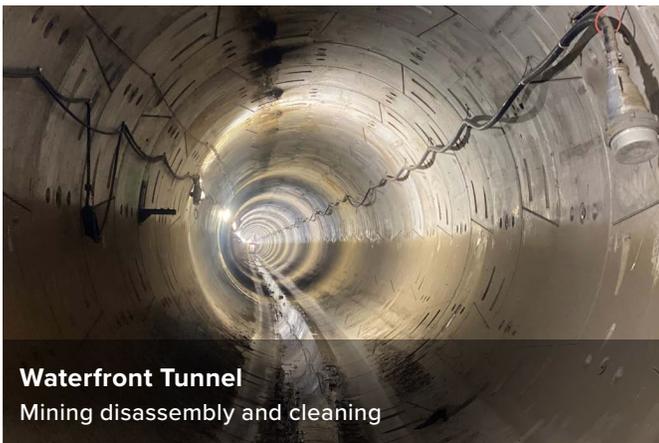
JUL 2024 ▲



Hooffs Run
Interceptor installation ongoing
Jamieson crossing complete



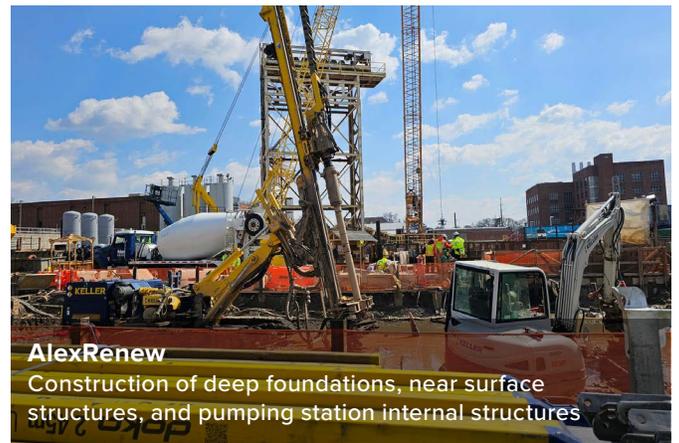
APR 2024 ▲



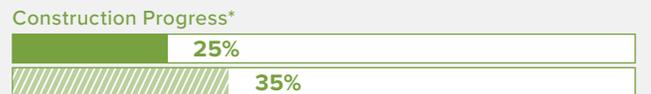
Waterfront Tunnel
Mining disassembly and cleaning



JAN 2024 ▲



AlexRenew
Construction of deep foundations, near surface structures, and pumping station internal structures



JUL 2025 ▲

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

Actual Progress as of April 30, 2024. *The planned progress for each construction staging area reflects the Design-Builder's schedule as of April 2024.

RiverRenew Tunnel Project Six-Month Look-Ahead

Work Hours

NORMAL WORK HOURS

Pendleton Street	7 a.m. – 6 p.m.
Royal Street	24/7
Hooffs Run	7 a.m. – 6 p.m.
AlexRenew	24/7

Community Outreach

Event	Date
Council-Board Workgroup	May 8, 2024
2024-2025 RiverRenew SAG Meeting No. 2	Jun 20, 2024

Pendleton Street

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures construction	Ongoing through Fall 2024

PERMITS

Permit	Date
Building Permit - Shaft Mechanical, Electrical, and Plumbing	May 2024

Hooffs Run

MAJOR WORK ACTIVITIES

Activity	Date
North of Jamieson Ave	
Site restoration	Ongoing through Summer 2024
African American Heritage Park	
Sheeting removal	Ongoing intermittently through Spring 2024
Site restoration	Ongoing through Fall 2024

Royal Street

MAJOR WORK ACTIVITIES

Activity	Date
Tunnel demobilization	Completed Apr 2024
Support of excavation and excavation	Ongoing through Spring 2024
Permanent concrete structures construction	Ongoing through Summer 2024
Permanent drop shaft concrete construction	Ongoing through Summer 2024

PERMITS

Permit	Date
Building Permit - Mechanical, Electrical, and Plumbing	May 2024

AlexRenew

MAJOR WORK ACTIVITIES

Activity	Date
Permanent concrete structures support of excavation	Ongoing intermittently through Summer 2024
Permanent concrete structures construction	Ongoing intermittently through 2024
Pumping shaft cast-in-place concrete internals	Ongoing through Fall 2024
Tunnelling equipment removal	Apr 2024

PERMITS

Permit	Date
Building Permit - Superstructure Architectural	May 2024
Building Permit - Superstructure Mechanical, Electrical, and Plumbing	Fall 2024

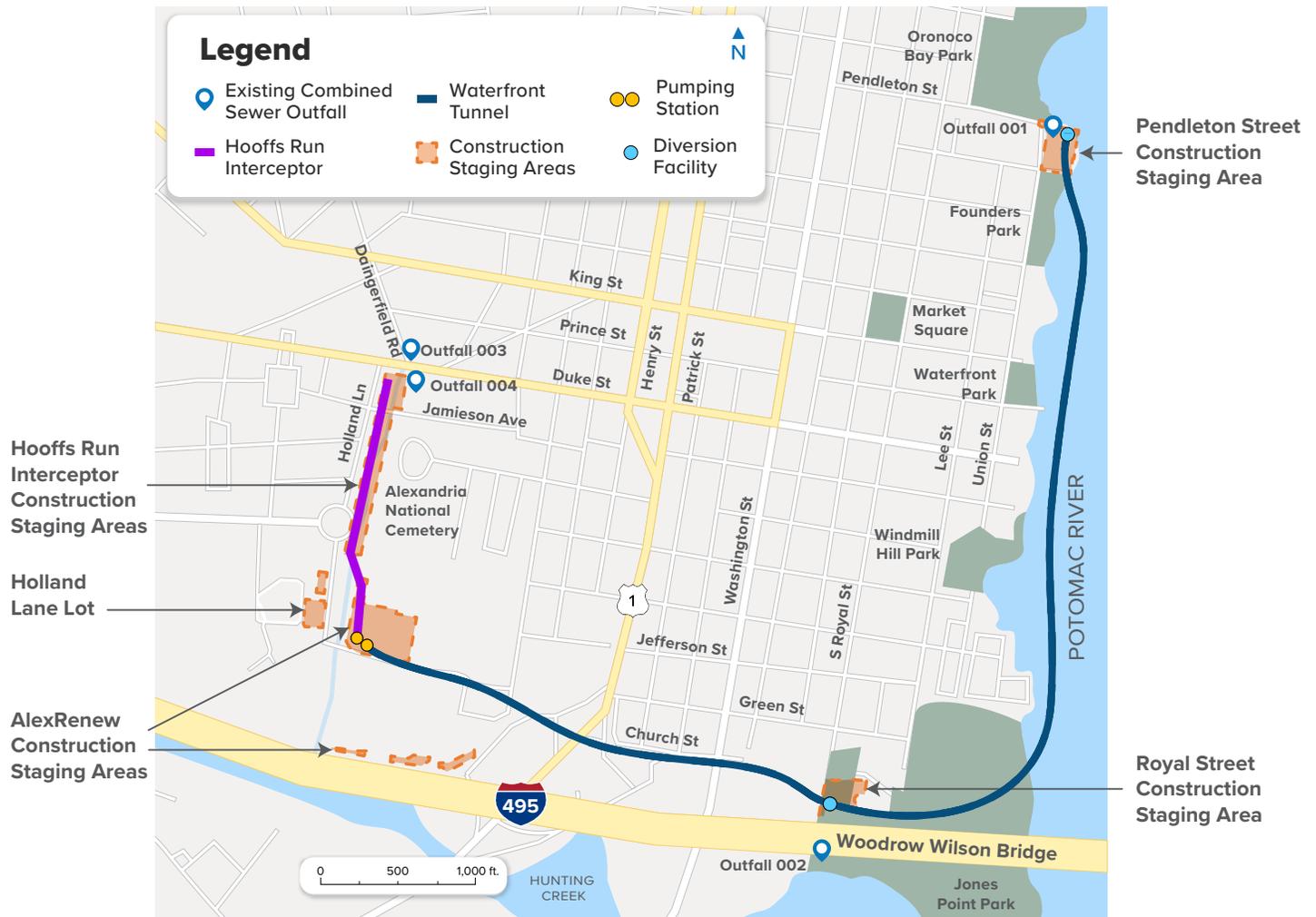
Waterfront Tunnel

MAJOR WORK ACTIVITIES

Activity	Date
Mining	Completed Mar 2024

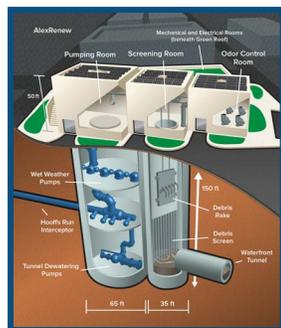
RiverRenew Tunnel Project Snapshot

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.



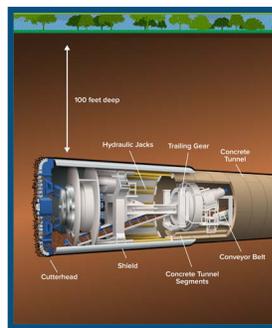
Hooffs Run Interceptor

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



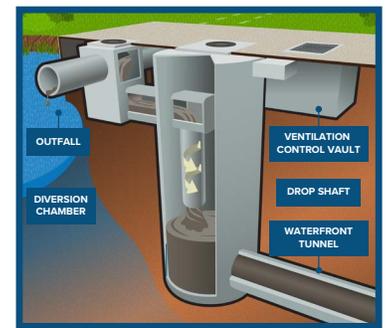
Pumping Station

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 was constructed.

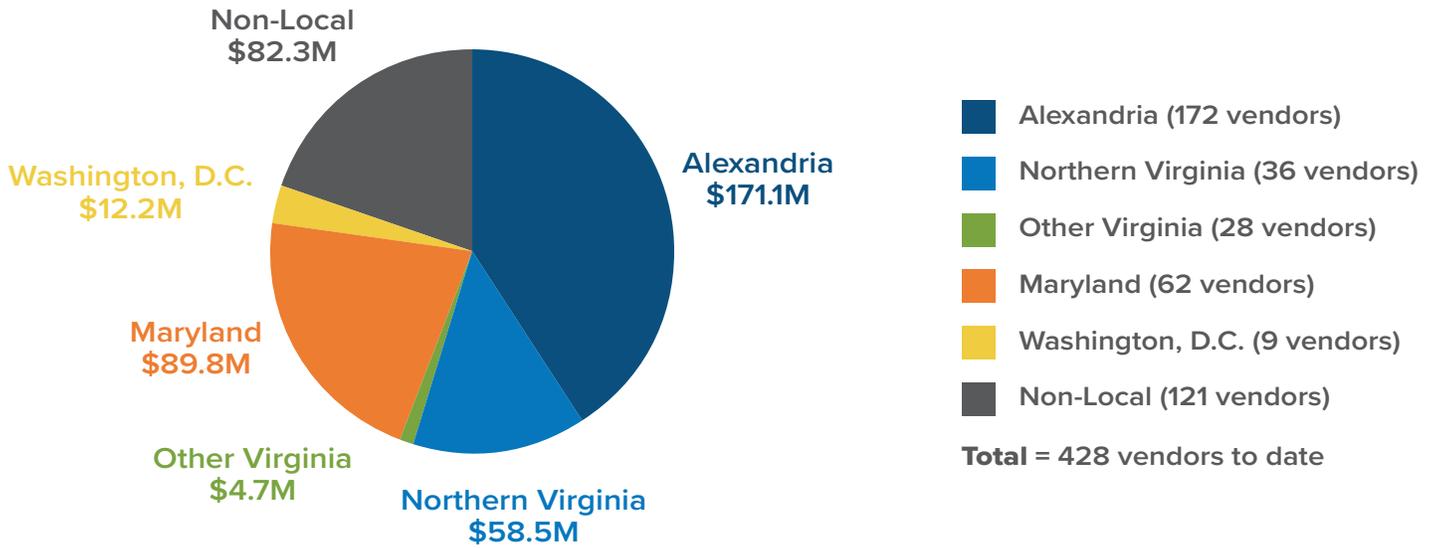


Diversion Facility

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

RiverRenew Program Costs to Date

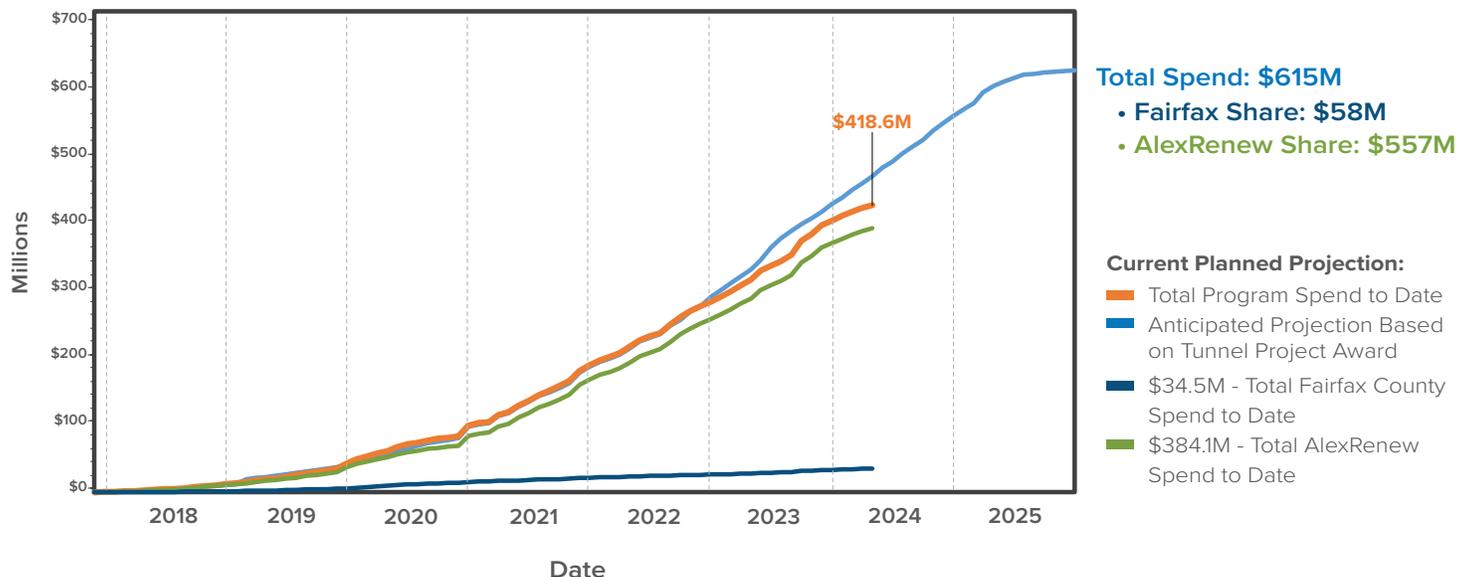
RiverRenew Spend to Date by Locality



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	\$268.3
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$77.2
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$19.4
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$53.6

RiverRenew Cash Flow Analysis



Note: As of April 30, 2024.

RiverRenew Community Outreach



Community Meetings

Community meetings are presentations given to various stakeholder groups, including the SAG. These presentations can be delivered in person or virtually.

Looking Ahead:

- 2024-2025 RiverRenew SAG Meeting No. 2: **June 20, 2024**



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 Days

Community days feature project-specific events to celebrate construction progress on the Tunnel Project and engage the community along the way.

Looking Ahead:

- Hooffs Run Planting Day: Fall 2024



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 600 contacts.

Highlights:

- A **full recap** of this month's Mining Completion Open House at the Pendleton Street site
- A celebratory **photo collage** from the Open House
- An **announcement** of temporary construction activity on Jamieson Avenue



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. 22: **May 8, 2024**



Education

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

Highlights:

- An **animated video** highlighting the entirety of Hazel the TBM's Waterfront Tunnel journey



Monthly Construction Spotlight



Nearing Completion of Hooffs Run Interceptor Pipe Installation

The final sections of the 72-inch-diameter, 2,500-foot-long Hooffs Run Interceptor pipe will be installed in early May. With a larger capacity than the previous pipeline, the new interceptor will protect Hooffs Run and the surrounding area from combined sewer overflows.

Remaining work in Hooffs Run includes completing manhole construction, performing pipe acceptance testing, and conducting a final survey of the interceptor.

Following this work, crews will turn their attention to Hooffs Run site restoration, which includes riparian buffer enhancements, native plantings, and new wildlife habitats. The African American Heritage Park trail will be re-opened with a new boardwalk extension to connect the park further south. New historical signage focusing on African American history will be installed throughout the park. Additionally, the pocket park at Duke Street will be reconstructed and restored.

To celebrate the beginning of site restoration, AlexRenew plans to host a community planting day in Hooffs Run in Fall 2024. We hope to see you there!

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 wastewater treatment authority.