

Monday, April 7, 2025 – 5:30 p.m.

Board of Directors Governance Committee 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 Lorna Huff, 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. If you need an interpreter, translator, materials in alternate formats or other accommodations to access this service, activity or program, contact the Board Executive Assistant at least three business days prior to the meeting.

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

No.	Time	Item	Presenter	Action
1.	5:30 p.m.	Call to Order	Chair	
2.	5:32 p.m.	Approval of Agenda	Chair	Motion
3.	5:35 p.m.	Public Comment Period	Chair	
4.	5:45 p.m.	Consent Agenda	Chair	Motion
		a. Minutes from October 28, 2024 meeting (Tab 1)		
5.	5:50 p.m.	Unfinished Business		
		a. Status Updates on October 28 Action Items (Tab 2)		
		b. Current Board Composition Matrix (Tab 3)		
6.	6:05 p.m.	Annual Board Governance Training (Tab 4)	General Counsel	Information
7.	6:40 p.m.	Board Administrative Items	Chair	Information
		a. 2026 Board Retreat Theme (Tab 5)		
		b. Board Continuing Education Ideas (Tab 6)		
		c. October Governance Meeting Agenda Items		
		i. Paperless Meetings		
		ii. Board Composition Matrix		
		iii. Feedback on January 21 Community Outreach Presentation		
8.	7:15 p.m.	Board Policies	Chair	Information
		a. New Rate-Setting Policy (Tab 7)		
		b. Updated Community Benefit Policy (Tab 8)		
9.	7:45 p.m.	Adjourn	Chair	

Times shown are approximate start times and serve as guidelines.

Minutes of the AlexRenew Governance Committee Meeting
Monday, October 28, 2024
5:30 p.m.

On Monday, October 28, 2024, at 5:30 p.m., the AlexRenew Board of Directors held a Governance Committee meeting in the Ed Semonian Board Room at 1800 Limerick Street and broadcast via Microsoft Teams with the following present:

Members: Mr. James Beall, Committee Chair (Chair)
Mr. John Hill, Board Chair, Ex Officio
Ms. Rebecca Hammer, Committee Member
Mr. Mark Jinks, Board Member
Dr. Moussa Wone, Board Member

Staff: Mr. Justin Carl, General Manager and CEO
Ms. Amanda Waters, General Counsel and Deputy GM
Ms. Lorna Huff, Executive Assistant to the Board and CEO

1. Call to Order

The Chair called the meeting to order at 5:32 p.m.

Mr. Beall reported that while the Board Chair is in his ex-officio capacity and other members are in attendance, only Committee members - Mr. Beall and Ms. Hammer - can vote to advance items to the full Board.

2. Approval of Agenda

The Chair requested a motion to approve the Agenda as mailed. Ms. Hammer moved and Mr. Beall seconded. The Committee unanimously approved.

3. Public Comment

There being no members of the public in attendance, the Chair closed the public comment period.

4. Consent Agenda

The Chair requested that members review the September 18, 2023 meeting minutes. There being no edits or comments, Ms. Hammer moved approval of the minutes. Mr. Beall seconded. The Committee unanimously approved.

5. 2024 Board Self-Assessment Summary

The Committee and full Board discussed the Board Self-Assessment and reviewed Board Administrative Items. The following action items were developed for staff:

- a. Develop a Board retreat agenda around the theme of succession planning and Board recruitment for current and new Board of Directors members.
- b. Develop Board recruitment policy.
- c. Develop a process for regular CEO performance reviews.
- d. Present community outreach plan and discuss approaches for Board members to be effective conduits to the community.
- e. Develop alternative layout for the board room to foster better collaboration among members.
- f. Develop two team building/educational opportunities for the Board outside of the Board Retreat.
- g. Add legislative tracking of General Assembly initiatives to the monthly report.

- h. Present options for paperless meetings.
- i. Provide members with updates on climate change and sustainability.
- j. Update annual ranking of Board member areas of expertise.
- k. Ensure Board action item memos are fully supported – minimize the potential for questions, educate the public, and ensure the intent and purpose is well defined.
- l. Introduce staff at meetings.

Mr. Carl will provide the Board with a formal list of actions from tonight's meeting for member review. There were no additional questions or comments, and the Committee Chair requested a motion to adjourn. Ms. Hammer seconded. The Committee unanimously approved.

The meeting adjourned at 7:32 p.m.

APPROVED

Committee Chair

October 28 Governance Meeting Action Items – Updates for April 7 Governance Committee Meeting

Item	Description	Action	Responsibility	Due	Status
1	Succession Planning and Board Recruitment	Develop agenda for 2026 Board Retreat around this theme	All	Apr Governance Meeting	Moved to 2027
		Develop Board Recruitment Policy	All	2026 Board Retreat	—
2	CEO Oversight	Develop process for regular review of CEO performance	Governance Committee	Apr Governance Meeting	Complete
3	Board's Role in Community Outreach	Present community outreach plan	Staff	Jan Board Meeting	Complete
		Discuss approaches to be an effective conduit to the community	Board	Ongoing	On April 7 agenda
4	Board Room Layout	Develop alternative layout for board room to foster collaborative discussions	Staff	Jan Board Meeting	Complete
5	Teambuilding	Develop 2 teambuilding opportunities for the Board to participate in each year	Staff	Apr Governance Meeting	On April 7 agenda
		Attend UMC Conference	2 Board Members	Feb 11-14, 2025	Complete
6	CliftonStrengths	Connect Dr. Wone with Sally Magee to complete CliftonStrengths Assessment	Staff	Complete	Complete

		Present new CliftonStrengths Summary and Team Grid to Board	Staff	Following assessment completion	On April 7 agenda
7	Monthly Report	Add tracking matrix of key General Assembly initiatives	Staff	Jan 2025	Complete
		Spend sufficient time on Monthly Report and RiverRenew Dashboard	Staff	Nov Board Meeting	Ongoing
8	Paperless Meetings	Present potential options	Staff	Apr Governance Meeting	Moved to Oct Governance Agenda
9	Climate Change and Sustainability	Present climate change updates	Staff	Apr Board Meeting	Scheduled for April
		Present sustainability updates		May Board Meeting	Scheduled for May
10	Payment Assistance Program	Gain alignment	Board	Ongoing	Ongoing
11	Board Composition Matrix	Update annually with rankings of all areas of expertise (1-14) – add revised CliftonStrengths Summary and Team Grid	Staff	Oct Governance Meeting	Scheduled for Oct
		Expand categories	Governance Committee	Apr Governance Meeting	
12	Other	Ensure Board memo recommendations are fully supported – minimize the potential for questions,	Staff	As needed	Ongoing

	educate the public, and ensure the intent and purpose is well defined and explained			
	Celebrate wins	All	Informally	Ongoing
	Introduce staff at meetings	Staff	As needed	Ongoing



2025 Board Composition Matrix

AlexRenew Board of Directors

April 7, 2025

Overview

AlexRenew's Board of Directors strives to strategically maintain diverse attributes, backgrounds, experiences, perspectives, and skills to conduct its governing functions. By completing this self-assessment matrix, each Board member will help identify opportunities for continued Board growth.

The matrix is organized into two main parts: Areas of Expertise and CliftonStrengths. Board members should rank their top five (5) most proficient areas in Areas of Expertise, with #1 being the most proficient area. The top 5 CliftonStrengths for each Board member are included in the matrix. Figures 1 and 2 further summarize the Board's CliftonStrengths results.

Definitions

Areas of Expertise

Strategic Planning	Ability to meaningfully contribute to the development and implementation of a long-term strategic vision that guides an organization towards achieving its goals and objectives.
Governance	Understands governance principles, legal requirements, and ethical standards.
Financial Oversight	Expertise managing or overseeing the management of municipal financial resources, including budgeting, independent audit oversight, public financing, and rate setting.
Investment Management	Experience overseeing a public organization's investment strategies and portfolios.
Public Procurement	Understands public procurement rules and regulations and types of public procurement methods, including design-build.
Engineering	Has a background in environmental, civil, mechanical engineering or field related to wastewater treatment.
Wastewater Operations	Knowledge and/or experience with wastewater facility operations and maintenance, including the overall functions of AlexRenew's assets.
Technology/IT	Understands the technologies related to the automation of wastewater treatment, cybersecurity, and/or advancements in artificial intelligence.
Regulatory Compliance	Understands the history, drivers, and regulations associated with the Clean Water Act, National Pollution Discharge Elimination System, and other pertinent state and federal water quality regulations.
Local Government	Experience with municipal government operations.

State Government	Experience or strong network with Virginia state government operations including the General Assembly. Ability to influence decisionmakers.
Sector Knowledge	Understands the public wastewater industry in which AlexRenew operates.
Community Involvement	Experience working with, and listening to, communities within Alexandria to build long-term relationships and develop meaningful solutions to complex issues.
Non-Profit/Religious	Experience with local non-profit organizations with missions that align with AlexRenew's vision and mission.
<u>Clifton Strengths Domains</u>	
Strategic Thinking	People with dominant Strategic Thinking themes absorb and analyze information that informs better decisions. These themes help people know the facts about what has happened, what is happening, and what is the best way forward.
Influencing	People with dominant Influencing themes take charge, speak up, and make sure others are heard. These themes help people take the What and provide the Why, giving motivation and energy to move forward.
Relationship Building	People with dominant Relationship Building themes build stronger relationships that hold a team together and make it greater than the sum of its parts. These themes help people understand who to involve and who is best for each task.
Executing	People with dominant Executing themes make things happen. These themes help people understand the details and know exactly how it should be done, then they see it through to completion.

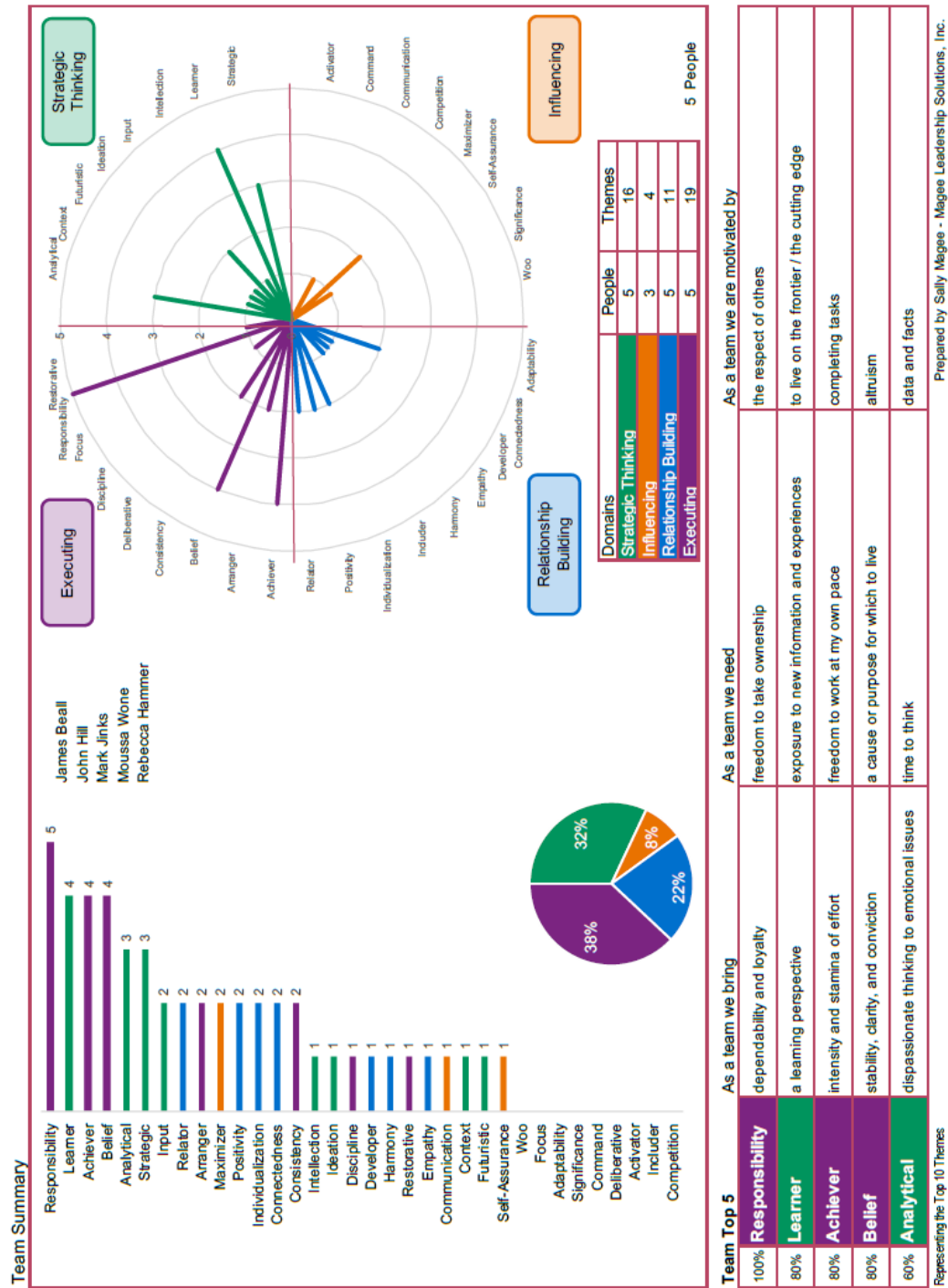


Figure 1. AlexRenew Board CliftonStrengths Team Summary

Board of Directors: Team Grid

Team Strengths Grid																												Prepared by Sally Magee - Magee Leadership Solutions, Inc.														
Strategic Thinking														Influencing					Relationship Building					Executing																		
32% 5 People					16									8% 3 People					4					22% 5 People					11					38% 5 People					19			
Analytical	Context	Futuristic	Ideation	Input	Intlection	Learner	Strategic	Activator	Command	Communication	Competition	Maximizer	Self-Assurance	Significance	Woo	Adaptability	Connectedness	Developer	Empathy	Harmony	Includer	Individualization	Positivity	Relator	Achiever	Arranger	Belief	Consistency	Deliberative	Discipline	Focus	Responsibility	Restorative									
5 People	3	1	1	1	2	1	4	3	0	0	1	0	2	1	0	0	0	2	1	1	1	0	2	2	2	4	2	4	2	0	1	0	5	1								
Name																																										
James Beall	6			2	7	9					5						8								3	4	10						1									
John Hill		9			2	1											10						4	3	5	6	7						8									
Mark Jinks	2		3		1	6							10						6	4	8				9		4						7	5								
Rebecca Hammer				1	2					7		5																		10		3										
Moussa Wone	3	7				1												4				10	2	6				8	9				5									



Figure 2. AlexRenew Board Top 10 CliftonStrengths

AlexRenew Board of Directors Composition Matrix
April 2025

	JOHN HILL	JAMES BEALL	MARK JINKS	BECKY HAMMER	MOUSSA WONE
# Years on Board	13	9	2	2	0
Original Appointment	1/24/12	3/8/16	9/13/22	6/14/23	10/8/24
Re-elected	1/10/23	1/14/25	N/A	N/A	N/A
Term Expiration	1/31/27	1/31/29	9/30/26	6/30/27	10/31/28
Officer	Chair	Vice Chair	Member	Sec'y Treas	Member
Committee	Ex-officio	Governance (C)	Finance (C)	Governance	Finance
Neighborhood	Rosemont	Del Ray	Taylor Run	Del Ray	West End
Gender Identity	Male	Male	Male	Female	Male
Age					
18-27					
28-43				×	
44-59					
60-69	×	×			×
70-78			×		
79-96					
Race/Ethnicity	White	White	White	White	Black
Areas of Expertise (Top 5)					
Strategic Planning	1		5	4	
Governance	3	3	2		
Financial Oversight	2		1		5
Investment Management			4		
Public Procurement		2			2
Engineering		1			1
Wastewater Operations				5	
Technology/IT					
Regulatory Compliance				1	3
Local Government	5	5	3		
State Government					
Sector Knowledge				2	4
Community Involvement	4			3	
Non-profit/Religious		4			
Clifton Top 5 Strengths					
1	Strategic	Responsibility	Learner	Input	Learner
2	Learner	Input	Analytical	Intellection	Relator
3	Relator	Achiever	Ideation	Discipline	Analytical
4	Positivity	Arranger	Belief	Harmony	Developer
5	Achiever	Maximizer	Restorative	Maximizer	Responsibility

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Annual Board Governance Training Outline

1. Training Objectives

- 1.1. Refresh on Legal and Governance Frameworks
- 1.2. Ensure effective, transparent, and ethical board operations

2. Corporate Charter/Enabling Statute

2.1. Creation

- 2.1.1. Virginia Water and Waste Authorities Act
- 2.1.2. City Ordinance
- 2.1.3. State Corporation Commission

2.2. Type/Structure

- 2.2.1. Public Body Politic and Corporate

2.3. Purpose/Scope of Authority

3. Legal Framework

3.1. Dillon Rule

3.2. VA Authorities Act Key Provisions (Table Summary)

3.3. VA Conflict of Interests Act

3.4. VA Freedom of Information Act

3.5. VA Open Records Act

3.6. VA Public Procurement Act

4. Governance Documents

4.1. Articles of Incorporation

4.2. Bylaws

5. Board Meetings/Parliamentary Procedure

6. Board Roles and Responsibilities

7. Staff Roles and Responsibilities

8. Board Committees

9. Board Policies



2026 ANNUAL BOARD RETREAT PROPOSAL

BOARD OF DIRECTORS GOVERNANCE MEETING | APRIL 7, 2025

Day 1

Teambuilding

Friday in January or February
12-5 p.m. (lunch provided)



Icebreaker

- AlexRenew Jeopardy
- Facilitation by Amanda Waters



Strengths Refresh

- New Board member
- Facilitation by Sally Magee



Teambuilding Challenge

- Building Momentum
- Catapult competition



Day 2

RiverRenew Preview

Saturday in January or February
8 a.m.-5 p.m. (breakfast and lunch provided)



Classroom session

- Regulatory drivers
- System operation
- Monitoring and reporting requirements



Diversion Facility tour



Pumping Station tour

- Dewatering pumping station
- Wet weather pumping station
- Screening facility



Superstructure tour

- Monitoring and data collection
- Electrical and mechanical
- LEED elements














BOARD CONTINUING EDUCATION IDEAS

BOARD OF DIRECTORS GOVERNANCE MEETING | APRIL 7, 2025

CONTINUING EDUCATION IDEAS 1/3

\$8,000

Annual Board continuing education budget

-  Conference
-  Leadership
-  Committee
-  Board Training
-  Other
-  In-person
-  Virtual

UTILITY MANAGEMENT CONFERENCE

Water Environment Federation/AWWA



\$3,500

March 24-27, 2026
Charlotte, NC

A leading, prestigious event for water and wastewater managers and professionals to share experiences, learn about the latest approaches, and network, focusing on all aspects of utility management.

<https://www.awwa.org/event/awwa-wef-utility-management-conference/#attend>

VML ANNUAL CONFERENCE

Virginia Municipal League



\$2,000

October 12-13, 2025
Roanoke, VA

The Virginia Municipal League (VML) is a statewide, nonprofit, nonpartisan association that supports local governments through legislative advocacy, research, education and other services. The VML Annual Conference features general sessions with political leaders, nationally-known speakers, and local government experts; workshops focused on a variety of local government issues; innovation; and networking.

<https://www.vml.org/>

VIRGINIA NATURAL RESOURCES LEADERSHIP INSTITUTE

Cooper Center




\$8,500

3-day sessions, location varies
Applications open in March 2025

Professional development program for leaders confronted with Virginia's most pressing natural resource issues.

<https://vnrli.iien.virginia.edu/>

CONTINUING EDUCATION IDEAS 2/3

-  Conference
-  Leadership
-  Committee
-  Board Training
-  Other
-  In-person
-  Virtual

LEADERSHIP TRAINING WITH LOCAL GOVERNMENT PEERS

Virginia Municipal League



\$2,000

April 28, August 11, September 15 (12 weeks)

The GovExec Leadership Academy includes innovative, completely online programs created to equip frontline government professionals with practical leadership skills to deliver results for their organizations and communities.

<https://www.vml.org/Resources/News-Board/leadership-training-with-local-government-peers>

CHESAPEAKE BAY & WATER RESOURCES POLICY COMMITTEE

Metropolitan Washington Council of Governments



\$1,000

Third Friday in January, March, May, July, September and November
10 a.m. – 12 p.m.

The CBPC tracks developments under the federal-state Chesapeake Bay Program for implications to local governments and recommends Bay-related policies to the Board.

<https://www.mwcog.org/committees/chesapeake-bay-and-water-resources-policy-committee/>

CERTIFICATE OF NONPROFIT BOARD EDUCATION

BoardSource





\$3,300

Date: Flexible – Members can register and take when they would like

Four-module, on-demand program designed around being an impactful and effective nonprofit board member.

<https://boardsource.org/board-support/training-education/leadership-certificate-programs/certificate-nonprofit-board-education/>

CONTINUING EDUCATION IDEAS 3/3

-  Conference
-  Leadership
-  Committee
-  Board Training
-  Other
-  In-person
-  Virtual

BOARD ACADEMY

Center for Nonprofit Excellence  \$3,800

January-May, Annually

“Virginia’s Premier Board Development Program” that prepares community members for board and committee service in nonprofits, municipal government, and community organizations.

<https://thecne.org/board-academy/>

ENVIRONMENT VIRGINIA SYMPOSIUM

Virginia Military Institute  \$1,100


April 8-10, 2025

Lexington, VA

Virginia conference that brings together professionals to create better results for the environment.

<https://vmieva.cventevents.com/event/bdb0e501-8619-478e-84cd-26d6f3e1f377/home>

GUEST SPEAKERS

AlexRenew Board of Directors Meetings  \$0

Third Tuesday of every month, except August

6 p.m. – 8 p.m.

Guest speakers at regularly scheduled AlexRenew Board of Directors meetings – local government; state, regional, and national associations (e.g. City of Alexandria, Chesapeake Bay Foundation, ALXChamber, etc.)

SITE TOURS

AlexRenew Water Resource Recovery Facility  \$0

Tours of wastewater treatment processes: Biological Nutrient Removal and Laboratory, Headworks, Tertiary Systems



Rate-setting Policy

Date of Adoption: April 15, 2025

Date of Revision:

Page 1 of 6

I. Policy Statement

As a public authority in the Commonwealth of Virginia, AlexRenew must fully and equitably recover all costs of operating, maintaining, and expanding our wastewater infrastructure through our customers' wastewater bills. This Rate-setting Policy (policy) provides transparency and accountability to our customers, demonstrating our commitment to sound financial management, compliance, and responsible stewardship of public resources.

II. Policy Purpose

The purpose of this policy is to set forth prudent, consistent, and industry generally accepted methodologies for rate-setting. This policy outlines AlexRenew's rate-setting objectives, administration requirements, process for the establishment of a rate structure, and guidelines for setting rates, fees, and charges.

III. Rate-setting Objectives

This policy is governed by a broad range of rate-setting objectives that reflect the values and goals of the organization. These objectives support AlexRenew's unique positioning, characteristics, and needs as a wastewater authority in Alexandria, Virginia and serve to ensure that the rate-setting process reflects the organization's priorities.

- A. **Legality.** AlexRenew's rates will be consistent with local and state statutes and be within accepted practice and water industry standards.
- B. **Revenue Sufficiency.** AlexRenew's rates will ensure that adequate revenues are generated through rates to cover all operational costs, maintenance, and investments in infrastructure.
- C. **Revenue Stability.** AlexRenew's rates will generate stable and predictable revenues from year to year with a minimum of unexpected changes.
- D. **Rate Stability.** To the extent practicable, AlexRenew will seek to avoid drastic year-to-year rate adjustments.
- E. **Affordability.** AlexRenew aims to set affordable rates for all households and provide payment assistance programs for those struggling to pay their wastewater bill.
- F. **Equitable, Fair, and Reasonable Rates.** AlexRenew will strive for rate equity among customers, customer classes, and between existing and future customers.
- G. **Minimization of Customer Impacts.** When establishing a new rate structure, AlexRenew will evaluate and work to mitigate potential impacts on different customers and customer classes prior to implementation.

- H. **Conservation.** When establishing a rate structure, AlexRenew will consider ratios between fixed and variable cost recovery to encourage conservation of water among its customers.
- I. **Simplicity and Ease of Understanding.** AlexRenew's rates and associated communications will be presented in a straightforward manner, ensuring complete understanding by customers and stakeholders.
- J. **Implementation.** When establishing a rate structure, AlexRenew will consider challenges and difficulty associated with its implementation. This could include the availability of data, the ability to modify the customer billing system, changes to procedures and policies, and the additional effort to perform future rate adjustments.

IV. Administration

AlexRenew was created by and operates pursuant to the Virginia Water and Waste Authorities Act (Authorities Act). AlexRenew's rates are governed by the Authorities Act and AlexRenew's 1999 Master Indenture of Trust (Master Indenture). The Authorities Act requires that rates set by AlexRenew be *just and equitable, fair, and reasonable* and also identifies factors that may be used to set rates in § 15.2-5136 of the Act, which states:

- C. *Rates, fees, and charges for the services of a sewer ...system shall be just and equitable, and may be based upon:*
 - 1. *The quantity of water used or the number and size of sewer connections;*
 - 2. *The number and kind of plumbing fixtures in use in the premises connected with the sewer or sewage disposal system;*
 - 3. *The number or average number of persons residing or working in or otherwise connected with such premises or the type or character of such premises;*
 - 4. *Any other factor affecting the use of the facilities furnished; or*
 - 5. *Any combination of the foregoing factors.*
- D. *Water and sewer rates, fees and charges established by any authority shall be fair and reasonable. An authority may charge fair and reasonable rates, fees, and charges to create reserves for expansion of its water and sewer or sewage disposal systems. Such rates, fees, and charges shall be reviewed by the authority periodically and shall be adjusted, if necessary, to assure that they continue to be fair and reasonable...*

AlexRenew's Master Indenture prohibits the provision of free service and requires AlexRenew to charge its customers for furnishing any services associated with the use of its wastewater infrastructure.

The review and adoption of rates, fees, or charges by AlexRenew's Board of Directors will be conducted in accordance with §15.2-5136 of Virginia Code for public notice and public hearing procedures. Any changes in rates, fees, or charges will be reflected in revisions to AlexRenew's Rates, Rules, and Regulations.

V. Establishment of a Rate Structure

AlexRenew's rate structure is based on industry recognized generally accepted methodologies (see References section) and includes the following major steps:

- Forecast Demand Analysis;
- Revenue Requirements Analysis;
- Cost of Service Determination; and
- Rate Structure Design.

A. Forecast Demand Analysis

The first step in establishing a rate structure at AlexRenew is to project customer demand. This includes a historical review of customer data and billed wastewater flows to inform projections of future growth and demand. The analysis identifies trends to determine reasonable forecasts for the future and serves as the basis to estimate revenues.

B. Revenue Requirements Analysis

This second step provides a projection of AlexRenew's net revenue requirements for a defined timeframe. Net revenue requirements are the revenue needed from rates to make up the difference between total costs (operating expenses, debt services, and capital outlay) and non-rate revenue (wholesale customer capital and operating contributions and general capital proceeds). The net revenue requirements must fully consider AlexRenew's Financial Policy obligations, including days cash on hand and debt service coverage.

C. Cost of Service Determination

This third step allocates revenue requirements to customers based on their demands of AlexRenew's wastewater infrastructure and accounts for customer classes and usage characteristics.

D. Rate Structure Design

The development of rate structure designs uses results from the revenue requirements analysis and cost of service determination to establish the target level of revenues for each customer class. This step includes customer bill impact analysis, using a representative sample that illustrates the general impacts to customers for a range of usage levels, including seasonal use.

VI. Rate Adjustment Recommendations

During the annual fiscal year budget process and on an emergency basis, if needed, an analysis will be performed to ensure that projected revenues are adequate to meet proposed expenses. If revenues are not sufficient for the proposed expenses, staff will develop a rate adjustment recommendation to increase rates for consideration by the Board.

Without amending this policy, the Board may adopt a rate recommendation that covers up to five (5) fiscal years. Any rate recommendation adopted over several years will be reevaluated in parallel with the annual fiscal year budget process.

VII. Miscellaneous Policies, Fees, and Charges

A. Winter Quarter Average

Individually metered residential single-family customers may use water for outdoor uses such as irrigation and other landscaping needs during non-winter months. This flow does not typically enter

the wastewater collection system; as such, wastewater charges for residential customers are based on water used during the winter quarter. This method is used to obtain a more representative measure of indoor water use that better approximates the true quantity of wastewater entering the wastewater collection system from the individually metered residential single-family customer's premise for treatment and disposal by AlexRenew.

AlexRenew's winter quarter average is structured as follows:

1. The individually metered residential single-family customer's monthly wastewater treatment charges (variable rate) are based on water meter readings at the customer's premise.
2. Individually metered residential single-family customers are billed wastewater treatment charges using a monthly wastewater treatment billing cap, determined annually.
3. The wastewater treatment billing cap per customer is based on the customer's average monthly metered water consumption (gallons), recognized on wastewater bills rendered during the winter quarter; defined as the months of December, January, and February.
4. The monthly wastewater treatment billing cap is not effective for wastewater bills rendered during the winter quarter.
5. A customer using less than 1,000 gallons per month or recording zero (0) water usage during any single month within the winter quarter will not be eligible for the billing cap. These customers will be billed based on their monthly metered water consumption (gallons).
6. If no wastewater bills are rendered to the customer for water service during the winter quarter, then the customer will be billed based on their monthly metered water consumption (gallons) up to a maximum of 12,000 gallons per month until a winter quarter average is established.

B. Reclaimed Water Rate

AlexRenew will set a reclaimed water rate based the volume of reclaimed water delivered to the customer's premise. All reclaimed water delivered to a customer will be metered.

C. Pretreatment Permit Fees

In accordance with federal and state regulations and City of Alexandria code, AlexRenew maintains and regulates an industrial pretreatment program. To recover costs associated with administering the pretreatment program, AlexRenew sets fees for permit applications and revisions, as well as annual fees for permitted significant and non-significant industrial users.

D. Deduct Meter Fee and Charges

AlexRenew operates a deduct meter program for commercial and industrial customers to account for wastewater flows that do not enter the collection system. These customers receive adjustments on their wastewater bills through the proper operation of the approved deduct meter(s).

AlexRenew administers a one-time deduct meter permit fee to cover the cost of an initial inspection and to update the customer's account. Additionally, AlexRenew charges fees to account for the administrative costs of monthly deduct meters readings. Additional charges may be imposed for accounts with deduct meters at different premises.

E. Other Charges

AlexRenew assesses charges for activation and termination of service. These include an activation fee for all customers opening a new AlexRenew account to establish or re-establish wastewater service. AlexRenew also assesses a fee to customers' whose water service has been disconnected for non-payment or for violation of the AlexRenew's Rates, Rules, and Regulations.

VIII. References


American Water Works Association. Principles of Water Rates, Fees, and Charges. 4th ed., American Water Works Association, 2000.

Raftelis, George A. Water and Wastewater Finance and Pricing: The Changing Landscape. CRC Press, 2015.

Water Environment Federation. Financing and Charges for Wastewater Systems. 4th ed., Water Environment Federation, 2018. Manual of Practice No. 27.

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City of Alexandria, Virginia Sanitation Authority Board Adopted Policy		
Title: Resolution on Rate Adjustment Principles		
Date of Adoption: February 19, 2019	Date of Revision: April 19, 2022	Page 1 of 1

WHEREAS Alexandria Renew Enterprises will continue to manage its operations and capital improvement budgets to ensure the sustainability of our operations; and

WHEREAS It is essential to ensure stakeholder understanding and engagement in rate setting actions; and

WHEREAS Alexandria Renew Enterprises rates should be developed so that they are described in straight-forward language, free of technical terminology, that can be readily understood by the public; and

WHEREAS To ensure financial strength that benefits our customers and community, Alexandria Renew Enterprises will plan for rate adjustments that create revenue stability and predictability; and

WHEREAS Alexandria Renew Enterprises will continue to partner with the City of Alexandria to provide best-in-class wastewater collection and treatment services, compliant with environmental requirements, at a reasonable cost to all our customers.

NOW, THEREFORE, The Board of Directors of Alexandria Renew Enterprises do hereby adopt the following principles for the development and consideration of rate changes.

1. Recovering our cost of service, with reasonable reserves, will be the foundation of our rate and fee design. Rate structures will be created to ensure that revenue is sustainable and predictable thereby satisfying rating agencies such that Alexandria Renew Enterprises maintains fiscal sustainability.
2. Alexandria Renew Enterprises will provide appropriate public notice of any rate changes that are contemplated by the board in a manner and with sufficient notice to allow for public participation. Our rates and rate change communications will be presented in a straightforward manner ensuring complete understanding by customers and stakeholders.
3. Our billing policies and procedures will allow for payment flexibility to assist those facing financial hardships while maintaining necessary and equitable revenues, within the restrictions of applicable Virginia Laws.
4. Notwithstanding situations beyond our control, Alexandria Renew Enterprises will diligently plan and project budget and capital requirements such that year to year rate adjustments do not impose drastic rate increases that unduly burden its customers.

The foregoing Resolution was adopted by the Alexandria Renew Board of Directors at its regular meeting held on February 19, 2019.

Community Benefit Policy

Date of Adoption: October 2014

Date of Revision: April 19, 2022, April
15, 2025

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I. Policy Statement

As a public authority in the Commonwealth of Virginia, AlexRenew is committed to integrating community benefits into its programs and initiatives. This policy affirms our dedication to creating lasting, positive impacts across all communities we serve, and supports the philosophy that fostering a strong relationship with the community is equally beneficial to AlexRenew.

II. Policy Purpose

The purpose of this policy is to establish and document the multiple benefits that AlexRenew provides to the community through its operations, programs, and initiatives. It aims to support community needs by guiding future decisions that can enhance those benefits and embedding the principles of an anchor institution within the organization.

III. AlexRenew as an Anchor Institution

The U.S. Environmental Protection Agency defines anchor institutions as organizations rooted in a specific location that have a long-term interest in the economic and social vitality of the surrounding community. Anchor institutions are often public service entities, like AlexRenew, who have a mission tied directly to the provision of critical services that increase the well-being of the community. Anchor institutions are also place-based; having a large physical infrastructure, such as AlexRenew's wastewater treatment plant, Environmental Center, pumping stations, sewer interceptors, and tunnel system.

As an anchor institution, AlexRenew embeds the following characteristics into our operations, programs, and initiatives:

- A. AlexRenew views itself as a member of the community and approaches challenges and opportunities with a collaborative mindset.
- B. AlexRenew leverages partnerships with like-minded entities that are also invested in the communities they serve.
- C. AlexRenew is committed to operating in the community long-term to achieve positive, lasting impacts.

IV. Community Benefit Goals

Community benefits are the positive social, economic, and environmental impacts that AlexRenew provides to the communities it serves. AlexRenew is committed to ensuring that these benefits are equitably distributed and responsive to community needs while investing in the health of our community and waterways.

AlexRenew will actively communicate and engage with the public to foster trust, improve service, and gain valuable insights into community needs as part of our ongoing operations, programs, and initiatives. These efforts also help the public better understand AlexRenew's purpose, operations, and challenges, leading to greater support for our programs and initiatives. AlexRenew will work to achieve the following community benefit goals in concert with its programs and initiatives:

- A. **Co-Benefits.** Identify and incorporate co-benefits into the planning and development of AlexRenew's facilities. Leverage space and resources to implement innovative solutions, promote sustainability initiatives, and minimize our environmental impact.
- B. **Education.** Support Science, Technology, Engineering, Arts, and Mathematics (STEAM) through events and initiatives in local schools; foster interest in water industry careers by hosting tours and presentations for students, community members, industry groups, and stakeholders; and produce educational materials that support AlexRenew's programs and initiatives.
- C. **History and Culture.** Promote an understanding of local history and culture as they relate to AlexRenew's programs and initiatives.
- D. **Community Collaboration and Volunteerism.** Partner with local organizations to advance shared goals and encourage volunteerism for AlexRenew employees within the community.
- E. **Public Health and Well-being.** Contribute to and support the City of Alexandria in its pursuit of community health goals through AlexRenew's programs and initiatives.
- F. **Workforce Recruitment and Development.** Invest in workforce development programs for employees and local hiring initiatives to help build a skilled talent pipeline, ensure a reliable and knowledgeable workforce for the future, while boosting local jobs and creating meaningful career opportunities.

Alexandria Renew Enterprises Board Adopted Policy

Title: Community Benefit Policy

**Date of
Adoption: October 2014**

**Date of
Revision: April 19, 2022**

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Alexandria Renew Enterprises affirms and commits to the goal of developing an inclusive and comprehensive community benefits program to better serve and foster our partnership with the communities in the City and to ensure that public benefits are shared across all communities.

Alexandria Renew acknowledges its responsibility to develop a community benefits program that is intentional in its participation and support programs and projects that are designed to benefit our City, is centrally coordinated within Alexandria Renew, applies to all of its operations and its activities in all service areas, and which is sustainable, transparent, measurable, and accessible by stakeholders and Alexandria Renew staff.

Alexandria Renew defines community benefits as those positive effects on a community that result from Alexandria Renew's operation and improvement of its wastewater services. Alexandria Renew seeks to be a good neighbor to all whose lives or neighborhoods are directly affected by its activities. Alexandria Renew has adopted a decision matrix analysis to guide its decisions, balancing Alexandria Renew's economic, environmental, employee, production and social equity goals, to promote sustainability and community benefits.

The Board of Directors of Alexandria Renew will devote sufficient resources to Alexandria Renew staff to achieve outcomes including:

- (1) Workforce development, including coordination of internal and external workforce programs and strategic recruitment, training, placement, and succession planning for current and future Alexandria Renew staff to ensure a skilled and diverse workforce;
- (2) Environmental programs and policies which preserve and expand clean, renewable water and energy resources, decrease pollution, reduce environmental impacts, and reward proposals for innovative and creative new environmental programs;
- (3) Economic development resulting from collaborative partnerships which promote contracting with local companies, hiring local workers, and providing efficient, renewable energy at reduced costs;
- (4) Support for arts and culture related to the Alexandria Renew's mission, goals and activities;
- (5) Educational programs;
- (6) Use of land in a way that maximizes health, environmental sustainability and innovative ideas;
- (7) Diversity and inclusion programs and initiatives;
- (8) In-kind contributions and volunteerism; and
- (9) Improvement in community health through Alexandria Renew activities, services and contributions.

In application of this policy to Alexandria Renew's operations, projects and activities, Alexandria Renew staff shall:

Develop and update a budget and staffing plan to implement and sustain the Community Benefits Program.

Develop an implementation strategy to review, analyze and coordinate community benefits initiatives and integrate these initiatives into an agency-wide Community Benefits Program. Develop and implement guidelines, metrics, and evaluation methodologies for existing and future community benefits initiatives.

Develop diverse and culturally competent communication strategies to ensure wide ranging discussion.