

Minutes of the 919<sup>th</sup> Meeting  
AlexRenew Board of Directors  
6:00 p.m., Tuesday, June 18, 2024

On Tuesday, June 18, 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. John Hill, Chair  
Mr. James Beall, Vice Chair  
Ms. Adriana Caldarelli, Secretary-Treasurer  
Mr. Mark Jinks, Member  
Ms. Becky Hammer, Member (participated remotely via Teams)

Staff: Mr. Justin Carl, General Manager/Chief Executive Officer  
Ms. Amanda Waters, General Counsel/Deputy General Manager  
Ms. Caitlin Feehan, Chief Administrative Officer  
Ms. Felicia Glapion, Chief Engineering Officer  
Mr. Lake Akinkugbe, Director of Finance  
Mr. Matt Robertson, Director of Communications  
Ms. Lorna Huff, Executive Assistant to the Board

Fairfax County  
Representative: Mr. Shahram Mohsenin, Division Chief  
Wastewater Planning and Monitoring Division

City Representative: Ms. Erin Bevis-Carver, Division Chief,  
Sanitary Infrastructure Division (participated remotely via Teams)

Consultants: Ms. Sarah Frey, Director, PFM Financial Advisors, LLC

1. Call to Order

The Chair called the meeting to order at 6:00 p.m. Ms. Hammer is participating remotely via Microsoft Teams.

2. Approval of Agenda

The Chair requested that members review the agenda. There being no changes, Mr. Jinks moved approval and Mr. Beall 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 May 18, 2024 Public hearing and May 21, 2024 Regular Board of Directors meeting. There being no questions or comments on the Consent Agenda, the Chair requested a motion to approve. Mr. Beall moved and Ms. Caldarelli seconded. The Board unanimously approved.

## 5. Member and Committee Updates

### a. Community Meetings

Nothing to report.

### b. Finance and Audit Committee

The Board will adopt the FY2025 Operating and Capital Budget at tonight's meeting.

### c. Governance Committee

Nothing to report. Mr. Hill noted that the Board will choose a slate of officers and hold elections at the July meeting.

### d. Board Retreat

The Chair recognized Mr. Carl who reported the Retreat is scheduled for February 7- 8, 2025. The focus will be on rate design. Staff will have Board prep work available in September.

## 6. Unfinished Business

### a. Lifeline Emergency Assistance Program (LEAP) Update

Mr. Carl reported that members requested that staff provide monthly data on LEAP enrollment and usage. The dashboard will show the amount of funds expended to date, the number of customers assisted, and the number of service disconnections due to nonpayment. The dashboard will also track the current number of delinquencies overlaid with SNAP data.

Mr. Jinks requested that staff coordinate with the City's Housing Authority about upcoming disconnections. Mr. Carl reported that a meeting has already been scheduled. Mr. Carl requested that members provide feedback and note information and data they would like to see included.

Mr. Robertson provided an update on LEAP, reporting that AlexRenew has promoted LEAP in bill inserts and emails. Customer response has been less than expected with seven customers having responded. To date, none have followed through with the application process. Staff continues customer outreach. Service disconnections may also prompt customer responses as second round notices were mailed this week. Promise has a campaign to encourage payment plans for customers in arrears.

The Chair asked about service disconnections. Mr. Robertson reported that service disconnections are not expected until July.

The CEO reported that staff met with local wastewater authorities (Loudoun and Prince William) for information on their non-rate revenue customer assistance programs (CAP). These Authorities are using about half of their funds year over year.

Ms. Waters noted that staff asked about the participation rate, noting that the Authorities have streamlined the program requirements with no maximum income criteria. The lower participation rate may be due to multi-residential housing units not passing on information on the programs.

Mr. Jinks asked about their program funding. Ms. Waters reported they mentioned donations, and they also partner with SERVE of Northern Virginia.

Mr. Carl reported the initial purpose of the call was to discuss legislation on using rate revenue

for funding these programs. Neither entity had any interest in using rate revenue or funding a CAP.

There were no additional questions or comments and the Chair moved to Green Bonds.

b. Summary of Green Bonds.

Mr. Carl recognized Ms. Feehan who reported that on June 5, AlexRenew sold Green Bonds to fund upcoming capital projects to upgrade preliminary and primary systems, tertiary systems and solids systems.

Ms. Frey reported that AlexRenew had a successful bond sale, with bonds anticipated to close on June 25. The financing was \$50.5 million with a 4.17% interest rate. The bonds will be repaid over 30 years. Staff reviewed WIFIA and VRA Pooled Bonds with both alternatives having greater impact to debt service. There is a debt service impact of \$1.0 million over the life of the bond. Staff has three (3) years to use the funds.

Members discussed the pros and cons of the bond funding alternatives and using in- house staff vs. outside sources.

There were no additional questions or comments. The Chair moved to AlexRenew's FY2025 Operating and Capital Budget.

c. Review and Approve FY2025 Operating and Capital Budget

The Chair recognized Mr. Jinks who reported on the process for arriving at the approval of the FY2025 Operating and Capital Budget. He noted 17 pages of questions and answers that are posted on the AlexRenew website, noting the Budget has received a thorough review as part of the Board's due diligence. The Board held a public hearing with no public comment or correspondence received. He commended staff on the Budget. The Chair concurred and commended Mr. Jinks on his role. Mr. Jinks moved that the Board approve the FY2025 Operating and Capital Budget. Ms. Caldarelli seconded. The Board unanimously approved.

d. Review and Approve the FY2025 Changes to Rates, Rules and Regulations

The Chair recognized Mr. Jinks who reported that the Budget sets up the rates. Due to the increased cost of RiverRenew and to ensure that staff compensation stays competitive, a rate increase is required that is reflected in the Rates, Rules, and Regulations. One public speaker over the last year requested a change to the Winter Quarter Average (WQA). Staff reviewed the request and the revised WQA has been incorporated into the proposed Rates, Rules, and Regulations. The Chair commented that the description of the WQA on page 3 is well written. Mr. Carl reported the enclosed FAQs will be posted to the website on July 1, when the new rates go into effect. Mr. Jinks moved that the Board approve the revised Rates, Rules, and Regulations for FY2025. Mr. Beall seconded; the Board unanimously approved.

7. New Business

a. Review and Approve Board Compensation Philosophy

Mr. Carl reported that in April staff provided an overview of AlexRenew's 2024 compensation study. Staff wanted to revise the 2010 Compensation Philosophy based on the new study. The primary reason for the revision was to incorporate AlexRenew's benefits plan into the Philosophy. There is no time sensitivity to Board review of the Philosophy and Mr. Carl noted that members could take additional time to review.

Members requested additional time to review. Mr. Beall requested that it be added to the

Agenda for next month.

b. Review and Approve New Delegation of Authority

The Chair asked if members would like additional time to review the revised Delegation of Authority. Mr. Jinks requested that the revised policy be tabled pending additional review. The Chair concurred.

There being no additional questions or comments, the Chair moved to the Presentation on Preliminary and Primary Solids Upgrade Project.

c. Presentation on Preliminary and Primary Solids Upgrade Project.

Ms. Glapion provided an overview of the Preliminary and Primary Systems Upgrade project. She noted the process and equipment comprising the system, the need for coordination to maintain plant operations, limited spacing, and construction to the Alexandria Burn Building on the premises, and City DSUP considerations. The total project budget is \$84.5 million at the current 0.5-2% design phase. She reviewed the project schedule noting the project is being procured under the Construction Management At-Risk (CMAR) contract. The contract will go to the Board for approval at the July 16 meeting, with staff wanting to award on the following day. Ms. Glapion reviewed the benefits of the CMAR and contractor evaluation criteria.

Members discussed the project and next steps. There were no additional questions or comments and the Chair moved to AlexRenew's Monthly Outcomes Report.

8. AlexRenew Monthly Outcomes Update

a. Discussion.

The Chair recognized Mr. Carl who noted that the lease agreement with the City of Alexandria for use of a portion of the Environmental Center 5<sup>th</sup> floor will go to City Council on June 25 for approval. Mr. Carl will circulate a copy of the lease agreement after this meeting. The Board will take official action at the next meeting.

The Chair requested that Table 2.3 (a) and (b) on Cash Reserves be returned to the Monthly Outcomes Report. Mr. Robertson noted an increase in active payment plans for delinquent customers from 243 since May that was in the Board Report to 295. Staff will break out the commercial customers to determine which are multi-family.

The Chair recognized Mr. Mohsenin who asked if Fairfax County was eligible to receive non ratepayer revenue generation of joint use facilities. Mr. Carl reported that there is a separate cost share agreement for the Environmental Center. Staff will follow up with an email to advise on the Agreement.

RiverRenew Dashboard

Mr. Carl referenced page 2 and noted that AlexRenew has an additional 40 piles to drive at the Pendleton Street site. This is expected to be completed in approximately one month. Staff is performing outreach this week and will discuss at the upcoming SAG meeting.

Mr. Carl referenced page 6 and noted that as attendance dwindles at AlexRenew's Sip and Sees at Hoofs Run and Royal Streets, staff will discontinue the gatherings in July. Staff will discuss this with the SAG. Sip and Sees will continue on Pendleton until pile driving is completed. Mr. Jinks asked about vibration complaints. Mr. Carl reported that none had been received.

There being no additional questions or comments, the Chair requested a motion to adjourn. Ms. Caldarelli moved and Mr. Beall seconded. The Board unanimously approved.

The meeting adjourned at 7:28 p.m.

APPROVED:



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Secretary-Treasurer