

Tuesday, June 17, 2025 – 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](#)

If you wish to provide public comment or a written statement, please contact Lorna Huff, Board Executive Assistant, at (703) 721-3500 ext. 2260 or [lorna.huff@alexrenew.com](mailto:lorna.huff@alexrenew.com) in advance of the meeting. If you need an interpreter, translator, materials in alternate format or other accommodation, 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](http://alexrenew.com) following its conclusion.

No.	Time	Item	Presenter	Action
1.	6:00 p.m.	Call to Order	Chair	
2.	6:02 p.m.	Approval of Agenda	Chair	Motion
3.	6:05 p.m.	Public Comment Period	Chair	
4.	6:10 p.m.	Consent Agenda	Chair	Motion
		a. Minutes from May 17, 2025 Public Hearing (Tab 1)		
		b. Minutes from May 20, 2025 meeting (Tab 2)		
5.	6:15 p.m.	Board Administrative Items	Chair	Information
		a. Board Calendar (Tab 3)		
		b. Finance & Audit Committee		
		c. Governance Committee		
		d. Board Elections – July Board meeting		
		e. Safety Month – SafeStart Story		
6.	6:25 p.m.	Unfinished Business	Chair	Motion
		a. Review and Approve Fiscal Year 2026 Operating and Capital Budget (Tab 4)		
		b. Review and Approve Fiscal Years 2026-2027 Rate Recommendation (Tab 5)		
		c. Review and Approve Revised Rate-setting Policy (Tab 6)		
7.	6:45 p.m.	New Business	Mr. Carl	Motion
		a. Review and Approve Contract 25-009 for Job Order Agreements (Tab 7)		
		b. Presentation on Headworks Renewal Amendments (Tab 8)		Information
		c. Presentation on Commonwealth Inflow and Infiltration Study Update (Tab 9)		
8.	7:30 p.m.	AlexRenew Monthly Report (Tab 10)	Mr. Carl	Information
9.	7:40 p.m.	Adjourn	Chair	

Times shown are approximate start times and serve as guidelines.

Minutes of a Public Hearing  
AlexRenew Board of Directors  
9:30 a.m., Saturday, May 17, 2025

On Saturday, May 17, 2025, the AlexRenew Board of Directors held a public hearing to receive comments on its Proposed FY2026 Operating and Capital Budget and FY2026 and FY2027 Resolution of Intent to Adopt and Change Certain Rates, Fees and Charges 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. Becky Hammer, Secretary-Treasurer  
                              Mr. Mark Jinks, Member

Absent:                 Dr. Moussa Wone, Member

Staff:                   Mr. Justin Carl, General Manager/CEO  
                              Ms. Caitlin Feehan, Chief Administrative Officer  
                              Mr. Lake Akinkugbe, Director of Finance  
                              Ms. Lorna Huff, Executive Assistant to the Board & CEO

1. Call to Order

The Chair called the meeting to order at 9:30 a.m.

2. Review of Process

The Chair reviewed the public hearing process requesting that members of the public wishing to make comments, sign-up on the sheet outside of the room. The Chair reported that all members of the public in attendance and wishing to speak will be provided the opportunity to do so and requested that participants follow the rules for public engagement as listed by the Chair.

3. Staff Presentation to the Board

The Chair recognized Mr. Carl, AlexRenew CEO and General Manager, who reported the proposed FY2026 Budget is \$258.3 million of which approximately \$200 million are attributed to capital infrastructure investments. The RiverRenew program, a state-mandated program, entering its 6<sup>th</sup> and final year of construction, accounts for approximately \$100 million of the capital investments. To support ongoing capital investments, staff is recommending rate adjustments for FY2026 and FY2027. These adjustments are needed to meet the General Assembly deadline and complete the project, which will prevent over 120 million gallons of combined sewage from entering local waterways.

Although AlexRenew's funding strategy for RiverRenew kept rate adjustments on the lower end of the initial projection in 2018, staff noted that rate adjustments can represent a significant burden on customers. To support customers, AlexRenew launched the Lifeline Emergency Assistance Program (LEAP) to provide customer assistance on paying their sewer bill. Each year a customer can get a bill credit up to \$1,000.

Mr. Carl thanked staff for their diligence in developing the budget and rate recommendation. He also thanked the Board for their thorough review and engagement during the budget and rate process.

Mr. Carl recognized Ms. Feehan and Mr. Akinkugbe to provide details on the proposed FY2026 Operating and Capital Budget and the FY2026 and FY2027 Rate Adjustment. Ms. Feehan noted that AlexRenew treats over 13 billion gallons of wastewater and serves a population of 300,000 people

across Alexandria, as well as portions of Fairfax County

Mr. Akinkugbe reviewed the proposed FY2026 Operating and Capital Budget of \$258.3 million. The total operating budget is \$40.9 million with \$39 million funding staff, utilities, and chemicals. The remaining \$1.9 million is to fund Arlington County's treatment of Alexandria flows.

The total capital budget is broken down by significant investments in the wastewater treatment plant for the headworks renewal and biosolids diversification projects, and Improvement, Replacement and Renewal (IRR). The proposed budget also includes approximately \$20 million for payments on existing debt to fund these capital projects.

Revenue includes \$120 million in debt proceeds and other funding sources and \$59 million from Fairfax County contributions. The proposed rate increase recommendation for FY2026 and FY2027 of 5% and 5.7%, respectively, RiverRenew accounts for over 60% of the increase.

Ms. Feehan reviewed the history of AlexRenew rate increases from 2020 through present. They reflect a series of rate increases implemented to primarily support the RiverRenew project. In 2025, AlexRenew implemented the LEAP program with \$60,000 distributed to over 80 customers.

The Chair asked about overflows during last night's storm. Mr. Carl reported that there was an overflow but it is uncertain whether RiverRenew would have prevented it due to incomplete information.

There being no additional questions or comments, the Chair moved to Public Testimony and comment.

#### 4. Public Testimony and Comment

The Chair noted that AlexRenew has received five (5) written statements on the proposed rate adjustment and summarized them as follows. Three were in opposition based on affordability concerns. Staff addressed the need and purpose of the proposed rate increases to the customers and in today's presentation and outlined AlexRenew's payment plans and LEAP program which provides a \$1,000 credit per year for customer need and assistance. One was in strong opposition to the proposed FY2026 and FY2027 rate recommendation, and one was a billing issue that was resolved in advance of this public hearing. In addition to the written statements, the Board Finance and Audit Committee submitted a written memo with comments and questions on the FY2026 budget. Members indicated that staff have provided acceptable responses and the memo which is provided to the public in today's meeting materials has been posted to AlexRenew.com with the associated budget materials.

The Chair asked if there were any members of the public in attendance in person or online wishing to provide comments.

There being no members of the public in attendance or online, the Chair closed the public hearing. The record is now closed for written comments. The Board will vote on AlexRenew's FY2026 Budget and FY2026 and FY2027 rate increases at the June 17, 2025 Board meeting.

There being no additional business, the Chair requested a motion to adjourn. Mr. Jinks moved and Mr. Beall seconded. The Board unanimously approved.

APPROVED:

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Secretary-Treasurer



Minutes of the 929<sup>th</sup> Meeting  
AlexRenew Board of Directors  
6:00 p.m., Tuesday, May 20, 2025

On Tuesday, May 20, 2025, 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  
Mr. Mark Jinks, Member  
Ms. Becky Hammer, Secretary-Treasurer  
Dr. Moussa Wone, Member

Absent: Mr. John Hill, Chair

Staff: Mr. Justin Carl, General Manager/CEO  
Ms. Amanda Waters, General Counsel/Deputy GM  
Ms. Caitlin Feehan, Chief Administrative Officer  
Mr. Lake Akinkugbe, Director of Finance  
Mr. Matt Robertson, Director of Communications  
Ms. Mallory Orme, Sustainability Manager  
Mr. Kevin Pilog, Engineering Manager  
Mr. Alex Rigby, Safety Manager  
Ms. Lorna Huff, Executive Assistant to the Board & CEO  
Mr. Jessyn Velazquez, Executive Assistant

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

City Representative: Ms. Erin Bevis-Carver, Chief T&ES/Sanitary Infrastructure Division

Consultants: Ms. Kelly Landry, Hazen and Sawyer  
Mr. Phill Yi, Hazen and Sawyer

1. Call to Order

The Chair was unable to attend tonight's meeting. The Vice Chair called the meeting to order at 6:01 p.m.

2. Approval of Agenda

There being no changes to the Agenda, the Vice Chair requested a motion to approve the Agenda. Mr. Jinks moved and Ms. Hammer seconded. The Board unanimously approved.

3. Public Comment Period

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

4. Consent Agenda

Members reviewed the Consent Agenda that contained the minutes from the April 15, 2025 meeting. There being no questions or comments, the Vice Chair moved to approve the Consent Agenda. Ms.

Hammer seconded. The Board unanimously approved.

## 5. Board Administrative Items

### a. Finance and Audit Committee - Mr. Jinks

Mr. Jinks reported that the Board held the Public Hearing on the Fiscal Year (FY) 2026 Operating and Capital Budget, and the FY2026 and FY2027 Rate Recommendation. He commended staff on their presentation which has been posted to the AlexRenew website and encouraged meeting attendees to review the presentation and revised budget document. He requested that future budgets include additional information on the flow of funds chart and 10-year Capital Improvement Program (CIP) financing.

Mr. Carl reported that the public hearing presentation has been posted to the AlexRenew website and is available in the customer service bill portal.

### b. Governance Committee –Mr. Beall

Mr. Beall reported that the next Governance Committee meeting has been scheduled for Tuesday, October 7, 2025 at 5:30 p.m.

### c. Board Calendar

The Vice Chair noted that Saturday, June 7, 2025, is the Hooffs Run Dedication Ceremony.

### Staff Introductions

Mr. Carl recognized the following staff who introduced themselves: Mr. Alex Rigby, Safety Manager, Ms. Mallory Orme, Sustainability Manager, and Ms. Kelly Landry, from Hazen and Sawyer.

Dr. Wone reported on the presentation of the Ellen Pickering Award at the Del Ray Garden Festival. He thanked staff and Mr. Carl for their work on his remarks.

## 6. Unfinished Business

### a. Presentation on Alternative Rate Structure Customer Analysis

Ms. Feehan reviewed the revised presentation on Alternative Rate Structure which was edited to include Board feedback and updated customer sample data.

The Vice Chair asked about the percentage of single-family customers compared to commercial and other public agency customers. Mr. Carl noted that staff would review the data and respond. Staff will complete the customer impact analysis for rate structure options and report back to the Board in July.

### b. Presentation on Overview of AlexRenew Late Fees

The Vice Chair recognized Mr. Robertson who reported on AlexRenew's Rates, Rules, and Regulations and certain provisions of the Virginia Water and Waste Authorities Act (Authorities Act) that allow AlexRenew to assess late fees not to exceed 10% on customer's last month past due balance. While late fees have produced revenue for AlexRenew, the primary purpose is to encourage on-time payment and to avoid disconnections. AlexRenew follows customer service best practices which include a 6-day grace period and waiving of late fees once a year upon a customer's request.

Mr. Jinks asked how late fees are applied after two consecutive months of late payments. Mr. Robertson reported that payments would go toward the oldest bill. After 60 days, AlexRenew

recommends the Lifeline Emergency Assistance Program (LEAP) and payment plans to avoid disconnection and additional late fees. If a customer has not signed up for a payment plan after 90 days, the account is eligible for disconnection. Members discussed late fees for apartments, and as non-rate revenue for AlexRenew.

Ms. Waters reported that we received preliminary advice from bond counsel that late fee revenue is treated as pledged revenue under the Master Indenture and must be applied through the revenue waterfall set forth in the Indenture. If funds remain after all required transfers to operating funds, debt service, and reserves, they go into the General Fund, which can be used at the organization's discretion. Staff will review the Authorities Act and accounting principles to see if restrictions exist.

Mr. Carl reported that the new language regarding late fees was included in the green folder. He requested that members review and provide feedback within 2 weeks.

## 7. New Business

### a. Presentation on AlexRenew's Safety Program.

Mr. Carl reported that AlexRenew has used a behavioral approach to safety through the SafeStart Program. June is AlexRenew's Safety Month where staff will participate in a competition and other safety related activities.

Mr. Rigby reported that the goal of AlexRenew's safety program is to ensure all employees go home safe every day. He reviewed AlexRenew's SafeStart Program and Safety Manual which includes training and meetings, first aid, and medical facility locations. All staff meetings begin with a safety minute and AlexRenew has implemented a Safety Specialist Program comprised of volunteers from across the organization to mentor current and new employees and participate in safety inspections. The SafeStart Program includes staff using their own life experiences to demonstrate the possible outcomes of unsafe behaviors. Mr. Rigby reviewed AlexRenew's Total Recordable Incidence Rate (TRIR) and provided homework for the Board. Members discussed AlexRenew's safety program, the Safety Specialist program, and the methodology for compiling data on incidents.

### c. Presentation on Environmental Sustainability Initiatives

Mr. Carl introduced Ms. Orme and Ms. Landry who provided an overview of AlexRenew's sustainability initiatives. Ms. Orme covered sustainability within the global and local community, sustainability trends in water infrastructure, and the current sustainability framework at AlexRenew.

Ms. Landry reviewed the organizational sustainability plan including goals, actionable strategies, and next steps. She noted that project sheets will be incorporated into the budget document to show alignment with the Environmental Justice and Community Benefit Policies. She then reviewed next steps and the proposed timeline.

Mr. Carl clarified the importance of standardization on sustainable elements across projects as the organization implements the Phaseforward program. Additionally, he noted that the annual budget documents moving forward would highlight sustainability efforts as part of the project sheet development.

The Vice Chair thanked Ms. Orme and Ms. Landry. Members requested clarification on the project sheets and Mr. Mohsenin asked if a cost-benefit analysis would be performed. Ms. Orme

and Ms. Landry confirmed that cost-benefit analyses would be integrated into all major sustainability initiatives. The Board also asked about reclaimed water possibilities and connecting purple pipes to neighboring residential buildings. Mr. Carl responded that AlexRenew has investigated opportunities and currently determined that this opportunity is technically feasible, however, funding is a challenge. The Board suggested collaborating with the City further on potential funding mechanisms.

#### 8. Monthly Outcomes Update

Mr. Carl highlighted that Ms. Heather Kerr, AlexRenew's technical trainer was recognized as the Public Utility Employee of the Year and Mr. Robertson was awarded a 40 Under 40 Award by the Alexandria Chamber of Commerce. Mr. Myles Cooper, Legislative Analyst, participated in a City Job Fair and was featured in a clip on a local news program.

##### LEAP Dashboard & Delinquencies

Mr. Robertson reported a slight decrease in delinquent accounts bringing the amount owed to under \$1 million. Approximately 58% of that arrearage or \$580,000 is in payment plans.

The LEAP program distributed \$9,000 to customers in May.

##### Community Engagement

A Community Listening Session was held on Royal Street and staff participated in the Metropolitan Washington Council of Governments and Chesapeake Bay Foundation's boat trip focusing on combined sewer overflows.

##### PhaseForward Dashboard

Mr. Carl provided a progress report on ongoing work.

##### RiverRenew Dashboard

Mr. Carl gave a progress report on the various sites and superstructure at the WRRF.

There being no additional business, the Vice Chair requested a motion to adjourn. Ms. Hammer moved and Mr. Jinks seconded. The Board unanimously approved.

The meeting adjourned at 7:41 p.m.

APPROVED:

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Secretary-Treasurer



## Board Calendar of Events

June 2025							July 2025							August 2025							June						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	7: Hooffs Run Dedication Event						
1	2	3	4	5	6	7			1	2	3	4	5						1	2	17: Regular Board of Directors Meeting						
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	19: Juneteenth						
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	July						
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	1: Beginning of FY2026 Fiscal Year						
29	30						27	28	29	30	31			24	25	26	27	28	29	30	4: Independence Day Observed						
														31							15: Regular Meeting						
																					18: COG CBPC Meeting						
September 2025							October 2025							November 2025							August						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	No Board Meeting						
	1	2	3	4	5	6				1	2	3	4							1	September						
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	1: Labor Day						
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	16: Regular Meeting						
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	19: COG CBPC Meeting						
28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29	20: AlexRenew Open House						
														30							October						
																					7: Governance Committee Meeting						
																					9: Waterway Clean-up at AlexRenew						
																					18: Pendleton Dedication Event						
																					21: Regular Meeting						
														November							November						
																					11: Veterans Day						
																					18: Regular Meeting						
																					21: COG CBPC Meeting						
																					27/28: Thanksgiving						
																					TBD: Finance and Audit Committee						

### Legend

	Board of Directors Meeting
	AlexRenew Observed Holidays
	Finance and Audit Committee
	Governance Committee
	Staff Activities
	Conference



## Board Calendar of Events

December 2025							January 2026							February 2026							December						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	16: Regular Meeting						
	1	2	3	4	5	6					1	2	3	1	2	3	4	5	6	7	24/25: Christmas Holiday						
7	8	9	10	11	12	13	4	5	6	7	8	9	10	8	9	10	11	12	13	14	January						
14	15	16	17	18	19	20	11	12	13	14	15	16	17	15	16	17	18	19	20	21	19: Martin Luther King Jr. Day						
21	22	23	24	25	26	27	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20: Regular Meeting						
28	29	30	31				25	26	27	28	29	30	31	29	30						TBD: COG CBPC Meeting						
March 2026							April 2026							May 2026							February						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	17: Regular Meeting						
1	2	3	4	5	6	7				1	2	3	4						1	2	17: Regular Meeting						
8	9	10	11	12	13	14	5	6	7	8	9	10	11	3	4	5	6	7	8	9	24-27: Utility Management Conference						
15	16	17	18	19	20	21	12	13	14	15	16	17	18	10	11	12	13	14	15	16	TBD: Finance and Audit Committee						
22	23	24	25	26	27	28	19	20	21	22	23	24	25	17	18	19	20	21	22	23	TBD: COG CBPC Meeting						
29	30	31					26	27	28	29	30	31		24	25	26	27	28	29	30	April						
														31							21: Regular Meeting						
																					TBD: Governance Committee						
																					May						
																					19: Regular Meeting						
																					TBD: Public Hearing						

### Legend

	Board of Directors Meeting
	AlexRenew Observed Holidays
	Finance and Audit Committee
	Governance Committee
	Staff Activities
	Conference

## MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: June 17, 2025

SUBJECT: *Unfinished Business, Joint Use*  
Review and approve Fiscal Year 2026 Operating and Capital Budget

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### Issue

To support ongoing operations and implementation of the capital improvement program, AlexRenew's Fiscal Year (FY) 2026 Operating and Capital Budget requires approval in accordance with AlexRenew's Financial Policy.

### Recommendation

Staff respectfully requests the Board of Directors approve the FY2026 Operating and Capital Budget.

### Discussion

The FY2026 Operating and Capital Budget totals \$258.3 million. It includes an Operating Budget of \$40.9 million, a Debt Service Budget of \$20.2 million, and a Capital Budget of \$197.2 million. The budget ensures AlexRenew has sufficient resources for its daily operations while funding ongoing investments in AlexRenew's infrastructure. To ensure Board review and public comment, AlexRenew followed a process that included:

- March 11: FY2026 Preliminary Draft Budget and FY2026-2027 Rate Recommendation reviewed with Finance and Audit Committee
- March 18: FY2026 Preliminary Draft Budget and FY2026-2027 Rate Recommendation recommended to the Board by Finance and Audit Committee
- April 15: FY2026 Draft Budget and FY2026-2027 Rate Recommendation presented to Board for approval of resolution for public notice and to set the public hearing
- A public comment period was posted, and a public hearing was held on Saturday, May 17 at 9:30 a.m. to receive comments on the FY2026 Budget and FY2026-2027 Rate Recommendation. Five (5) public comments were received and addressed prior to the public hearing date. No additional comments were received during the public hearing.

From April to May, AlexRenew performed outreach to ratepayers that included website updates, social media posts, bill inserts, digital ads, and emails to customers and key stakeholders.

The FY2026 Budget posted for public notice ahead of the May Public Hearing has been updated from “proposed” to “adopted” and minor modifications to the presentation of information were made based on feedback from the Finance and Audit Committee. The funding for the budget was updated to include higher projections of revenues from late fees based on current fiscal year trends, which was offset by a decrease in anticipated cash funding. The total \$258.3 million budget and associated operating, debt service, and capital budgets as presented at the public hearing remain unchanged.

**This action supports AlexRenew’s strategic goal of Commitment to the Community.**

**ACTION TAKEN**

Approved:

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Disapproved:

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Approved with Modification:

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Modification(s):

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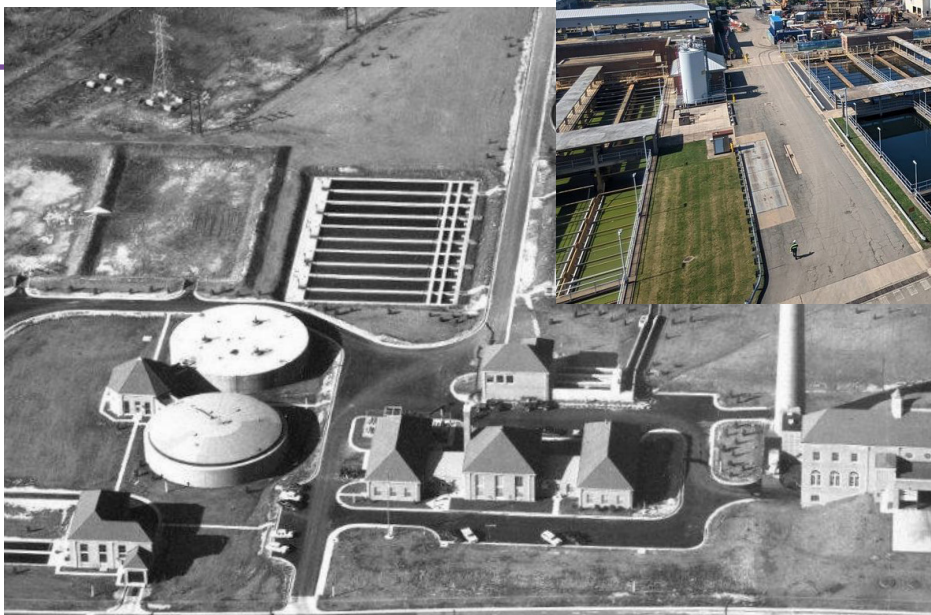


# Operating and Capital Budget

Fiscal Year 2026

July 1, 2025 – June 30, 2026

Alexandria, Virginia



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## **TABLE OF CONTENTS**

FY2026 Operating and Capital Budget Executive Summary.....	1
1 Overview of AlexRenew .....	3
2 Understanding the Budget .....	6
3 Overview of FY2026 Operating and Capital Budget .....	9
4 Three (3) Year Budget Forecast .....	16
5 Determining Rates, Charges, and Revenue Estimates.....	18
6 10-Year Capital Improvement and Improvement, Renewal, and Replacement Programs .....	20
Appendix A. Definitions	
Appendix B. Three (3) Year Budget Forecast – Fund Statements	
Appendix C. 10-Year Capital Improvement and IRR Programs – Summary and Project Sheets	

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**ALEXRENEW BOARD OF DIRECTORS**

John Hill, Chair  
James Beall, Vice Chair  
Rebecca Hammer, Secretary-Treasurer  
Mark Jinks, Member  
Moussa Wone, Member

**FAIRFAX COUNTY REPRESENTATIVE TO THE BOARD**

Shahram Mohsenin, PE

**CITY OF ALEXANDRIA REPRESENTATIVE TO THE BOARD**

Erin Bevis-Carver, PE

**EXECUTIVE AND FINANCIAL STAFF**

Justin Carl, PE, General Manager and Chief Executive Officer  
Caitlin Feehan, PE, Chief Administrative Officer  
Lake Akinkugbe, Director of Finance

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## FY2026 OPERATING AND CAPITAL BUDGET EXECUTIVE SUMMARY

AlexRenew plays a vital role in building a healthier, more resilient community. Investing in wastewater infrastructure, supporting local businesses, and creating jobs each year enables AlexRenew to uphold the highest standards of operations and deliver on its mission to protect public health and the waterways that connect us.

The Fiscal Year (FY) 2026 Operating and Capital Budget is \$258.3 million to ensure sufficient resources for daily operations and ongoing investments for AlexRenew’s infrastructure. The budget was developed in alignment AlexRenew’s financial policies, agreements with third parties, and 2024-2029 Strategic Plan, and reflects a high level of service to our stakeholders. Figure ES.1 summarizes the adopted FY2026 expenses and revenues.

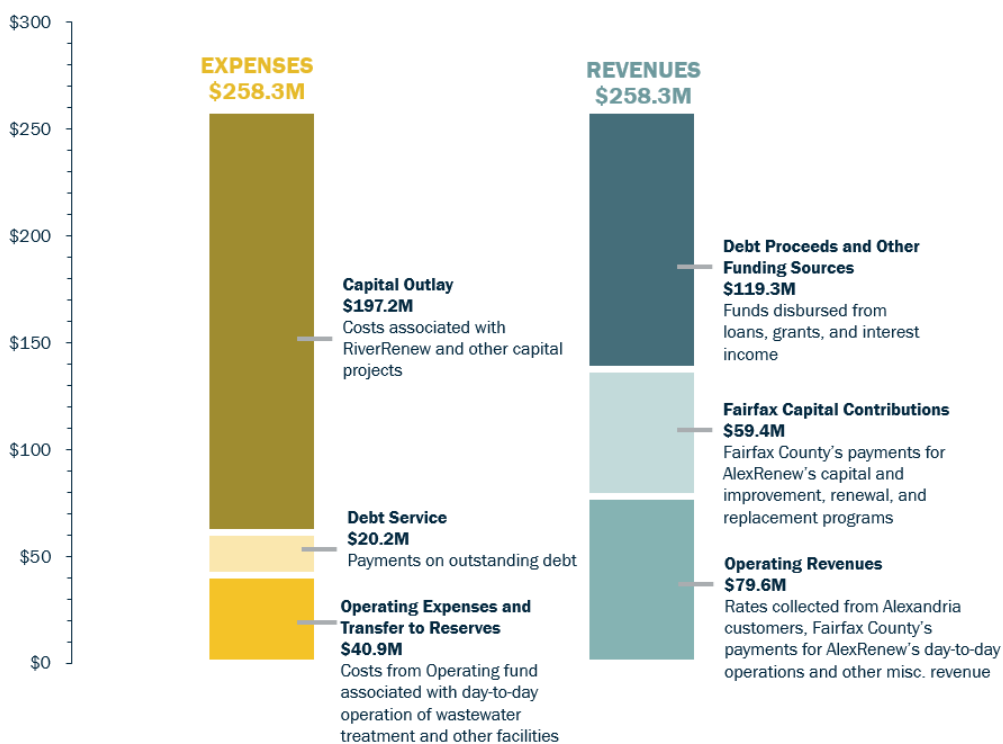


Figure ES.1. FY2026 Expenses and Revenues

### ES.2 FY2026 Expenses

Approximately 76 percent of the adopted FY2026 expenses fund the anticipated capital outlay. Capital Outlay is anticipated to be \$197.2 million, of which \$96.0 million will support the ongoing RiverRenew program, which is anticipated to be commissioned in FY2026. Additionally, to support our evolving community, AlexRenew is making significant investments to improve the resiliency of its infrastructure through the PhaseForward program. The PhaseForward program includes a series of significant upgrades to critical wastewater processes that will allow AlexRenew to meet evolving regulatory requirements and continue to improve the resilience of AlexRenew’s infrastructure. PhaseForward includes four (4) major projects:

- **Biosolids Diversification Program.** Upgrades to meet emerging regulations, increase bioenergy production, and realize alternative beneficial end uses for biosolids. In FY2026, AlexRenew will invest \$25.2 million in continued design, pre-construction, and construction phase services for a construction management at-risk contract and continue long-term planning for AlexRenew's biosolids future.
- **Headworks Renewal.** Improvements to ageing equipment that provides initial screening of debris larger than a pea and settling for solids as small as a grain of sand. The project will also construct new pumping systems to ensure that wastewater flows from the community through our wastewater treatment processes. In FY2026, AlexRenew will invest \$20.7 million in continued design and pre-construction phase services for a construction management at-risk contract.
- **Nutrient Reduction.** Rehabilitation of processes providing the final settling and filtration of wastewater to further reduce nutrient loads and allow for continued growth in our community. In FY2026, AlexRenew will invest \$2.5 million in design phase services.
- **Process Optimization.** Installation of new equipment to enhance our nutrient removal processes and continue to improve water quality in the Chesapeake Bay and its tributaries. In FY2026, AlexRenew will invest \$5.0 million in construction of the upgrades.

The PhaseForward and RiverRenew programs account for just over 75 percent of all capital expenses. The funding for these projects and the remaining capital budget is primarily through Fairfax County capital contributions, which is represented in the budget under Fairfax Capital Contributions; and through loans and bonds, which is represented in the budget under Debt Proceeds and Other Funding Sources. For FY2026, AlexRenew will continue to draw on the \$321 million Water Infrastructure Finance and Innovation Act (WIFIA) loan for the RiverRenew Tunnel project and the \$50 million in green bonds that AlexRenew sold in June 2024 for the PhaseForward Program.

AlexRenew anticipates continued use of its three Job Order Contracts for ongoing repairs and improvements to AlexRenew's assets through the \$12.7 million Improvement, Renewal, and Replacement (IRR) program.

The FY2026 operating expenses are \$40.9 million, representing a 16.0 percent year-over-year increase. The increase in expenses is largely driven by the anticipated 6.5 percent investment in total personnel costs due to the addition of staff and a 16.1 percent year-over-year increase in chemicals due to rising costs. The increase also includes \$2.5 million in reserves to account for unforeseen events and emergencies (i.e. possible changes in regulations, impacts of federal layoffs on customer rate payments, or other operating costs).

### ES.3 FY2026 Revenues

The anticipated operating revenues for FY2026 are \$79.6 million, up 8.7 percent from the FY2025 budget. The increase is primarily driven by the adopted rate adjustment for FY2026, to support the RiverRenew program. As part of the FY2026 budget, the AlexRenew Board of Directors (Board) will consider a adopted two-year rate adjustment that includes a 5.0 percent increase for FY2026 and a 5.7 percent increase for FY2027. The increase in revenues also includes a \$1.5 million increase in projected estimates of late fee, disconnection fee, and other administration fee collections. This increase is based on higher than anticipated revenues from fees in the current fiscal year following the reinstatement of late fees in May 2024 and resuming disconnections in July 2024.



# 1 OVERVIEW OF ALEXRENEW

Established in 1952 by the Alexandria City Council, AlexRenew's mission is to clean wastewater to protect public health and Alexandria's waterways. AlexRenew is governed by an Alexandria City Council-appointed five-member citizen Board of Directors (Board) and is a political subdivision of the Commonwealth of Virginia created under the Virginia Water and Waste Authorities Act. AlexRenew is an independent, special-purpose government unit with administrative and fiscal independence from the City of Alexandria.

AlexRenew serves more than 300,000 people in Alexandria and parts of Fairfax County, Virginia. It currently maintains capital assets valued at approximately \$1.2 billion and treats approximately 38 MGD (up to 116 MGD during wet weather) of wastewater at its Water Resource Recovery Facility (WRRF), located in Alexandria, Virginia.

The City of Alexandria owns the majority of the collection system throughout Alexandria. AlexRenew owns and operates approximately 20 miles of large interceptors and trunk sewers to convey wastewater flows from the collection system to AlexRenew's WRRF. AlexRenew also operates and maintains five pump stations throughout Alexandria.

## 1.1 AlexRenew's Structure

AlexRenew is organized into five departments which work together to support the necessary functions of the organization:

- **Information Technology Department.** Responsible for managing and maintaining the Authority's network infrastructure and technology, including monitoring and implementing best practices to maintain the Authority's cybersecurity.
- **Administrative Department.** Includes finance, procurement, and communications. Responsible for managing the organization's finances and ensuring compliance with financial policies; procuring all goods, services, and construction in support of all other departments; and all communications both internally to staff and externally to AlexRenew's customers and other stakeholders in the community and region.
- **Water Quality Department.** Includes wastewater treatment operations, laboratory, and environmental sustainability. Responsible for the day-to-day testing, monitoring, and oversight of all treatment processes and equipment to ensure regulatory compliance and managing the organization's environmental management system and sustainability program.
- **Engineering Department.** Includes engineering and maintenance. Responsible for the implementation of all capital projects, the day-to-day preventive maintenance and repairs of equipment needed for wastewater treatment operations, and managing the organization's asset management program.
- **Human Resources Department.** Responsible for employee recruitment, selection, training, benefits, records, classification, and compensation, and ensuring compliance with local, state, and federal regulations governing all phases of personnel activities. This department is also responsible for the safety training for personnel, compliance with safety regulations, and the overall physical security of AlexRenew's WRRF, administrative building, and infrastructure.

Figure 1.1 illustrates each of these departments within AlexRenew's organizational structure, highlighting department responsibilities.



**Figure 1.1.** AlexRenew’s Organizational Structure and Departmental Responsibilities

## 1.2 AlexRenew’s Strategic Plan

In 2024, AlexRenew created its 2024-2029 Strategic Plan, which sets the framework to guide decision making throughout AlexRenew, ensuring each choice aligns with a greater vision for the organization. The Strategic Plan 2024-2029 lays out the vision, mission, and strategic goals of the organization, and objectives to achieve those goals. The strategic goals and objectives are integrated into AlexRenew’s daily operations, challenging the team to build a more resilient, sustainable, and equitable organization. The FY2026 Operating and Capital Budget was developed to support AlexRenew in executing on the Strategic Plan 2024-2029.

The strategic goals and identified objectives for 2024 through 2029 are outlined in Table 1.1 below.

**Table 1.1.** 2024-2029 Strategic Plan – Strategic Goals and Objectives

Strategic Goal	Description	Objectives
<b>Operational Excellence</b>	Taking proactive steps to meet current and future challenges	<ul style="list-style-type: none"> <li>• Be a leader in the sector by innovating to meet stringent permit limits</li> <li>• Adapt to address contaminants of concern and changes in flow trends.</li> <li>• Proactively manage the impacts of climate change.</li> <li>• Maximize equipment availability while reducing the need to replace assets.</li> <li>• Leverage technology to advance efficiency and modernize operations.</li> <li>• Safeguard against current and emerging site and cybersecurity risks.</li> </ul>
<b>Thriving Workforce</b>	Investing in our staff and fostering a culture of belonging	<ul style="list-style-type: none"> <li>• Foster a diverse and inclusive work environment.</li> <li>• Upskill staff to meet the demands of a dynamic industry.</li> <li>• Promote a culture of continuous improvement.</li> </ul>
<b>Strategic Partnerships</b>	Promoting watershed-level thinking through collaboration and advocacy	<ul style="list-style-type: none"> <li>• Modernize intergovernmental agreements to effectively manage water resources.</li> <li>• Partner with local stakeholders to advance a holistic and resilient one water approach.</li> <li>• Engage with advocacy associations and peer utilities to promote reasonable and effective policies and regulations that are supportive of local needs.</li> </ul>
<b>Environmental Sustainability</b>	Being good stewards of our resources to minimize our impact on the environment	<ul style="list-style-type: none"> <li>• Integrate sustainability into infrastructure investments and operations.</li> <li>• Strive toward net carbon zero operations.</li> <li>• Recover and beneficially reuse resources from wastewater.</li> </ul>
<b>Commitment to the Community</b>	Strengthening connections with the public and providing affordable service	<ul style="list-style-type: none"> <li>• Provide affordable and equitable rates.</li> <li>• Develop innovative funding and financing strategies to support capital improvements.</li> <li>• Advance a sustainable customer assistance program.</li> <li>• Meaningfully engage the community and grow personal connections to water.</li> <li>• Mitigate disproportionate environmental impacts on the community.</li> <li>• Inspire younger audiences to develop the next generation of water professionals.</li> </ul>

## 2 UNDERSTANDING THE BUDGET

AlexRenew’s budget is a financial instrument to ensure that AlexRenew has the financial resources to efficiently construct, operate, and maintain its assets to comply with state and federal law. Current operating expenses and capital outlay are estimates based on experience and judgment related to cost trends in labor, materials, and services required to operate and maintain AlexRenew’s facilities.

AlexRenew builds its budget from internal policies, its by-laws, and third-party agreements. These documents are further discussed in the following subsections.

### 2.1 Master Indenture of Trust

Established in 1999, AlexRenew’s Master Indenture of Trust (Indenture) is a legal agreement that mandates how AlexRenew will collect and use its revenues for operations, maintenance, and capital expenses. It sets requirements for the funds that are used for specific revenues, including requiring that wastewater treatment charges collected from Alexandria customers be deposited in a Revenue Fund. The Indenture also requires operating expense payments that are made by Fairfax County to AlexRenew, for its reserved capacity in the WRRF, are deposited in the Revenue Fund. Table 2.1 serves as a glossary that can be used to better understand the purpose, order of priority, and funding method for each of the Funds and Accounts established in the Indenture.

**Table 2.1.** Flow of Funds in the Master Indenture of Trust

<b>Funds</b>	<b>Description</b>
Revenue Fund	Revenues are initially deposited to the Revenue Fund and then transferred to other funds in the following order of priority. (1)
Operating Fund	Revenues are then deposited to the Operating Fund to pay operating expenses. At the end of each month, AlexRenew must ensure that 1/6 <sup>th</sup> (or 60 days) of annual budgeted operating expenses is deposited into the Operating Fund.
Bond Fund	Revenues are then deposited to the Bond Fund to pay debt service payments.
Debt Service Reserve Fund	Any required transfers to the debt service reserve account must be made.
Joint IRR Fund (2)	Revenues are then deposited to the Joint IRR Fund to meet required Joint IRR transfers per Fairfax Agreement.
General IRR Fund (2)	Revenues are then deposited to the General IRR Fund to meet required Alex-only specific IRR needs.
General Fund	Any remaining revenues are deposited within the General Fund.

(1) Revenues means all revenues, receipts, and other income derived or received by AlexRenew from owning and operating its system. This primarily includes AlexRenew Wastewater Treatment Charges and Fairfax County operating expense charges.

(2) Improvement, Renewal, and Replacement

### 2.2 AlexRenew’s Financial Policy

AlexRenew’s Board-approved financial policy guides AlexRenew’s financial management, capital planning, and debt financing. The annual budget is developed to comply with requirements established in the financial policy (as updated in March 2025), including:

- Demonstrating structural balance whereby current budgetary revenues are sufficient to meet current budgetary expenses (those that are ongoing in nature);
- Maintaining an Operating and Capital Days Cash on Hand minimum of 120 days and a Total Days Cash on Hand minimum of 270 days;

- Ensuring that revenues available to pay debt service are at least equal to 1.60 times the amount of debt service due in any fiscal year; and
- Funding the 10-year Capital Improvement Program with at least 15 percent cash and reserves.

## 2.3 Fairfax County Service Agreement

Fairfax County makes payments to AlexRenew under an amended and restated service agreement dated October 1, 1998 (Fairfax County Service Agreement). In accordance with the Fairfax County Service Agreement, Fairfax County pays a percentage of operations and maintenance expenses based upon sewer flow volume to AlexRenew's WRRF. Fairfax County also contributes to the IRR program and Capital Improvement Program (CIP), at predetermined levels, to allow for the upgrade and replacement of capital assets as they depreciate, and the acquisition of new assets associated with regulatory compliance.

## 2.4 Arlington County Service Agreement

The Arlington County Service Agreement is similar to the Fairfax County Service Agreement. This legal document, dated July 1, 1977, establishes the amount and timing for monies paid by AlexRenew to Arlington County for agreed-upon capacity at the Arlington County Water Pollution Control Plant that treats wastewater flows from the northwestern quadrant of the city.

## 2.5 Fairfax County Cost Share Memorandum of Understanding for RiverRenew Facilities

Fairfax County and AlexRenew established a memorandum of understanding between Fairfax County and AlexRenew, dated October 6, 2020, to define the cost share for RiverRenew facilities. The division of costs is incorporated into the RiverRenew capital funding as shown in the CIP.

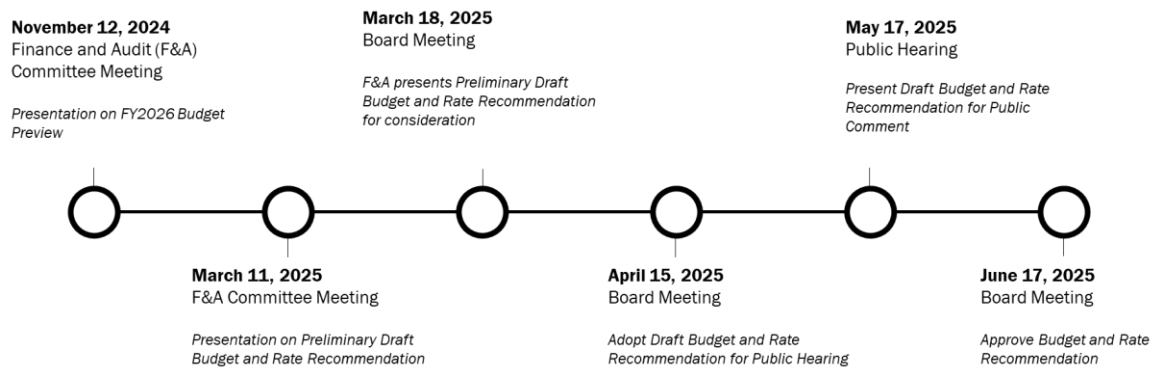
## 2.6 Budget Timeline

AlexRenew uses a fiscal year cycle ending June 30. The FY2026 Operating and Capital Budget will encompass the 12-month period from July 1, 2025 – June 30, 2026. The budget is developed following the eight (8) steps identified in Figure 2.1.



**Figure 2.1.** Annual Budget Cycle

Staff begins work on the budget in September. Following the establishment of budget goals by the senior leadership, departments develop a preliminary draft forecast for departmental operating budgets. Both the Finance and Engineering Departments review the current CIP and make recommended updates to projects and anticipated financial projections. In November, the Finance Department consolidates the departmental operating budgets and the updated CIP into a preliminary draft forecast that is used to update AlexRenew’s rate model to identify rate options. Through January and February, staff develops the preliminary draft budget to present to the Board. The FY2026 Operating and Capital Budget, beginning with the preliminary draft budget, will follow the timeline for Board review presented in Figure 2.2.



**Figure 2.2.** FY2026 Operating and Capital Budget Timeline

### 3 OVERVIEW OF FY2026 OPERATING AND CAPITAL BUDGET

AlexRenew begins its annual budget presentation by preparing a summary that combines all the estimated sources (revenues) and uses of funds (expenses) for the upcoming fiscal year. The primary purpose for this summary is to demonstrate that the overall FY2026 Operating and Capital Budget is in “structural” balance – which means all of the revenues and expenses are consistent with the historical financial performance, all balances that remain in the prescribed funds and accounts meet stated requirements, and if total revenues exceed total expenses, any potential excess funds are deposited in the General Fund to serve as reserves.

Tables 3.1 and 3.2 summarize the revenues and expenses associated with AlexRenew’s FY2026 Operating and Capital Budget, which total \$258.3 million, a 11.0 percent increase year-over-year.

**Table 3.1.** Summary of FY2026 Revenues

Revenue Categories		Adopted FY2025	Adopted FY2026	Annual Variance (%)
Operating Revenues	Wastewater Treatment Revenues	\$60,420,321	\$64,941,337	7.5%
	Fairfax County Operating Expense Charge	\$12,838,293	\$14,662,764	14.2%
	<i>Subtotal</i>	<i>\$73,258,614</i>	<i>\$79,604,102</i>	<i>8.7%</i>
Fairfax Capital Contributions	Fairfax County IRR Contribution	\$3,901,296	\$5,064,966	29.8%
	Fairfax County Capital Contribution	\$36,851,776	\$54,313,129	47.4%
	<i>Subtotal</i>	<i>\$40,753,072</i>	<i>\$59,378,095</i>	<i>45.7%</i>
Debt Proceeds and Other Funding Sources	WIFIA Loan Proceeds	\$82,618,224	\$86,393,095	4.6%
	Bond Proceeds	\$30,000,000	\$27,000,000	-10.0%
	Interest Income	\$900,000	\$1,700,000	88.9%
	Cash	\$5,266,179	\$4,243,222	-19.4%
	<i>Subtotal</i>	<i>\$118,784,403</i>	<i>\$119,336,317</i>	<i>0.5%</i>
<b>Total Revenues</b>		<b>\$232,796,090</b>	<b>\$258,318,513</b>	<b>11.0%</b>

**Table 3.2.** Summary of FY2026 Expenses

Expense Categories		Adopted FY2025	Adopted FY2026	Annual Variance (%)
Operating Expenses	Personnel	\$17,210,991	\$18,334,520	6.5%
	Utilities	\$4,248,000	\$4,684,240	10.3%
	Chemicals	\$3,571,000	\$4,145,000	16.1%
	Operations and Maintenance	\$1,581,255	\$1,945,750	23.1%
	Arlington Sewage Disposal	\$1,800,000	\$1,900,000	5.6%
	Sludge Disposal	\$1,362,000	\$1,509,500	10.8%
	General, Administration, Customer Service, and Other	\$5,522,348	\$5,906,745	7.0%
	Transfer to Reserves	\$0	\$2,500,000	100.0%
	<i>Subtotal</i>	<i>\$35,295,594</i>	<i>\$40,925,755</i>	<i>16.0%</i>
Debt Service	Debt Service	\$22,290,196	\$20,220,975	-9.3%
Capital Outlay	Joint IRR	\$9,933,900	\$11,640,800	17.2%
	Alex-only IRR	\$1,822,000	\$1,023,760	-43.8%
	RiverRenew	\$107,700,000	\$95,992,223	-10.9%
	General CIP (Alex-only)	\$10,844,400	\$13,900,000	28.2%
	General CIP (Joint)	\$44,910,000	\$74,615,000	66.1%
<i>Subtotal</i>		<i>\$175,210,300</i>	<i>\$197,171,783</i>	<i>12.5%</i>
<b>Total Expenses</b>		<b>\$232,796,090</b>	<b>\$258,318,513</b>	<b>11.0%</b>



Tables 3.3, 3.4, and 3.5 summarize the funding sources for the operating expenses, debt service, and capital outlay following the flow of funds set by the Indenture as discussed in Section 2.

**Table 3.3.** Operating Expenses Funding Sources and Flow of Funds

Item	Adopted FY2025	Adopted FY2026	Annual Variance (%)
<b>Operating Expenses Funding Sources</b>			
Wastewater Treatment Revenues	\$60,420,321	\$64,941,337	7.5%
Fairfax County Operating Charge	\$12,838,293	\$14,662,764	14.2%
Interest Income	\$100,000	\$85,000	-15.0%
<b>Total Operating and Maintenance Funding Sources</b>	<b>\$73,358,614</b>	<b>\$79,689,102</b>	<b>8.6%</b>
<b>Operating Expenses and Transfer</b>			
Personnel	\$17,210,991	\$18,334,520	6.5%
Utilities	\$4,248,000	\$4,684,240	10.3%
Chemicals	\$3,571,000	\$4,145,000	16.1%
Operations and Maintenance	\$1,581,255	\$1,945,750	23.1%
Arlington Sewage Disposal	\$1,800,000	\$1,900,000	5.6%
Sludge Disposal	\$1,362,000	\$1,509,500	10.8%
General, Administration, Customer Service, and Other	\$5,522,348	\$5,906,745	7.0%
Transfer to Reserves (1)	\$0	\$2,500,000	100.0%
<i>Subtotal</i>	<i>\$35,295,594</i>	<i>\$40,925,755</i>	<i>16.0%</i>
<b>Debt Service Transfer</b>			
Transfer to Debt Service	\$21,565,196	\$19,880,975	-7.8%
<i>Subtotal</i>	<i>\$21,565,196</i>	<i>\$19,880,975</i>	<i>-7.8%</i>
<b>Capital Outlay Transfer</b>			
Transfer to Capital Outlay	\$16,497,825	\$18,882,372	14.5%
<i>Subtotal</i>	<i>\$16,497,825</i>	<i>\$18,882,372</i>	<i>14.5%</i>
<b>Total Operating Expenses and Transfers</b>	<b>\$73,358,614</b>	<b>\$79,689,102</b>	<b>8.6%</b>

(1) Transfer to reserves is to account for unforeseen events and emergencies (i.e. possible changes in regulations, impacts of federal layoffs on customer rate payments, or other operating costs)

**Table 3.4.** Debt Service Funding Sources and Flow of Funds

Item	Adopted FY2025	Adopted FY2026	Annual Variance (%)
<b>Debt Service Funding Sources</b>			
Transfer from Operating Revenue	\$21,565,196	\$19,880,975	-7.8%
Interest Income	\$725,000	\$340,000	-53.1%
<b>Total Debt Service Funding Sources</b>	<b>\$22,290,196</b>	<b>\$20,220,975</b>	<b>-9.3%</b>
<b>Debt Service Expenses</b>			
Principal	\$13,788,763	\$10,974,262	-20.4%
Interest	\$8,501,433	\$9,246,713	8.8%
<b>Debt Service Expenses</b>	<b>\$22,290,196</b>	<b>\$20,220,975</b>	<b>-9.3%</b>



**Table 3.5.** Capital Outlay Funding Sources and Flow of Funds

Item	Adopted FY2025	Adopted FY2026	Annual Variance (%)
<b>Capital Outlay Funding Sources</b>			
Transfer from Operating Revenue	\$16,497,825	\$18,882,372	14.5%
Fairfax County IRR Contributions	\$3,901,296	\$5,064,966	29.8%
Fairfax County Capital Contributions	\$36,851,776	\$54,313,129	47.4%
Capital Interest Income	\$75,000	\$1,275,000	1600.0%
Cash	\$5,266,179	\$4,243,222	-19.4%
WIFIA Loan Proceeds	\$82,618,224	\$86,393,095	4.6%
Bond Proceeds	\$30,000,000	\$27,000,000	-10.0%
<b>Total Capital Outlay Funding Sources</b>	<b>\$175,210,300</b>	<b>\$197,171,783</b>	<b>12.5%</b>
<b>Capital Outlay Expenses</b>			
IRR	\$11,755,900	\$12,664,560	7.7%
Capital	\$163,454,400	\$184,507,223	12.9%
<b>Total Capital Outlay Expenses</b>	<b>\$175,210,300</b>	<b>\$197,171,783</b>	<b>12.5%</b>

Table 3.6 provides a high level summary of sources and uses across all of AlexRenew's funds.

**Table 3.6.** All Funds Sources and Uses for the Adopted FY2026 Operating and Capital Budget

<b>Sources</b>	<b>Revenue Fund</b>	<b>General Fund</b>	<b>Operating Fund</b>	<b>Debt Service Fund</b>	<b>Joint IRR Fund</b>	<b>General IRR Fund</b>	<b>All Funds</b>
AlexRenew Wastewater Treatment Charges	\$64,941,337						\$64,941,337
Fairfax County Operating Charge	\$14,662,764						\$14,662,765
Fairfax County IRR Contributions					\$5,064,965		\$5,064,965
Fairfax County Capital Contributions		\$54,313,129					\$54,313,129
Interest Income		\$1,275,000	\$85,000	\$340,000			\$1,700,000
Interfund Transfers	\$(79,604,102)	\$11,282,778	\$40,840,755	\$19,880,975	\$6,575,835	\$1,023,760	\$0
WIFIA Proceeds		\$86,393,095					\$86,393,095
2024 Bond Proceeds		\$27,000,000					\$27,000,000
Cash		\$4,243,222					\$4,243,222
<b>Total</b>	<b>\$0</b>	<b>\$184,507,223</b>	<b>\$40,925,755</b>	<b>\$20,220,975</b>	<b>\$11,640,800</b>	<b>\$1,023,760</b>	<b>\$258,318,513</b>
<b>Uses</b>	<b>Revenue Fund</b>	<b>General Fund</b>	<b>Operating Fund</b>	<b>Debt Service Fund</b>	<b>Joint IRR Fund</b>	<b>General IRR Fund</b>	<b>All Funds</b>
Operating Expenses			\$40,925,755				\$40,925,755
Debt Service				\$20,220,975			\$20,220,975
Joint IRR Expenses					\$11,640,800		\$11,640,800
Alex-Only IRR Expenses						\$1,023,760	\$1,023,760
Alex-Only CIP Expenses		\$13,900,000					\$13,900,000
Joint CIP Expenses		\$170,607,223					\$170,607,223
<b>Total</b>	<b>\$0</b>	<b>\$184,507,223</b>	<b>\$40,925,755</b>	<b>\$20,220,975</b>	<b>\$11,640,800</b>	<b>\$1,023,760</b>	<b>\$258,318,513</b>

### **3.1 Operating Revenues**

Operating revenues comprise the rates collected from Alexandria customers (Wastewater Treatment Charges) and Fairfax County's payments for AlexRenew's day-to-day operations (Fairfax County Operating Expense). The projected Operating Revenue for FY2026 is \$79.6 million, up 8.7 percent from the prior year budget. The increase primarily includes the adopted rate adjustment for FY2026 of 5.0 percent, which primarily supports the ongoing RiverRenew capital investments. The increase in revenues also includes a \$1.5 million increase in projected estimates of late fee, disconnection fee, and other administration fee collections. This increase is based on higher than anticipated revenues from fees in the current fiscal year following the reinstatement of late fees in May 2024 and resuming disconnections in July 2024. Further detail on AlexRenew's adopted rate adjustments for both FY2026 and FY2027 is in Section 5.

### **3.2 Fairfax Capital Contributions**

In accordance with the Fairfax County Service Agreement, Fairfax County contributes to the IRR program and CIP, at predetermined levels, to allow for the upgrade and replacement of capital assets as they depreciate, and the acquisition of new assets associated with regulatory compliance. The projected Fairfax IRR and Capital Contributions for FY2026 is \$59.4 million, up 45.7 percent from the prior year budget. The increase is primarily associated with PhaseForward capital investments.

### **3.3 Debt Proceeds and Other Funding Sources**

Debt proceeds and other funding sources include funds disbursed from loans, bonds, grants, interest income, miscellaneous revenue, and cash reserves. This component of the budget is primarily comprised of funding from loans, bonds, interest income, and cash reserves as AlexRenew's CIP projects progress. The projected FY2026 Debt Proceeds and Other Funding Sources budget is \$119.3 million, increasing 0.5 percent from the prior year budget. The proceeds in FY2026 are largely from loans that will support ongoing RiverRenew capital investments.

### **3.4 Operating Expenses and Reserves**

Operating expenses represent the costs associated with day-to-day operation of wastewater treatment and other AlexRenew facilities. The adopted FY2026 Operating Expenses are \$40.9 million, representing a 16.0 percent year-over-year increase. The increase is largely driven by a 6.5 percent increase in personnel. In FY2026, AlexRenew will implement a maintenance apprenticeship program to provide knowledge transfer as senior staff retire, with an anticipated hiring of five (5) apprentices. Additionally, FY2026 includes the addition of an asset manager and technical trainer to support ongoing initiatives. These additions are summarized in Table 3.7, which compares the FY2026 headcount to the FY2025 Approved Budget. The increase also includes \$2.5 million in reserves to account for unforeseen events and emergencies (i.e. possible changes in regulations, impacts of federal layoffs on customer rate payments, or other operating costs).

**Table 3.7.** Full Time Equivalent (FTE) Summary

Department	Adopted FY2025	Adopted FY2026	FTE Impact
Executive Team	4.0	4.0	-
Information Technology Department	10.0	10.0	-
Administration Department	17.0	16.0	-
Water Quality Department	50.0	50.0	-
Engineering Department	39.0	45.0	6.0
Human Resources Department	6.0	7.0	1.0
<b>Total</b>	<b>126.0</b>	<b>133.0</b>	<b>7.0</b>

In addition to personnel costs, operations and maintenance costs increased by 23.1 percent. The increase is primarily associated with additional training to support the maintenance apprenticeship program, increases in facilities maintenance, and an increase in preventive maintenance activities for boilers, chillers, and other equipment in FY2026. The Arlington Sewage Disposal projected cost increased by 5.6 percent. Chemicals increased 16.1 percent due to vendor cost increases associated with inflation and higher loadings to the WRRF. Utilities increased by 10.3 percent year-over-year. This increase in utilities aligns this year's projections with the FY2024 actual usage.

### 3.5 Debt Service

Debt Service is the annual money required to pay the principal and interest on outstanding debt. The FY2025 Debt Service budget is \$20.2 million, a decrease of 9.3 percent from the prior year. The decrease is associated with the retirement of and decrease in principal and interest payments for bonds that were procured between 2004 and 2006.

### 3.6 Capital Outlay

The FY2026 Capital Outlay is projected to be \$197.2 million. The expenditure primarily includes funding for capital investments to commission RiverRenew and to continue design and begin construction on PhaseForward projects. In March 2024, the Virginia General Assembly extended the mandate for RiverRenew by one year to July 1, 2026 to account for unforeseen delays. As a result of the extension, the FY2026 Capital Outlay includes updates in anticipated spending in FY2026 that shifted costs from prior years to account for such delays. Given the extension in time, AlexRenew is conservatively estimating that overhead costs may increase by \$15 million, increasing the overall capital cost of the program, but this is based on the assumption that all allowances on the project will be spent.

AlexRenew also anticipates continued use of its Job Order Contracts for ongoing repairs and improvements to AlexRenew's assets through the \$12.7 million IRR program. Table 3.8 provides a summary of the CIP program for FY2026.

**Table 3.8.** Adopted FY2026 Capital Program Summary (\$M)

Summary of Capital Expenses		Adopted FY2025	Adopted FY2026	% Change
IRR Program	Alex-only IRR	\$1.8	\$1.0	-43.8%
	Joint IRR	\$9.9	\$11.6	17.2%
	<i>Subtotal</i>	<b>\$11.8</b>	<b>\$12.7</b>	<b>7.7%</b>
CIP – General	Alex-only CIP	\$10.8	\$13.9	28.2%
	Joint CIP	\$44.9	\$74.6	66.1%
	<i>Subtotal</i>	<b>\$55.8</b>	<b>\$88.5</b>	<b>58.8%</b>
CIP – RiverRenew	RiverRenew Tunnel	\$107.7	\$96.0	-10.9%
	<i>Subtotal</i>	<b>\$107.7</b>	<b>\$96.0</b>	<b>-10.9%</b>
<b>Total CIP/IRR Program Expenses</b>		<b>\$175.2</b>	<b>\$197.2</b>	<b>12.5%</b>

## 4 THREE (3) YEAR BUDGET FORECAST

Each year, AlexRenew also presents a three (3) year budget forecast of anticipated revenues and expenses to comply with its financial policy. Tables 4.1 and 4.2 below present the budget forecast for the next three years, including FY2026.

**Table 4.1.** Three (3) Year Budget Forecast – Revenues

Revenue Categories		Adopted FY2026	Estimated FY2027	Estimated FY2028
Operating Revenues	Wastewater Treatment Charges	\$64,941,337	\$67,892,993	\$71,083,964
	Fairfax County Operating Charge	\$14,662,764	\$15,351,639	\$16,074,970
	<i>Subtotal</i>	<i>\$79,604,102</i>	<i>\$83,244,633</i>	<i>\$87,158,934</i>
Fairfax Capital Contributions	Fairfax County IRR Contribution	\$5,064,966	\$5,242,592	\$5,494,683
	Fairfax County Capital Contribution	\$54,313,129	\$67,890,000	\$62,430,000
	<i>Subtotal</i>	<i>\$59,378,095</i>	<i>\$73,132,592</i>	<i>\$67,924,683</i>
Debt Proceeds and Other Funding Sources	WIFIA Loan Proceeds	\$86,393,095	\$0	\$0
	Bond Proceeds	\$27,000,000	\$42,000,000	\$27,000,000
	Interest Income	\$1,700,000	\$1,700,000	\$1,700,000
	Cash	\$4,243,222	\$4,283,517	\$5,114,086
	<i>Subtotal</i>	<i>\$119,336,317</i>	<i>\$47,983,517</i>	<i>\$33,814,086</i>
<b>Total Revenues</b>		<b>\$258,318,513</b>	<b>\$204,360,741</b>	<b>\$188,897,703</b>

**Table 4.2.** Three (3) Year Budget Forecast – Expenses

Expense Categories		Adopted FY2026	Estimated FY2027	Estimated FY2028
Operating and Maintenance Expenses	Personnel	\$18,334,520	\$19,251,246	\$20,213,808
	Utilities	\$4,684,240	\$4,918,452	\$5,164,375
	Chemicals	\$4,145,000	\$4,352,250	\$4,569,863
	Operations and Maintenance	\$1,945,750	\$2,043,038	\$2,145,189
	Arlington Sewage Disposal	\$1,900,000	\$1,995,000	\$2,094,750
	Sludge Disposal	\$1,509,500	\$1,584,975	\$1,664,224
	General, Administration, Customer Service, and Other	\$5,906,745	\$6,202,082	\$6,512,186
	Transfer to Reserves	\$2,500,000	\$2,500,000	\$2,500,000
	<i>Subtotal</i>	<i>\$40,925,755</i>	<i>\$42,847,043</i>	<i>\$44,864,395</i>
Debt Service	Debt Service	\$20,220,975	\$21,510,154	\$21,454,922
Capital Outlay	Joint IRR	\$11,640,800	\$11,244,604	\$11,149,064
	Alex-only IRR	\$1,023,760	\$708,941	\$779,322
	CIP – RiverRenew	\$95,992,223	\$0	\$0
	CIP – General (Alex-only)	\$13,900,000	\$14,900,000	\$6,600,000
	CIP – General (Joint)	\$74,615,000	\$113,150,000	\$104,050,000
	<i>Subtotal</i>	<i>\$197,171,783</i>	<i>\$140,003,545</i>	<i>\$122,578,386</i>
<b>Total Expenses</b>		<b>\$258,318,513</b>	<b>\$204,360,741</b>	<b>\$188,897,703</b>

Tables 4.3 and 4.4 demonstrate AlexRenew's financial profile according to the budget projections, as measured by its two major financial metrics – days cash and debt service coverage.

As it relates to liquidity, AlexRenew's Indenture requires it to maintain at least 60 days cash on hand in the Operating Fund. AlexRenew's Financial Policy requires it to maintain an additional 60 days cash on hand in the General Reserve Sub-Fund, for a total days cash requirement of at least 120 days of Operating and Capital Days Cash on Hand. The Financial Policy also requires AlexRenew to maintain a

Total Days Cash on Hand minimum of 270 days. As it relates to debt service coverage, AlexRenew's Financial Policy requires net revenues cover annual debt service payments by 1.6 times. In both cases, the adopted FY2026 budget forecasts compliance with these policies and indicates a healthy financial profile.

**Table 4.3.** Summary of Compliance with Indenture and Financial Policy – Cash Reserves

<b>Indenture and Financial Policy Compliance</b>	<b>Adopted FY2025</b>	<b>Adopted FY2026</b>	<b>Estimated FY2027</b>	<b>Estimated FY2028</b>
Operating Fund	\$5,880,913	\$6,727,521	\$7,043,349	\$7,374,969
General Reserve Sub-Fund	\$5,802,015	\$6,727,521	\$7,043,349	\$7,374,969
<b>Total Cash Reserve Requirement</b>	<b>\$11,682,928</b>	<b>\$13,455,043</b>	<b>\$14,086,699</b>	<b>\$14,749,938</b>

**Table 4.4.** Summary of Compliance with Indenture and Financial Policy – Debt Service Coverage

<b>Indenture and Financial Policy Compliance</b>	<b>Adopted FY2025</b>	<b>Adopted FY2026</b>	<b>Estimated FY2027</b>	<b>Estimated FY2028</b>
Wastewater Treatment Charges	\$60,420,321	\$64,941,337	\$67,892,993	\$71,083,964
Fairfax County Operating Expense Charge	\$12,838,293	\$14,662,764	\$15,351,639	\$16,074,970
Interest Income	\$900,000	\$1,700,000	\$1,700,000	\$1,700,000
Gross Revenue Available for Debt Service	\$74,158,614	\$81,304,102	\$84,944,633	\$88,858,934
Operating Expenses	(\$35,295,594)	(\$40,925,755)	(\$42,847,043)	(\$44,864,395)
Net Revenues Available for Debt Service	\$38,863,021	\$40,378,347	\$42,097,590	\$43,994,539
Total Annual Debt Service	\$22,290,196	\$20,220,975	\$21,510,154	\$21,454,922
<b>All-in Debt Service Coverage</b>	<b>1.74x</b>	<b>2.00x</b>	<b>1.96x</b>	<b>2.05x</b>

The following fund statements, organized in accordance with the terms mandated in Article VII of the Indenture, are included as Appendix B to this document and provide additional detail for the three (3) year budget forecast:

- Revenue Fund Statement
- Fairfax County Contributions
- Operating Fund Statement
- Debt Service Fund Statement
- IRR Fund Statement – Joint Use Facilities Account
- IRR Fund Statement – General Account
- General Fund Statement

## **5 DETERMINING RATES, CHARGES, AND REVENUE ESTIMATES**

For more than twenty years, AlexRenew has employed rate modeling to analyze, evaluate, and implement an annual and long-term fee structure to support the financial obligations of the organization. AlexRenew has engaged an independent, third-party consultant to develop and monitor a rate model designed specifically for AlexRenew. This model is used to manage revenue performance in the current year and to forecast revenue requirements, based on anticipated operating and capital costs, each year over a 10-year time horizon.

In addition to rate modeling, the Board has adopted a strong financial policy to guide the approach to setting rates and maintaining a sustainable financial position. This policy targets key financial metrics, represents best practices, and ensures AlexRenew maintains cost-efficient operations while delivering superior public services for AlexRenew's customers and community.

### **5.1 Rate Modeling Process**

Rate consultants review and update the AlexRenew rate model annually, upon completion and acceptance of AlexRenew's audited financial statements, and more frequently as necessary. This process, and the model, is heavily data-driven and uses historical and projected data comprised of billing statistics, historical financial data, the current budget, and capital plan forecasts. The rate consultants perform comprehensive due diligence exercises to validate all information provided by AlexRenew and obtained from other relevant sources. Once validation is complete, the rate consultants review their findings with AlexRenew leadership to discuss observed historical trends, comparison with prior forecasts, current projections, and adjustments for known conditions, such as contingency.

The projected revenues, and assumptions of additional debt and capital funding, are evaluated relative to AlexRenew's annual cash flow requirements and likely financial position at year-end. This iterative process allows AlexRenew and its rate consultants to examine how subtle changes to rates or assumptions today have the potential to materially influence financial position across the forecast. It also allows for sensitivity analysis and the ability to examine AlexRenew's financial profile under various hypothetical scenarios, which is instructive to management and provides a stronger basis for recommending the timing and magnitude of potential rate adjustments.

As a single, dominant revenue source that accounts for over 80 percent of operating revenues, the Wastewater Treatment Charges are critical to the funding of current operations and long-term financial viability. As a result, it is imperative to combine a thorough understanding of the rate modeling process, strict adherence to the terms of the Indenture, faithfulness to AlexRenew's financial policies, and the needs of the community when establishing rates and charges.

### **5.2 Rate Growth Assumptions**

AlexRenew has historically modeled growth in Wastewater Treatment Charges of approximately 0.50-2.00 percent and Fairfax County Operating Charges of approximately 1.00-3.00 percent when determining rates and revenues over the forecast period.

### **5.3 Expenditure Growth Assumptions**

AlexRenew has historically used consumer price index (CPI) to evaluate costs over the forecast period and has commonly assumed an inflation range of 2.0-5.0 percent.



## 5.4 Revenue Forecast Assumptions

Starting in FY2020, AlexRenew began implementing a multi-year phased rate increase initiative, primarily to fund capital expenditures including the RiverRenew program. The revenue assumptions included in this budget include annual rate increases that are adopted for FY2026 and FY2027, as further described in section 5.5.

## 5.5 Rate and Charges

The following schedule details the monthly rates and charges for all individually metered residential customers and commercial customers discharging sewage to and/or requiring wastewater treatment service from AlexRenew. Commercial wastewater customers include all commercial, industrial, government and other public agencies, master-metered residential, and all other accounts or customers not otherwise classified as individually metered residential customers.

A wastewater customer's monthly bill for wastewater interception, treatment, and discharge services is based on the sum of their: (1) base and (2) wastewater treatment (variable) charges, as determined by water meter readings conducted by Virginia American Water, at the customer premise. The base charge serves as the minimum monthly bill for sewer service for all customers served by AlexRenew.

The rate for FY2026 is projected to increase the average bill by approximately \$2.76/month and \$3.31/month in FY2027 (based on 4,000 gallons monthly usage). Based on current projections, these rate adjustments will allow AlexRenew to maintain its fiscal profile while funding the budget and capital program herein. Table 5.1 details adopted rate adjustments for FY2026 and FY2027.

**Table 5.1.** Adopted FY2026 and FY2027 Rate Adjustments

Charge	Meter Size	Current Monthly Cost FY2025	Adopted Monthly Cost FY2026	Adopted Monthly Cost FY2027
Residential Base	All Meters	\$14.57	\$15.29	\$16.16
Commercial Base	5/8 inch	\$43.68	\$45.87	\$48.48
	3/4 inch	\$43.68	\$45.87	\$48.48
	1 inch	\$109.19	\$114.68	\$121.20
	1-1/2 inch	\$218.38	\$229.35	\$242.40
	2 inch	\$349.41	\$366.96	\$387.84
	3 inch	\$655.14	\$688.05	\$727.20
	4 inch	\$1,091.90	\$1,146.75	\$1,212.00
	6 inch	\$2,183.80	\$2,293.50	\$2,424.00
	8 inch	\$3,494.08	\$3,669.60	\$3,878.40
Wastewater Treatment (Residential and Commercial)	All Meters	\$10.26	\$10.77	\$11.38

AlexRenew is currently studying its rate structure for possible major revisions as early as Fiscal Year 2027. As part of the Board's consideration of any adopted changes to AlexRenew's rate structure, AlexRenew will undertake a public input and feedback process, conducted in accordance with §15.2-5136 of Virginia Code for public notice and public hearing procedures.

## 6 10-YEAR CAPITAL IMPROVEMENT AND IMPROVEMENT, RENEWAL, AND REPLACEMENT PROGRAMS

AlexRenew manages its capital projects through its CIP and its IRR Program. The CIP and IRR Program are summarized in a 10-year plan and is a key element in planning for and managing to future regulatory compliance through large-scale capital investments. AlexRenew's 10-year CIP and IRR program budget for FY2026-2035 is \$1,028.2 million.

The 10-year plan is an important tool used to formulate future project financing plans, maximize federal and state grant opportunities, proactively plan for the replacement or reconstruction of essential assets nearing the end of their service life, and schedule and coordinate the execution of multiple projects to minimize operational impact.

With RiverRenew nearing completion, AlexRenew is now focused on necessary improvements and upgrades to the WRRF through the design and construction of the PhaseForward projects through FY2030. In addition to the RiverRenew and PhaseForward programs, highlights of the FY2026-2035 CIP include:

- **Campus-wide Electrical Upgrades Program Project.** A program to overhaul AlexRenew's wastewater treatment plant's electrical grid and related infrastructure.
- **Commonwealth Interceptor Upgrade Project.** A project to evaluate alternatives, in coordination with the City of Alexandria, to mitigate excess inflow and infiltration into the Commonwealth Separate Sanitary Area.
- **Climate Change Adaptation Project.** A project to assess vulnerabilities to climate change impacts and implement engineering solutions to protect AlexRenew assets and personnel.
- **HVAC System Upgrade Project.** A project to assess, replace and upgrade the HVAC systems across AlexRenew's campus.

Tables C.1 and C.2 in Appendix C summarize the 10-year CIP expenses. Additionally project sheets for each major CIP program are provided in Appendix C.

### 6.1 CIP and IRR Program Funding

Funding sources for the CIP and IRR program include loans, grants, revenue bond issues, bank lines of credit, capital contributions from Fairfax County, and cash contributions from AlexRenew's operations and reserves. AlexRenew has used loan programs including the Virginia Department of Environmental Quality (VDEQ) Clean Water Revolving Loan Fund (CWRLF), Virginia Pooled Financing Program (VPFP), and Water Infrastructure Finance and Innovation Act (WIFIA) program.

Additional details on the loans can be found under the detailed Debt Service Fund statement in Appendix B. Table 6.1 illustrates the anticipated capital funding sources over the 10-year period including the continued significant debt financing to be utilized to fund the high level of ongoing RiverRenew construction and upcoming PhaseForward construction.

**Table 6.1.** Summary of Anticipated Funding Sources for the 10-year Capital Program

Funding Sources	Adopted FY26	Est. FY27	Est. FY28	Est. FY29	Est. FY30	Est. FY31	Est. FY32	Est. FY33	Est. FY34	Est. FY35	10-year Total
Operating Revenue	\$18.9	\$20.9	\$22.9	\$19.8	\$20.9	\$22.3	\$24.2	\$26.6	\$28.3	\$28.8	\$233.6
Fairfax IRR Contributions	\$5.1	\$5.2	\$5.5	\$4.8	\$4.4	\$4.5	\$4.5	\$4.6	\$5.1	\$5.3	\$49.1
Fairfax Capital Contributions	\$54.3	\$67.9	\$62.4	\$69.3	\$62.1	\$40.5	\$23.8	\$18.8	\$11.0	\$27.5	\$437.8
WIFIA Loan Proceeds	\$86.4	-	-	-	-	-	-	-	-	-	\$86.4
Bond Proceeds	\$27.0	\$42.0	\$27.0	\$30.0	\$23.0	\$12.0	\$0.0	\$11.0	\$9.0	\$0.0	\$181.0
Grants	-	-	-	-	-	-	-	-	-	-	-
Interest Income	\$1.3	\$1.3	\$1.3	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$10.8
Cash	\$4.2	\$2.7	\$3.5	\$3.1	\$3.7	\$2.7	\$3.0	\$2.9	\$3.4	\$0.3	\$29.5
<b>Total Estimated CIP Funding</b>	<b>\$197.2</b>	<b>\$140.0</b>	<b>\$122.6</b>	<b>\$128.0</b>	<b>\$115.0</b>	<b>\$83.0</b>	<b>\$56.5</b>	<b>\$65.0</b>	<b>\$57.9</b>	<b>\$62.9</b>	<b>\$1,028.2</b>

<sup>1</sup>Projected debt proceeds total for FY2026 is rounded for purposes of the table.

The CIP and related funding strategies comply with all relevant AlexRenew financial policies including the required 15 percent cash funding requirement and sufficient projected net revenues to produce coverage of debt service requirements in excess of the 1.6x policy minimum.

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## **APPENDIX A**

## **DEFINITIONS**

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**IRR Program.** Improvement, Renewal, and Replacement Program

**CIP.** Capital Improvement Program

**CPI.** Consumer Price Index

**Operating Revenues.** Rates collected from Alexandria customers and Fairfax County's payments for AlexRenew's day-to-day operations

**Fairfax Capital Contributions.** Fairfax County's payments for AlexRenew's CIP and IRR program

**Debt Proceeds and Other Funding Sources.** Funds disbursed from loans, bonds, grants, interest income, miscellaneous revenue, and cash reserves.

**Operating Expenses.** Costs associated with day-to-day operation of wastewater treatment and other AlexRenew facilities

**Debt Service.** Payments on outstanding debt

**Capital Outlay.** Costs associated with capital projects and IRR projects

**Capital Project.** A capital project (generally greater than \$500,000) that involves expenditures to construct or acquire assets of a relatively permanent nature such as property, plant, and equipment with a useful life that exceeds approximately three years.

**IRR Project.** A capital project (generally ranging from \$5,000 to \$500,000) that involves expenditures to construct or acquire assets of a relatively permanent nature such as property, plant, and equipment with a useful life that exceeds approximately three years.

**Alex-Only Capital Projects.** Capital projects that are the responsibility of AlexRenew only.

**Joint Capital Projects.** Capital projects for which AlexRenew and Fairfax County share joint responsibility.

**WRRF.** Water Resource Recovery Facility.

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**APPENDIX B**

**THREE (3) YEAR BUDGET FORECAST – FUND  
STATEMENTS**

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## REVENUE FUND STATEMENT

AlexRenew's Indenture establishes nine (9) funds into which monies may be deposited to manage operating and maintenance, non-operating, and capital obligations. The collection and deposit of monies typically occurs monthly at specified times and in specified amounts, and in a prescribed order of priority.

AlexRenew is required to collect and deposit Revenues, as defined in the Indenture, in the Revenue Fund and make monthly transfers to each of its actively managed funds. Deposits to the Revenue Fund do not include Fairfax County IRR payments or Capital Contributions. These dollars are deposited by Fairfax County directly into the Joint Use Facilities Account of the IRR Fund or the Project or General Funds for capital outlay reimbursements, as appropriate.

Table B.1 presents adopted and estimated revenues expected to be received by AlexRenew for the period FY2026-2028. In addition, planned revenue transfers to various operating and non-operating funds are provided to highlight the use or purpose of the funds.

**Table B.1.** Revenue Fund Summary

Revenues and Transfers to Revenue Fund	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Revenues</b>					
Wastewater Treatment Charges	\$60,420,321	\$64,941,337	7.5%	\$67,892,993	\$71,083,964
Fairfax County Operating Charge	\$12,838,293	\$14,662,764	14.2%	\$15,351,639	\$16,074,970
<b>Total Revenues</b>	<b>\$ 73,258,614</b>	<b>\$79,604,102</b>	<b>8.7%</b>	<b>\$83,244,633</b>	<b>\$87,158,934</b>
<b>Transfers</b>					
Transfer to Operating Fund (1), (2)	\$35,195,594	\$40,840,755	16.0%	\$40,262,043	\$42,279,395
Transfer to Debt Service Fund	\$21,565,196	\$19,880,975	-7.8%	\$21,170,154	\$21,114,922
Transfer to IRR Fund - Joint Use Facilities Account	\$2,704,353	\$6,575,834	143.2%	\$6,002,012	\$5,654,381
Transfer to IRR Fund - General Account	\$1,822,000	\$1,023,760	-43.8%	\$708,941	\$779,322
Transfer to General Fund	\$11,971,472	\$11,282,778	-5.8%	\$12,601,483	\$14,830,914
<b>Total Uses</b>	<b>\$73,258,615</b>	<b>\$79,604,102</b>	<b>8.7%</b>	<b>\$83,244,633</b>	<b>\$87,158,934</b>

(1) Includes entire Fairfax County Operating Charge

(2) Includes the \$2.5M in FY2026 that will be transferred to reserves to account for unforeseen events and emergencies (i.e. possible changes in regulations, impacts of federal layoffs on customer rate payments or other operating costs)

## FAIRFAX COUNTY CONTRIBUTIONS

Table B.2 presents the summary of Fairfax County Contributions for the period FY2026-2028 and demonstrates the method by which Fairfax County annual payments and contributions are determined based on the capacity rights Fairfax County currently receives under the Fairfax County Service Agreement. Fairfax County currently makes equal monthly Operating Expense charge installments into the Revenue Fund, equal monthly contributions into the Joint Use Facilities Account of the IRR Fund, and variable monthly capital contributions (formulaic reimbursements based actual capital expenditures) into the Project Fund.

**Table B.2.** Fairfax County Contributions Summary

Fairfax County Contributions	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Operating Expense Charge</b>					
Total Est. Operating Expenses	\$35,295,594	\$40,925,755	16.0%	\$42,847,043	\$44,864,395
Less Est. "Alex-Only" Expenses	\$(4,683,060)	\$(5,115,719)	9.2%	\$(5,355,880)	\$(5,608,049)
Net Est. Joint Op. Expenses	\$30,612,534	\$35,810,036	17.0%	\$37,491,162	\$39,256,346
Est. Fairfax County Net Flow	42.0%	41.0%	-2.4%	41.0%	41.0%
Est. Fairfax County Op. Charge	\$12,857,264	\$14,682,115	14.2%	\$15,371,377	\$16,095,102
Less Alex-Only Flow Charge	\$(18,971)	\$(19,350)	2.0%	\$(19,737)	\$(20,132)
<b>Est. Fairfax County Op. Charge</b>	<b>\$12,838,293</b>	<b>\$14,662,764</b>	<b>14.2%</b>	<b>\$15,351,639</b>	<b>\$16,074,970</b>
<b>IRR Fund - Joint Contribution:</b>					
Est. Joint Use Plant Investment	\$943,664,099	\$1,225,138,139	29.8%	\$1,268,103,069	\$1,329,080,218
Est. Joint Use IRR Funding Pct	0.7%	0.7%	0.0%	0.7%	0.7%
Additional Transfers					
Est. Joint Use IRR Investment	\$6,605,649	\$8,575,967	29.8%	\$8,876,721	\$9,303,562
Investment Allocation at 60%	\$6,143,253	\$7,975,649	29.8%	\$8,255,351	\$8,652,312
Investment Allocation at 49%	\$396,339	\$514,558	29.8%	\$532,603	\$558,214
Investment Allocation at 32%	\$66,056	\$85,760	29.8%	\$88,767	\$93,036
<b>Total IRR - Joint Investment</b>	<b>\$6,605,649</b>	<b>\$8,575,967</b>	<b>29.8%</b>	<b>\$8,876,721</b>	<b>\$9,303,562</b>
Fairfax County Allocation at 60%	\$3,685,952	\$4,785,390	29.8%	\$4,953,211	\$5,191,387
Fairfax County Allocation at 49%	\$194,206	\$252,133	29.8%	\$260,976	\$273,525
Fairfax County Allocation at 32%	\$21,138	\$27,443	29.8%	\$28,406	\$29,771
<b>Total Fairfax County IRR - Joint Contribution</b>	<b>\$3,901,296</b>	<b>\$5,064,966</b>	<b>29.8%</b>	<b>\$5,242,592</b>	<b>\$5,494,683</b>
AlexRenew Joint IRR Contribution	\$2,704,353	\$3,511,001	29.8%	\$3,634,130	\$3,808,878
<b>Capital Project Contribution - Joint Use Facilities:</b>					
Est. Joint Capital Improvements at 60%/40%	\$44,160,000	\$74,115,000	67.8%	\$113,150,000	\$104,050,000
Fairfax County Allocation at 60%	\$26,496,000	\$44,469,000	67.8%	\$67,890,000	\$62,430,000
Est. Joint Capital Improvements at 49%/51%	\$750,000	\$500,000	-33.3%	-	-
Fairfax County Allocation at 49%	\$367,500	\$245,000	-33.3%	-	-
Est. Joint Capital Improvements RiverRenew	\$64,083,402	\$78,379,997	22.3%	-	-
Fairfax County Allocation (1)	\$9,988,276	\$9,599,129	-3.9%	-	-
Est. Joint Capital Improvements at 32%/68%	-	-	0.0%	-	-
Fairfax County Allocation at 32%	-	-	0.0%	-	-
<b>Total Fairfax County Capital Contribution</b>	<b>\$36,851,776</b>	<b>\$54,313,129</b>	<b>47.4%</b>	<b>\$67,890,000</b>	<b>\$62,430,000</b>
<b>Total Fairfax County Contributions</b>	<b>\$53,591,365</b>	<b>\$74,040,859</b>	<b>38.2%</b>	<b>\$88,484,231</b>	<b>\$83,999,653</b>

(1) Fairfax County allocation based on Contractor Schedule of Values

## OPERATING FUND STATEMENT

The Operating Fund is primarily funded with Wastewater Treatment Charges and is used for expenses incurred in the day-to-day operations. These are expected expenses that happen daily, weekly, or monthly. These expenses include personnel, utilities, chemicals, operations and maintenance, Arlington sewage disposal, sludge disposal, and other administrative expenses. The schedule below presents adopted and estimated Operating Fund revenue and expenses expected by AlexRenew for the period FY2026-2028.

The Operating Fund estimates in Table B.3 are in compliance with the financial policy to maintain a combined 120 days cash on hand which includes 60 days in the Operating Fund.

**Table B.3.** Operating Fund Summary

Operating Expenses Categories	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Revenues</b>					
Transfer from Revenue Fund	\$35,195,594	\$40,840,755	16.0%	\$42,762,043	\$44,779,395
Interest Income	\$100,000	\$85,000	-15.0%	\$85,000	\$85,000
<b>Total</b>	<b>\$35,295,594</b>	<b>\$40,925,755</b>	<b>16.0%</b>	<b>\$42,847,042</b>	<b>\$ 44,864,395</b>
<b>Expenses</b>					
Personnel	\$17,210,991	\$18,334,520	6.5%	\$19,251,246	\$20,213,808
Utilities	\$4,248,000	\$4,684,240	10.3%	\$4,918,452	\$5,164,375
Chemicals	\$3,571,000	\$4,145,000	16.1%	\$4,352,250	\$4,569,863
Operation Maintenance	\$1,581,255	\$1,945,750	23.1%	\$2,043,038	\$2,145,189
Arlington Sewage Disposal	\$1,800,000	\$1,900,000	5.6%	\$1,995,000	\$2,094,750
Sludge Disposal	\$1,362,000	\$1,509,500	10.8%	\$1,584,975	\$1,664,224
General, Admin, Cust. Service and Other	\$5,522,348	\$5,906,745	7.0%	\$6,202,082	\$6,512,186
Transfer to Reserves (2)	\$0	\$2,500,000	100.0%	\$2,500,000	\$2,500,000
<b>Total</b>	<b>\$35,295,594</b>	<b>\$40,925,755</b>	<b>16.0%</b>	<b>\$42,847,042</b>	<b>\$ 44,864,395</b>
<b>Excess (Deficiency) (1)</b>	<b>\$ (0)</b>	<b>\$846,608</b>		<b>\$315,828</b>	<b>\$331,620</b>
<b>Fund Balance – Beginning</b>	<b>\$5,880,913</b>	<b>\$5,880,913</b>		<b>\$6,727,521</b>	<b>\$7,043,349</b>
<b>Fund Balance – Ending (1)</b>	<b>\$5,880,913</b>	<b>\$6,727,521</b>		<b>\$7,043,349</b>	<b>\$7,374,969</b>

(1) Operating Reserve Requirement of 60 days, per AlexRenew's Financial Policy

(2) Transfer to reserves is to account for unforeseen events and emergencies (i.e. possible changes in regulations, impacts of federal layoffs on customer rate payments or other operating costs)

## DEBT SERVICE FUND STATEMENT

The Debt Service Fund includes the amounts due to pay principal and interest on outstanding and projected AlexRenew debt. To date, AlexRenew has borrowed from the Virginia Clean Water Revolving Loan Fund (CWRLF) and Virginia Pooled Financing Program (VPFP) through the Virginia Resources Authority (VRA) as well as through the federal Water Infrastructure Finance and Innovation Act (WIFIA) loan program. In FY2024, AlexRenew issued its own bonds to fund PhaseForward projects. Within the context of the Indenture, capital funding in this manner is deemed parity debt. Table B.4 illustrates the debt service payment schedule for FY2026-2028 which includes repayment on the AlexRenew bonds.

**Table B.4.** Debt Service Fund Summary

Debt Service Fund	Adopted FY2025	Adopted FY2026	Estimated FY2027	Estimated FY2028
<b>Revenues</b>				
Transfer from Revenue Fund	\$21,565,196	\$19,880,975	\$21,170,154	\$21,114,922
Interest Income	\$725,000	\$340,000	\$340,000	\$340,000
<b>Total Revenue</b>	<b>\$22,290,195</b>	<b>\$20,220,974</b>	<b>\$21,510,154</b>	<b>\$21,454,922</b>
<b>Expenditures</b>				
VRA BOND SERIES 00B INTEREST	\$-	\$-	\$-	\$-
VRA BOND SERIES 00B PRINCIPAL	\$-	\$-	\$-	\$-
VRA BOND SERIES 04 INTEREST	\$3,543	\$-	\$-	\$-
VRA BOND SERIES 04 PRINCIPAL	\$708,669	\$-	\$-	\$-
VRA BOND SERIES 06 INTEREST	\$20,798	\$12,979	\$5,589	\$-
VRA BOND SERIES 06 PRINCIPAL	\$830,185	\$737,180	\$744,570	\$-
VRA BOND SERIES 09 INTEREST	\$129,186	\$105,178	\$80,512	\$55,171
VRA BOND SERIES 09 PRINCIPAL	\$876,692	\$900,700	\$925,366	\$950,707
VRA BOND SERIES 11 INTEREST	\$101,157	\$91,227	\$81,063	\$70,659
VRA BOND SERIES 11 PRINCIPAL	\$420,053	\$429,982	\$440,146	\$450,550
VRA BOND SERIES 14A INTEREST	\$96,566	\$88,520	\$80,373	\$72,123
VRA BOND SERIES 14A PRINCIPAL	\$641,705	\$649,751	\$657,899	\$666,148
VRA BOND SERIES 14B INTEREST	\$17,792	\$16,231	\$14,652	\$13,054
VRA BOND SERIES 14B PRINCIPAL	\$128,859	\$131,192	\$132,771	\$134,369
VRA BOND SERIES 14C/24B INTEREST	\$811,772	\$806,675	\$799,116	\$783,356
VRA BOND SERIES 14C/24B PRINCIPAL	\$305,000	\$-	\$295,000	\$320,000
VRA BOND SERIES 17A INTEREST	\$830,759	\$797,319	\$762,084	\$730,334
VRA BOND SERIES 17A PRINCIPAL	\$635,000	\$670,000	\$705,000	\$735,000
VRA BOND SERIES 19 INTEREST	\$66,347	\$53,510	\$51,260	\$50,360
VRA BOND SERIES 19 PRINCIPAL	\$101,000	\$300,000	\$100,000	\$100,000
VRA BOND SERIES 21 INTEREST	\$2,441,500	\$1,977,657	\$1,902,822	\$1,826,974
VRA BOND SERIES 21 PRINCIPAL	\$8,451,600	\$6,485,456	\$6,573,305	\$6,662,345
WIFIA BOND SERIES 21 INTEREST	\$1,516,500	\$3,030,167	\$4,029,479	\$4,525,883
WIFIA BOND SERIES 21 PRINCIPAL	-	-	\$191,272	\$366,264
ALEXRENEW BOND SERIES 24 INTEREST	\$2,465,514	\$2,267,250	\$2,232,875	\$2,196,625
ALEXRENEW BOND SERIES 24 PRINCIPAL	\$690,000	\$670,000	\$705,000	\$745,000
<b>Total Expenses</b>	<b>\$22,290,196</b>	<b>\$20,220,975</b>	<b>\$21,510,154</b>	<b>\$21,454,922</b>
Total Interest	\$8,501,433	\$9,246,713	\$10,039,825	\$10,324,539
Total Principal	\$13,788,763	\$10,974,262	\$11,470,329	\$11,130,383

## IRR FUND STATEMENT – JOINT USE FACILITIES ACCOUNT

The IRR Fund – Joint Use Facilities Account funds the project costs associated with the upgrade of infrastructure and equipment for the portions of the facility used jointly by Alexandria and Fairfax County.

As noted in the accompanying schedule, contributions to the Joint Use Facilities Account are made annually by both AlexRenew and Fairfax County in a combined amount equal to 0.7 percent of AlexRenew’s estimated joint capital asset value. Fairfax County’s portion of the total contribution is also based on the allocation percentages detailed on page B-4 and affirmed in the Fairfax County Service Agreement. Table B.5 illustrates IRR-Joint project expenses for FY2026-2028 that are necessary for ongoing AlexRenew’s asset repairs and improvements.

**Table B.5.** IRR Fund – Joint Use Facilities Account Summary

IRR Fund - Joint Use Facilities Account	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Revenues</b>					
Revenue Fund Transfer	\$2,704,353	\$6,575,834	143.2%	\$6,002,012	\$5,654,381
Fairfax County Contribution	\$3,901,296	\$5,064,966	29.8%	\$5,242,592	\$5,494,683
<b>Total Revenues</b>	<b>\$6,605,649</b>	<b>\$11,640,801</b>	<b>17.2%</b>	<b>\$11,244,604</b>	<b>\$11,149,065</b>
<b>Expenses</b>					
Campus Wide Projects	\$2,500,000	\$3,000,000	20.0%	\$4,000,000	\$3,000,000
Collection System Projects	\$100,000	\$500,000	400.0%	\$366,640	\$403,304
Information Technology Projects	\$500,000	\$500,000	0.0%	\$500,000	\$550,000
Compliance Laboratory	\$10,000	\$10,800	8.0%	\$11,664	\$12,830
Preliminary / Primary Infrastructure	\$250,000	\$1,000,000	300.0%	\$291,600	\$ 320,760
Secondary Infrastructure	\$1,500,000	\$1,500,000	0.0%	\$1,620,000	\$1,782,000
Solids Infrastructure	\$1,000,000	\$1,000,000	0.0%	\$1,166,400	\$1,283,040
Tertiary Infrastructure	\$1,763,900	\$1,000,000	-43.3%	\$683,500	\$751,850
Odor Control System	\$500,000	\$500,000	0.0%	\$500,000	\$550,000
Power Distribution Monitors	\$30,000	\$100,000	233.3%	\$30,000	\$33,000
West Campus Projects	\$750,000	\$1,000,000	33.3%	\$874,800	\$962,280
Safety and Security	\$1,030,000	\$1,530,000	48.5%	\$1,200,000	\$1,500,000
<b>Joint IRR Expenses</b>	<b>\$9,933,900</b>	<b>\$11,640,801</b>	<b>17.2%</b>	<b>\$11,244,604</b>	<b>\$11,149,065</b>
<b>Excess (Deficiency)</b>	<b>\$(3,328,251)</b>	<b>(\$1)</b>		<b>-</b>	<b>-</b>
<b>Fund Balance - Beginning</b>	<b>\$2,758,373</b>	<b>\$(569,878)</b>		<b>\$(569,878)</b>	<b>\$(569,878)</b>
<b>Fund Balance - Ending</b>	<b>\$(569,878)</b>	<b>\$(569,878)</b>		<b>\$(569,878)</b>	<b>\$(569,878)</b>

## IRR FUND STATEMENT – GENERAL ACCOUNT

The IRR Fund – General Account funds the project costs associated with the upgrade of infrastructure and equipment for the portions of the facility used for the benefit of the Alexandria only.

Contributions to the General Account are made annually for projects AlexRenew determines are necessary to maintain the safe and effective operation for collection system and Alexandria-only campus needs. Table B.6 illustrates IRR - Alex-Only project expenses for FY2026-2028 necessary for continued improvement, renewal, and replacement associated with Alexandria-only assets.

**Table B.6.** IRR Fund – General Account Summary

IRR Fund - General Account	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Revenues</b>					
Revenue Fund Transfer	\$1,822,000	\$1,023,760	-43.8%	\$708,941	\$779,322
<b>Total Revenue</b>	<b>\$1,822,000</b>	<b>\$1,023,760</b>	<b>-43.8%</b>	<b>\$708,941</b>	<b>\$779,322</b>
<b>Expenses</b>					
Campus Wide Projects	\$22,000	\$23,760	8.0%	\$25,661	\$27,714
Collection System Projects	\$1,800,000	\$1,000,000	-44.4%	\$683,280	\$751,608
<b>Total Expenses</b>	<b>\$1,822,000</b>	<b>\$1,023,760</b>	<b>-43.8%</b>	<b>\$708,941</b>	<b>\$779,322</b>



## GENERAL FUND STATEMENT

The General Fund is the repository of funds remaining after deposits to all other Funds are made and may be used for any lawful purpose of AlexRenew. AlexRenew uses the General Fund to finance Alexandria-only capital improvements, contribute cash funding to the joint capital program, manage unanticipated expenditures, and maintain sufficient reserves to promote ongoing financial strength.

The General Fund balance is projected to decrease \$925,506 through FY2026, with a projected balance of \$22.7 million. Table B.7 illustrates the General Fund balance for the period FY2026-2028 and includes demonstration of financial policy compliance to maintain 60 days of cash reserves in the General Reserve Sub-Fund.

**Table B.7.** General Fund Summary

General Fund	Adopted FY2025	Adopted FY2026	Var %	Estimated FY2027	Estimated FY2028
<b>Revenues</b>					
Revenue Fund Transfer	\$ 11,971,472	\$ 11,282,778	-5.8%	\$ 12,601,483	\$ 14,830,914
Fairfax Contribution	\$ 36,851,776	\$ 54,313,129	47.4%	\$ 67,890,000	\$ 62,430,000
WIFIA Loan Proceeds	\$ 82,618,224	\$ 86,393,095	4.6%	\$ -	\$ -
Bond Proceeds	\$ 30,000,000	\$ 27,000,000	-10.0%	\$ 42,000,000	\$ 27,000,000
Cash	\$ 5,266,179	\$ 4,243,222	-19.4%	\$ 4,283,517	\$ 5,114,086
Interest Income	75,000	1,275,000	1600.0%	1,275,000	1,275,000
<b>Total Revenues</b>	<b>\$ 166,782,651</b>	<b>\$ 184,507,223</b>	<b>10.6%</b>	<b>\$ 128,050,000</b>	<b>\$ 110,650,000</b>
<b>Expenses</b>					
Alex-only General Capital Expenses	\$ 10,844,400	\$ 13,900,000	28.2%	\$ 14,900,000	\$ 6,600,000
Joint General Capital Expenses	\$ 152,610,000	\$ 170,607,223		\$ 113,150,000	\$ 104,050,000
<b>Total Expenses</b>	<b>\$ 163,454,400</b>	<b>\$ 184,507,223</b>	<b>12.9%</b>	<b>\$ 128,050,000</b>	<b>\$ 110,650,000</b>
<b>Fund Balance Increase (Decrease)</b>	<b>\$ 3,328,251</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>
<b>Fund Balance - Beginning</b>	<b>\$ 66,695,928</b>	<b>\$ 70,024,180</b>		<b>\$ 70,024,180</b>	<b>\$ 70,024,180</b>
<b>Fund Balance - Ending</b>	<b>\$ 70,024,180</b>	<b>\$ 70,024,180</b>		<b>\$ 70,024,180</b>	<b>\$ 70,024,180</b>
<b>General Reserve sub-Fund <sup>1</sup></b>	<b>\$ (5,802,015)</b>	<b>\$ (6,727,521)</b>		<b>\$ (7,043,349)</b>	<b>\$ (7,374,969)</b>
<b>Available Balance</b>	<b>\$ 64,222,164</b>	<b>\$ 63,296,658</b>	<b>-1.4%</b>	<b>\$ 62,980,830</b>	<b>\$ 62,649,211</b>

<sup>1</sup> Additional Operating Reserve Requirement of 60 days cash per Board-approved financial policy

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**APPENDIX C      10-YEAR CAPITAL IMPROVEMENT AND IMPROVEMENT,  
RENEWAL, AND REPLACEMENT PROGRAMS – SUMMARY  
AND PROJECT SHEETS**

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**Table C.1.** FY2026-2035 10-year CIP Program – Summary of Expenditures and Funding Sources

Summary of Expenditures		Adopted FY2025	Adopted FY2026	Est. FY2027	Est. FY2028	Est. FY2029	Est. FY2030	Est. FY2031	Est. FY2032	Est. FY2033	Est. FY2034	Est. FY2035	10-year Total
IRR Program	Alex-only IRR	\$1.8	\$1.0	\$0.7	\$0.8	\$0.3	\$0.3	\$0.4	\$0.4	\$0.4	\$0.4	\$0.4	\$5.1
	Joint IRR	\$9.9	\$11.6	\$11.2	\$11.1	\$9.6	\$8.7	\$8.9	\$9.1	\$9.3	\$10.2	\$10.6	\$100.5
	<i>Subtotal</i>	\$11.8	\$12.7	\$12.0	\$11.9	\$9.9	\$9.1	\$9.3	\$9.5	\$9.7	\$10.6	\$11.0	\$105.6
CIP – General	Alex-only CIP	\$10.8	\$13.9	\$14.9	\$6.6	\$2.6	\$2.5	\$6.2	\$7.4	\$24.0	\$28.9	\$6.0	\$112.8
	Joint CIP	\$44.9	\$74.6	\$113.2	\$104.1	\$115.5	\$103.5	\$67.6	\$39.7	\$31.4	\$18.4	\$45.9	\$713.8
	<i>Subtotal</i>	\$55.8	\$88.5	\$128.1	\$110.7	\$118.1	\$105.9	\$73.7	\$47.1	\$55.4	\$47.3	\$51.9	\$826.6
CIP – RiverRenew	RiverRenew Tunnel Project	\$107.7	\$96.0	-	-	-	-	-	-	-	-	-	\$96.0
	<i>Subtotal</i>	\$107.7	\$96.0	-	-	-	-	-	-	-	-	-	\$96.0
<b>Total CIP/IRR Program Expenditures</b>		<b>\$175.2</b>	<b>\$197.2</b>	<b>\$140.0</b>	<b>\$122.6</b>	<b>\$128.0</b>	<b>\$115.0</b>	<b>\$83.0</b>	<b>\$56.5</b>	<b>\$65.0</b>	<b>\$57.9</b>	<b>\$62.9</b>	<b>\$1,028.2</b>
Summary of Funding		Adopted FY2025	Adopted FY2026	Est. FY2027	Est. FY2028	Est. FY2029	Est. FY2030	Est. FY2031	Est. FY2032	Est. FY2033	Est. FY2034	Est. FY2035	10-year Total
Operating Revenues		\$16.5	\$18.9	\$19.3	\$21.3	\$20.7	\$21.9	\$23.3	\$25.3	\$27.7	\$29.5	\$29.0	\$236.9
Fairfax Capital Contributions		\$36.9	\$54.3	\$67.9	\$62.4	\$69.3	\$62.1	\$40.5	\$23.8	\$18.8	\$11.0	\$27.5	\$437.8
Fairfax IRR Contributions		\$3.9	\$5.1	\$5.2	\$5.5	\$4.8	\$4.4	\$4.5	\$4.5	\$4.6	\$5.1	\$5.3	\$49.1
WIFIA Loan Proceeds		\$112.6	\$86.4	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$86.4
Bond Proceeds		\$-	\$27.0	\$42.0	\$27.0	\$30.0	\$23.0	\$12.0	\$-	\$11.0	\$9.0	\$-	\$181.0
Grants		\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Interest Income		\$0.1	\$1.3	\$1.3	\$1.3	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0	\$10.8
Cash		\$5.3	\$4.2	\$4.3	\$5.1	\$2.2	\$2.7	\$1.7	\$1.9	\$1.8	\$2.3	\$0.1	\$26.2
<b>Total CIP/IRR Program Funding Sources</b>		<b>\$175.2</b>	<b>\$197.2</b>	<b>\$140.0</b>	<b>\$122.6</b>	<b>\$128.0</b>	<b>\$115.0</b>	<b>\$83.0</b>	<b>\$56.5</b>	<b>\$65.0</b>	<b>\$57.9</b>	<b>\$62.9</b>	<b>\$1,028.2</b>

**Table C.2. FY2026-2035 10-year CIP Program – Detailed Expenses**

Projects	Total Project	Prior Years	Adopted FY2026	Estimated FY2027	Estimated FY2028	Estimated FY2029	Estimated FY2030	Estimated FY2031	Estimated FY2032	Estimated FY2033	Estimated FY2034	Estimated FY2035	10-year Total
<b>IRR Program</b>													
<b>Alex-only IRR</b>													
IRR: Campus Wide Projects	\$ 0.3	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.3
IRR: Collection System Projects	\$ 6.6	\$ 1.8	\$ 1.0	\$ 0.7	\$ 0.8	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 4.8
<b>Alex-only IRR Subtotal</b>	<b>\$ 6.9</b>	<b>\$ 1.8</b>	<b>\$ 1.0</b>	<b>\$ 0.7</b>	<b>\$ 0.8</b>	<b>\$ 0.3</b>	<b>\$ 0.3</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 0.4</b>	<b>\$ 5.1</b>
<b>Joint IRR</b>													
IRR: Campus-Wide Projects	\$ 26.5	\$ 2.5	\$ 3.0	\$ 4.0	\$ 3.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 2.0	\$ 24.0
IRR: West Campus Projects	\$ 11.1	\$ 0.8	\$ 1.0	\$ 0.9	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.0	\$ 1.1	\$ 1.1	\$ 1.1	\$ 1.2	\$ 10.3
IRR: Preliminary and Primary Infrastructure	\$ 4.4	\$ 0.3	\$ 1.0	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.3	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 4.1
IRR: Secondary Infrastructure	\$ 20.3	\$ 1.5	\$ 1.5	\$ 1.6	\$ 1.8	\$ 1.8	\$ 1.9	\$ 1.9	\$ 2.0	\$ 2.0	\$ 2.1	\$ 2.2	\$ 18.8
IRR: Tertiary Infrastructure	\$ 9.7	\$ 1.8	\$ 1.0	\$ 0.7	\$ 0.8	\$ 0.7	\$ 0.7	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.9	\$ 7.9
IRR: Solids Infrastructure	\$ 14.4	\$ 1.0	\$ 1.0	\$ 1.2	\$ 1.3	\$ 1.3	\$ 1.3	\$ 1.4	\$ 1.4	\$ 1.5	\$ 1.5	\$ 1.6	\$ 13.4
IRR: Odor Control System	\$ 4.6	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 1.0	\$ -	\$ -	\$ -	\$ -	\$ 0.8	\$ 0.8	\$ 4.1
IRR: WRRF Safety and Security	\$ 7.6	\$ 1.0	\$ 1.5	\$ 1.2	\$ 1.5	\$ 0.8	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ 6.5
IRR: Collection System Projects	\$ 2.4	\$ 0.1	\$ 0.5	\$ 0.4	\$ 0.4	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.2	\$ 2.3
IRR: Power Distribution Monitors	\$ 0.3	\$ 0.0	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ -	\$ -	\$ 0.3
IRR: Compliance Laboratory	\$ 0.1	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.1
IRR: Tunnel Cleaning/Inspection	\$ 3.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.7	\$ 3.6
IRR: Information Technology Projects	\$ 5.6	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 0.5	\$ 5.1
<b>Joint IRR Subtotal</b>	<b>\$ 110.5</b>	<b>\$ 9.9</b>	<b>\$ 11.6</b>	<b>\$ 11.2</b>	<b>\$ 11.1</b>	<b>\$ 9.6</b>	<b>\$ 8.7</b>	<b>\$ 8.9</b>	<b>\$ 9.1</b>	<b>\$ 9.3</b>	<b>\$ 10.2</b>	<b>\$ 10.6</b>	<b>\$ 100.5</b>
<b>IRR Program Total</b>	<b>\$ 117.4</b>	<b>\$ 11.8</b>	<b>\$ 12.7</b>	<b>\$ 12.0</b>	<b>\$ 11.9</b>	<b>\$ 9.9</b>	<b>\$ 9.1</b>	<b>\$ 9.3</b>	<b>\$ 9.5</b>	<b>\$ 9.7</b>	<b>\$ 10.6</b>	<b>\$ 11.0</b>	<b>\$ 105.6</b>
<b>CIP - General</b>													
<b>Alex-only Capital Improvement Projects</b>													
Commonwealth Interceptor Upgrade Project	\$ 73.0	\$ 4.8	\$ 0.5	\$ -	\$ -	\$ -	\$ 1.7	\$ 4.8	\$ 6.2	\$ 22.6	\$ 27.8	\$ 4.8	\$ 68.3
Arlington County Capital Contributions	\$ 25.9	\$ 4.7	\$ 5.3	\$ 6.0	\$ 4.5	\$ 2.0	\$ 0.2	\$ 0.8	\$ 0.6	\$ 0.8	\$ 0.6	\$ 0.6	\$ 21.3
Potomac Interceptor Rehabilitation	\$ 14.8	\$ -	\$ 7.0	\$ 7.8	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 14.8
Environmental Center 5th Floor Build-out	\$ 1.5	\$ 1.0	\$ 0.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.5
Environmental Center Lobby Upgrades	\$ 2.0	\$ -	\$ -	\$ 0.5	\$ 1.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.0
Capital Financing Fees	\$ 6.7	\$ 0.7	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 6.0
<b>Alex-only Capital Improvement Projects Subtotal</b>	<b>\$ 123.9</b>	<b>\$ 11.1</b>	<b>\$ 13.9</b>	<b>\$ 14.9</b>	<b>\$ 6.6</b>	<b>\$ 2.6</b>	<b>\$ 2.5</b>	<b>\$ 6.2</b>	<b>\$ 7.4</b>	<b>\$ 24.0</b>	<b>\$ 28.9</b>	<b>\$ 6.0</b>	<b>\$ 112.8</b>

**Table C.2.** FY2025-2034 10-year CIP Program – Detailed Expenses (continued)

Projects	Total Project	Prior Years	Adopted FY2026	Estimated FY2027	Estimated FY2028	Estimated FY2029	Estimated FY2030	Estimated FY2031	Estimated FY2032	Estimated FY2033	Estimated FY2034	Estimated FY2035	10-year Total
<b>Joint Capital Improvement Projects</b>													
Biosolids Diversification	\$ 315.2	\$ 9.7	\$ 25.2	\$ 61.7	\$ 58.1	\$ 55.0	\$ 46.5	\$ 9.3	\$ -	\$ -	\$ -	\$ -	\$ 255.8
Headworks Renewal	\$ 120.5	\$ 6.7	\$ 20.7	\$ 18.8	\$ 22.1	\$ 23.4	\$ 13.3	\$ 15.6	\$ -	\$ -	\$ -	\$ -	\$ 113.8
Nutrient Reduction	\$ 120.2	\$ 1.2	\$ 2.5	\$ 3.5	\$ 14.0	\$ 23.0	\$ 25.0	\$ 20.0	\$ 20.0	\$ 11.0	\$ -	\$ -	\$ 119.0
Information Technology Infrastructure Upgrades	\$ 22.8	\$ 11.5	\$ 2.6	\$ 2.6	\$ 1.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 11.3
Process Optimization	\$ 13.0	\$ 0.5	\$ 5.0	\$ 7.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12.5
Campus-wide Electrical Upgrade Program	\$ 81.0	\$ 1.0	\$ 2.5	\$ 2.5	\$ 5.0	\$ 7.5	\$ 12.5	\$ 15.0	\$ 15.0	\$ 10.0	\$ 5.0	\$ 5.0	\$ 80.0
Buildings L and G Elevator Replacement	\$ 3.0	\$ 1.0	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2.0
Warehouse and Inventory Upgrade	\$ 12.6	\$ 0.1	\$ 3.2	\$ 4.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 12.5
Plantwide Sump and Drain System Updates	\$ 7.7	\$ -	\$ 0.2	\$ 0.5	\$ 0.5	\$ 1.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 7.7
Plant Effluent Water System Improvements	\$ 9.1	\$ -	\$ 2.3	\$ 1.8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 9.1
NMF Wet Well Modifications	\$ 10.0	\$ -	\$ 1.0	\$ -	\$ -	\$ 2.0	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 10.0
Secondary Settling Tanks Refurbishment	\$ 10.5	\$ -	\$ 1.5	\$ 2.0	\$ 2.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 10.5
Security Services During Construction	\$ 9.4	\$ 1.4	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 0.8	\$ 8.0
Reclaimed Water System Upgrade	\$ 1.6	\$ -	\$ 0.5	\$ 0.3	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1	\$ 1.6
WRRF HVAC System Upgrade	\$ 19.5	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ 2.5	\$ 5.5	\$ 2.5	\$ 1.5	\$ 0.5	\$ 5.0	\$ 19.5
Plantwide Chemical System Updates	\$ 12.0	\$ -	\$ 2.0	\$ 5.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 12.0
South Carlyle Partnership	\$ 1.1	\$ -	\$ -	\$ -	\$ -	\$ 0.2	\$ 0.3	\$ 0.3	\$ 0.3	\$ -	\$ -	\$ -	\$ 1.1
North Bridge Structural Upgrades	\$ 10.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.5	\$ 1.0	\$ 1.0	\$ 3.0	\$ 5.0	\$ -	\$ 10.5
Climate Change Resiliency Program	\$ 13.3	\$ 0.6	\$ 0.5	\$ 0.3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.0	\$ 7.0	\$ -	\$ 12.8
Biosolids Regional Facility	\$ 0.4	\$ -	\$ 0.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.4
Boiler Improvement Project	\$ 3.5	\$ -	\$ 1.5	\$ 1.5	\$ 0.5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.5
Website Project	\$ 0.3	\$ -	\$ 0.2	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.3
Joint Capital Improvement Projects Subtotal	\$ 797.1	\$ 33.7	\$ 74.6	\$ 113.2	\$ 104.1	\$ 115.5	\$ 103.5	\$ 67.6	\$ 39.7	\$ 31.4	\$ 18.4	\$ 45.9	\$ 713.8
General CIP Total	\$ 921.0	\$ 44.8	\$ 88.5	\$ 128.1	\$ 110.7	\$ 118.1	\$ 105.9	\$ 73.7	\$ 47.1	\$ 55.4	\$ 47.3	\$ 51.9	\$ 826.6
<b>CIP - RiverRenew Program</b>													
RiverRenew Tunnel Project - Alex Only	\$184.6	\$167.0	\$17.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$17.6
RiverRenew Tunnel Project - Joint	\$445.4	\$367.0	\$78.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$78.4
RiverRenew Tunnel Project Total	\$630.0	\$534.0	\$96.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$96.0
AlexRenew CIP Total	\$ 1,668.4	\$ 590.5	\$ 197.2	\$ 140.0	\$ 122.6	\$ 128.0	\$ 115.0	\$ 83.0	\$ 56.5	\$ 65.0	\$ 57.9	\$ 62.9	\$ 1,028.2

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**Campus-Wide Projects (Alex-only)**

Project Location:

Various Alex-only  
infrastructure

Description: Any improvement, rehabilitation, and replacement projects designated as Alexandria-only.

Justification: Provide funds for improvement, rehabilitation, and replacement projects associated with non-process Alexandria-only infrastructure.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Alexandria Only (0% Fairfax County / 100% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.02	\$0.02	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.30
<b>Financing</b>												
AlexRenew	\$0.02	\$0.02	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.30
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									-			

Note: Prior Year amount represents adopted FY2025 budget.

**Collection System Projects**

Project Location: Alex-only Facilities

Description: Continued improvement, rehabilitation, and replacement of Alex-only collection system assets such as interceptors and trunk sewers.

Justification: To maintain the full functionality and reliability of AlexRenew's collection system.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Alexandria Only (0% Fairfax County / 100% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.80	\$1.00	\$0.68	\$0.75	\$0.31	\$0.32	\$0.33	\$0.34	\$0.35	\$0.36	\$0.38	\$4.81
<b>Financing</b>												
AlexRenew	\$1.80	\$1.00	\$0.68	\$0.75	\$0.31	\$0.32	\$0.33	\$0.34	\$0.35	\$0.36	\$0.38	\$4.81
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									-			

Note: Prior Year amount represents adopted FY2025 budget.

**Campus Wide Projects (Joint)**

Project Location: WRRF – Campus-wide

Description: All improvement, rehabilitation, and replacement projects on infrastructure, equipment, and systems across campus.

Justification: To maintain the full functionality and reliability of campus-wide systems.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$2.50	\$3.00	\$4.00	\$3.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$24.00
<b>Financing</b>												
AlexRenew	\$1.00	\$1.80	\$1.60	\$1.20	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$10.20
Fairfax	\$1.50	\$2.70	\$2.40	\$1.80	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$15.30
<b>Lifetime Total:</b>										–		

Note: Prior Year amount represents adopted FY2025 budget.

**West Campus Projects**

Project Location: Environmental Center

Description: All improvement, rehabilitation, and replacement projects associated with the Environmental Center.

Justification: To maintain the full functionality of the Environmental Center.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Environmental Center (49% Fairfax County / 51% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.75	\$1.00	\$0.87	\$0.96	\$0.97	\$1.00	\$1.03	\$1.06	\$1.10	\$1.13	\$1.18	\$10.32
<b>Financing</b>												
AlexRenew	\$0.38	\$0.51	\$0.45	\$0.49	\$0.50	\$0.51	\$0.53	\$0.54	\$0.56	\$0.58	\$0.60	\$5.26
Fairfax	\$0.37	\$0.49	\$0.43	\$0.47	\$0.48	\$0.49	\$0.51	\$0.52	\$0.54	\$0.55	\$0.58	\$5.05
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

Description: All improvement, rehabilitation, and replacement projects associated with the preliminary and primary treatment systems.

Justification: To maintain the full functionality and reliability of the preliminary and primary treatment processes.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.25	\$1.00	\$0.29	\$0.32	\$0.32	\$0.33	\$0.34	\$0.35	\$0.37	\$0.38	\$0.39	\$4.11
<b>Financing</b>												
AlexRenew	\$0.10	\$0.40	\$0.12	\$0.13	\$0.13	\$0.13	\$0.14	\$0.14	\$0.15	\$0.15	\$0.16	\$1.64
Fairfax	\$0.15	\$0.60	\$0.17	\$0.19	\$0.19	\$0.20	\$0.21	\$0.21	\$0.22	\$0.23	\$0.24	\$2.46
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

Description: All improvement, rehabilitation, and replacement projects associated with the secondary treatment systems.

Justification: To maintain the full functionality and reliability of the secondary treatment processes.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.50	\$1.50	\$1.62	\$1.78	\$1.80	\$1.86	\$1.91	\$1.97	\$2.03	\$2.09	\$2.19	\$18.75
<b>Financing</b>												
AlexRenew	\$0.60	\$0.60	\$0.65	\$0.71	\$0.72	\$0.74	\$0.76	\$0.79	\$0.81	\$0.84	\$0.88	\$7.50
Fairfax	\$0.90	\$0.90	\$0.97	\$1.07	\$1.08	\$1.11	\$1.15	\$1.18	\$1.22	\$1.25	\$1.32	\$11.25
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

Description: All improvement, rehabilitation, and replacement projects associated with the tertiary treatment systems.

Justification: To maintain the full functionality and reliability of the tertiary treatment processes.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.76	\$1.00	\$0.68	\$0.75	\$0.72	\$0.74	\$0.76	\$0.78	\$0.81	\$0.83	\$0.87	\$7.95
<b>Financing</b>												
AlexRenew	\$0.71	\$0.40	\$0.27	\$0.30	\$0.29	\$0.30	\$0.30	\$0.31	\$0.32	\$0.33	\$0.35	\$3.18
Fairfax	\$1.06	\$0.60	\$0.41	\$0.45	\$0.43	\$0.44	\$0.46	\$0.47	\$0.48	\$0.50	\$0.52	\$4.77
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

Description: All improvement, rehabilitation, and replacement projects associated with the solids treatment systems.

Justification: To maintain the full functionality and reliability of the solids treatment processes.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

### Project Financials:

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.00	\$1.00	\$1.17	\$1.28	\$1.30	\$1.34	\$1.38	\$1.42	\$1.46	\$1.50	\$1.58	\$13.42
<b>Financing</b>												
AlexRenew	\$0.40	\$0.40	\$0.47	\$0.51	\$0.52	\$0.53	\$0.55	\$0.57	\$0.58	\$0.60	\$0.63	\$5.37
Fairfax	\$0.60	\$0.60	\$0.70	\$0.77	\$0.78	\$0.80	\$0.83	\$0.85	\$0.88	\$0.90	\$0.95	\$8.05
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.



FY2026 Capital Budget  
**Odor Control System**

Project Location: WRRF – Odor Control System

Description: All improvement, rehabilitation, and replacement projects associated with the plant odor control systems.

Justification: To maintain the full functionality and reliability of the plant odor control processes.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.50	\$0.50	\$0.50	\$0.55	\$1.00	-	-	-	-	\$0.75	\$0.79	\$4.09
<b>Financing</b>												
AlexRenew	\$0.20	\$0.20	\$0.20	\$0.22	\$0.40	-	-	-	-	\$0.30	\$0.32	\$1.64
Fairfax	\$0.30	\$0.30	\$0.30	\$0.33	\$0.60	-	-	-	-	\$0.45	\$0.47	\$2.45
Lifetime Total:									-			

Note: Prior Year amount represents adopted FY2025 budget.

**WRRF Safety and Security**

Project Location: WRRF – Campus-wide

Description: All improvement, rehabilitation, and replacement projects associated with safety and security systems at the plant.

Justification: To continuously improve the overall safety and security of AlexRenew employees, vendors, contractors, and visitors at the plant.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.03	\$1.53	\$1.20	\$1.50	\$0.82	\$0.23	\$0.24	\$0.24	\$0.25	\$0.26	\$0.27	\$6.54
<b>Financing</b>												
AlexRenew	\$0.41	\$0.61	\$0.48	\$0.60	\$0.33	\$0.09	\$0.09	\$0.10	\$0.10	\$0.10	\$0.11	\$2.62
Fairfax	\$0.62	\$0.92	\$0.72	\$0.90	\$0.49	\$0.14	\$0.14	\$0.15	\$0.15	\$0.15	\$0.16	\$3.92
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

**Collection System Projects**

Project Location: Joint Use Facilities

Description: All improvement, rehabilitation, and replacement needs for collection system assets that serve both the City and Fairfax County to maintain their useful life.

Justification: To maintain the full functionality and reliability of collection system.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.10	\$0.50	\$0.37	\$0.40	\$0.13	\$0.13	\$0.14	\$0.14	\$0.15	\$0.15	\$0.16	\$2.27
<b>Financing</b>												
AlexRenew	\$0.04	\$0.20	\$0.15	\$0.16	\$0.05	\$0.05	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.91
Fairfax	\$0.06	\$0.30	\$0.22	\$0.24	\$0.08	\$0.08	\$0.08	\$0.09	\$0.09	\$0.09	\$0.09	\$1.36
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

**Power Distribution Monitors**

Project Location: WRRF – Campus-wide

Description: All replacement, addition, and modernization of existing power monitors at the plant to renew obsolete power distribution monitor system.

Justification: To improve the functionality of the power distribution monitor system.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replace monitors as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.03	\$0.10	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	\$0.03	-	-	\$0.31
<b>Financing</b>												
AlexRenew	\$0.01	\$0.04	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	-	-	\$0.13
Fairfax	\$0.02	\$0.06	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	-	-	\$0.19
<b>Lifetime Total:</b>										–		

Note: Prior Year amount represents adopted FY2025 budget.

**Compliance Laboratory**

Project Location:

WRRF – Building G  
Laboratory

Description: All improvement, rehabilitation, and replacement projects associated with the compliance laboratory.

Justification: To maintain the full functionality and reliability of the compliance laboratory.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.02	\$0.02	\$0.14
<b>Financing</b>												
AlexRenew	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.05
Fairfax	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.08
<b>Lifetime Total:</b>										–		

Note: Prior Year amount represents adopted FY2025 budget.

**Tunnel Cleaning/Inspection**

Project Location: RiverRenew Tunnel

Description: Inspection and cleaning to optimize the functionality of the RiverRenew tunnel.

Justification: To ensure the reliability and performance of the tunnel

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	-	-	-	-	\$0.55	\$0.57	\$0.58	\$0.60	\$0.62	\$0.65	\$3.57
<b>Financing</b>												
AlexRenew	-	-	-	-	-	\$0.22	\$0.23	\$0.23	\$0.24	\$0.25	\$0.26	\$1.43
Fairfax	-	-	-	-	-	\$0.33	\$0.34	\$0.35	\$0.36	\$0.37	\$0.39	\$2.14
<b>Lifetime Total:</b>										-		

Note: Prior Year amount represents adopted FY2025 budget.

**Information Technology Projects**

Project Location:

WRRF – Campus-  
Wide

Description: Ongoing lifecycle replacement and expansion of information technology (IT) assets.

Justification: To maintain the full functionality and reliability of AlexRenew's IT assets.

Program: Improvement, Renewal, and Replacement (IRR) Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Ongoing IRR program

Status: Replacements or repairs, as needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.50	\$0.50	\$0.50	\$0.55	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.53	\$5.08
<b>Financing</b>												
AlexRenew	\$0.20	\$0.20	\$0.20	\$0.22	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.20	\$0.21	\$2.03
Fairfax	\$0.30	\$0.30	\$0.30	\$0.33	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.30	\$0.32	\$3.05
<b>Lifetime Total:</b>									–			

Note: Prior Year amount represents adopted FY2025 budget.

**Commonwealth Interceptor Upgrade Project**

Project Location:

Commonwealth  
Interceptor

**Description:** The Commonwealth Interceptor is a separate sanitary sewer that collects flows from the Del Ray, Rosemont, and North Ridge neighborhoods (known as the Commonwealth Separate Sewer Area) in Alexandria. The interceptor has sufficient capacity to convey sanitary sewer flows to AlexRenew; however, during periods of intense rain, the Commonwealth Separate Sanitary Sewer Area (owned by the City) is overwhelmed by excess infiltration and inflow (I/I). This excess I/I can cause sewer flooding and basement backups. In coordination with the City, the project will identify and evaluate alternatives to mitigate capacity issues caused by excess I/I. Costs represent if alternative to upsize the Commonwealth Interceptor is determined to be best option.

**Justification:** To mitigate capacity issues from excess I/I to the Commonwealth Interceptor

**Program:** Capital Improvement Program

**Cost Share Category:** Alexandria Only (0% Fairfax County / 100% AlexRenew)

**Schedule:** Alternatives analysis in FY2023-2025, Design (if needed) in FY2030-2032, Construction (if needed) in FY2032-2035

**Status:** Alternatives analysis is underway.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$4.75	\$0.50	-	-	-	\$1.65	\$4.81	\$6.16	\$22.55	\$27.77	\$4.81	\$68.25
<b>Financing</b>												
AlexRenew	\$4.75	\$0.50	-	-	-	\$1.65	\$4.81	\$6.16	\$22.55	\$27.77	\$4.81	\$68.25
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									\$73.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.



**Arlington County Capital Contributions**

Project Location: Arlington County WPCP

**Description:** Arlington County treats wastewater flows from the northwestern quadrant of the City of Alexandria at its Water Pollution Control Plant (WPCP). Established in the service agreement between AlexRenew and Arlington County (dated July 1, 1977), AlexRenew makes annual contributions to Arlington County's Capital Improvement Program based on the established capacity share to fund upgrades to the WPCP.

**Justification:** To ensure AlexRenew meets its obligations under the service agreement with Arlington County.

**Program:** Capital Improvement Program

**Cost Share Category:** Alexandria Only (0% Fairfax County / 100% AlexRenew)

**Schedule:** Ongoing

**Status:** Annual contributions support Arlington County's identified project in their CIP.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$4.67	\$5.30	\$6.00	\$4.50	\$2.00	\$0.21	\$0.75	\$0.60	\$0.80	\$0.55	\$0.55	\$21.26
<b>Financing</b>												
AlexRenew	\$4.67	\$5.30	\$6.00	\$4.50	\$2.00	\$0.21	\$0.75	\$0.60	\$0.80	\$0.55	\$0.55	\$21.26
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									\$25.93			

Note: Prior Year amount represents adopted FY2025 budget.

**Potomac Interceptor Rehabilitation**

Project Location: Potomac Interceptor

**Description:** AlexRenew's Potomac Interceptor collects combined sewer flows from the City of Alexandria's sewer system through Old Town. A previous condition assessment identified the need to rehabilitate a portion of the Potomac Interceptor due to pipe settlement. Project will inspect and rehabilitate the Potomac Interceptor to address any existing and new issues.

**Justification:** To improve the performance and reliability of the Potomac Interceptor

**Program:** Capital Improvement Program

**Cost Share Category:** Alexandria Only (0% Fairfax County / 100% AlexRenew)

**Schedule:** Design in FY2025-2026, Construction in FY2027-2029

**Status:** Planning is underway.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$7.00	\$7.80	-	-	-	-	-	-	-	-	-
<b>Financing</b>												
AlexRenew	-	\$7.00	\$7.80	-	-	-	-	-	-	-	-	-
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>										-		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Environmental Center 5<sup>th</sup> Floor Build-out**

Project Location:

Environmental Center  
– 5<sup>th</sup> Floor

**Description:** The 5<sup>th</sup> floor of the Environmental Center was left unfurnished in the completion of the building to provide flexibility for future needs. The project will complete the build-out of the space to provide additional office and collaboration space, including temporary use by the City of Alexandria's Transportation and Environmental Services – Sanitary Infrastructure Division.

**Justification:** To optimize the use of existing infrastructure and space.

**Program:** Capital Improvement Program

**Cost Share Category:** Alexandria Only (0% Fairfax County / 100% AlexRenew)

**Schedule:** Design in FY2024-FY2025, Construction in FY2025-2026

**Status:** Construction of the 5<sup>th</sup>-floor space is underway.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.00	\$0.50	-	-	-	-	-	-	-	-	-	\$0.50
<b>Financing</b>												
AlexRenew	\$1.00	\$0.50	-	-	-	-	-	-	-	-	-	\$0.50
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>										<b>\$1.50</b>		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Environmental Center Lobby Upgrades**

Project Location: Environmental Center

Description: Upgrade AlexRenew's administrative building's lobby. Improvements include updates to the educational exhibits to incorporate understanding of AlexRenew's new and existing assets and operations and security upgrades.

Justification: To educate visitors and the community about AlexRenew's work and mission

Program: Capital Improvement Program

Cost Share Category: Alexandria Only (0% Fairfax County / 100% AlexRenew)

Schedule: Design in FY2027, implementation in FY2028.

Status: Design to start in FY2027

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	-	\$0.50	\$1.50	-	-	-	-	-	-	-	\$2.00
<b>Financing</b>												
AlexRenew	-	-	\$0.50	\$1.50	-	-	-	-	-	-	-	\$2.00
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									\$2.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Capital Financing Fees**

Project Location: Any AlexRenew asset

Description: Fees associated with the financing of the CIP program

Justification: Financing fees including financial advisory fees, legal fees, rate consultant work, loan applications fees, and serving fees for debt-funded capital projects.

Program: Capital Improvement Program

Cost Share Category: Alexandria Only (0% Fairfax County / 100% AlexRenew)

Schedule: Ongoing to support CIP

Status: As-needed

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.70	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$6.00
<b>Financing</b>												
AlexRenew	\$0.70	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$6.00
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									\$6.70			

Note: Prior Year amount represents adopted FY2025 budget.

**Biosolids Diversification**

Project Location:

WRRF – Solids  
Process Buildings

**Description:** AlexRenew's solids processes are being evaluated under a Solids Master Plan (SMP). The SMP identified short-, medium-, and long-term recommendations to improve solids handling and meet future regulatory needs. Short- and medium-term improvements will be implemented through a Construction Management At-Risk (CMAR) contract.

**Justification:** To improve the performance and reliability of the WRRF's solids processing.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** SMP: FY2021-FY2025  
Short- and medium-term improvements: CMAR Construction – FY2025-2030  
Long-term improvements: FY2031-2037

**Status:** SMP completed in FY2025, CMAR is in progress.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$9.73	\$25.20	\$61.72	\$58.07	\$55.00	\$46.50	\$9.31	-	-	-	-	\$255.80
<b>Financing</b>												
AlexRenew	\$3.89	\$10.08	\$24.69	\$23.23	\$22.00	\$18.60	\$3.72	-	-	-	-	\$102.32
Fairfax	\$5.84	\$15.12	\$37.03	\$34.84	\$33.00	\$27.90	\$5.59	-	-	-	-	\$153.48
<b>Lifetime Total:</b>									\$315.17			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget. Lifetime budget includes total capital cost through FY2037.

**Description:** Program to assess and upgrade AlexRenew’s preliminary and primary treatment systems that are reaching the end of their useful life. An initial assessment identified improvements that will be implemented through a Construction Manager At-Risk contract.

**Justification:** To improve the reliability and performance of the preliminary and primary systems.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Design in FY2025-2027 and Construction in FY2026-2031.

**Status:** CMAR contract began in FY2025.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$6.65	\$20.70	\$18.78	\$22.08	\$23.40	\$13.27	\$15.57	-	-	-	-	\$113.80
<b>Financing</b>												
AlexRenew	\$2.66	\$8.28	\$7.51	\$8.83	\$9.36	\$5.31	\$6.23	-	-	-	-	\$45.52
Fairfax	\$3.99	\$12.42	\$11.27	\$13.25	\$14.04	\$7.96	\$9.34	-	-	-	-	\$68.28
<b>Lifetime Total:</b>										\$120.45		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

FY2026 Capital Budget  
**Nutrient Reduction**

Project Location: WRRF – Buildings G and 44

Description: Project to rehabilitate of processes providing the final settling and filtration of wastewater to further reduce nutrient loads and allow for continued growth in our community.

Justification: Rehabilitation is required to ensure the reliability, functionality, and level of service of the WRRF. Additionally, expanded WRRF capacity is needed to support City growth by 4 MGD. In order to expand capacity, additional nutrient reductions are necessary to comply with current load allocations permitted by the Chesapeake Bay Total Maximum Daily Load.

Program: Capital Improvement Program

Cost Share Category: Assumed Joint (60% Fairfax County / 40% AlexRenew) and funding from the City of Alexandria

Schedule: Procurement of design-builder in FY2025-2026. Construction is expected to start in FY2027.

Status: Procurement in progress.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	10-year Total
Total	\$1.20	\$2.50	\$3.50	\$13.95	\$23.00	\$25.00	\$20.00	\$20.00	\$11.00	-	-	\$118.95
Financing												
AlexRenew	\$0.48	\$1.00	\$1.40	\$5.58	\$9.20	\$10.00	\$8.00	\$8.00	\$4.40	-	-	\$47.58
Fairfax	\$0.72	\$1.50	\$2.10	\$8.37	\$13.80	\$15.00	\$12.00	\$12.00	\$6.60	-	-	\$71.37
City of Alexandria	\$0.00	\$0.00	\$5.00	\$12.00	\$15.00	\$8.00	\$7.00	\$10.00	\$5.00			\$62.00
<i>Note: NOT INCLUDED IN BUDGET – 4 MGD growth portion of project is currently assumed to be funded in full by the City of Alexandria (2)</i>												
Joint-Use Funded Lifetime Total:									\$120.15			
City of Alexandria Funded Lifetime Total:									\$62.00			
Lifetime Total:									\$182.15			

Notes:

- (1) Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.
- (2) AlexRenew, Fairfax County, and the City of Alexandria are in discussions regarding funding options for the 4 MGD capacity expansion to accommodate City growth. This FY2026 budget assumes that the City of Alexandria funds the 4 MGD expansion portion of the Nutrient Reduction project with no contribution from AlexRenew or Fairfax County. Pending funding discussions and an eventual funding agreement, this assumption is subject to change and may result in another funding structure, such as a capacity rights sale or other option.



## Information Technology Infrastructure Upgrades

Project Location:

Various

**Description:** AlexRenew's information technology (IT) equipment and applications are essential to ensuring the operations of the organization. Regular updates are necessary to modernize AlexRenew in the face of changing cybersecurity threats. Upgrades have been identified and are underway to various IT equipment and applications including AlexRenew's network and SCADA. Program also includes current project to upgrade AlexRenew's asset management software.

**Justification:** Ensure the cybersecurity of AlexRenew and improve tracking and management of asset operation/performance/reliability across the organization.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Implementation in FY2023-2028.

**Status:** Upgrades underway

### Project Financials:

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$11.50	\$2.63	\$2.50	\$1.05	-	-	-	-	-	-	\$5.00	\$11.18
<b>Financing</b>												
AlexRenew	\$4.60	\$1.05	\$1.00	\$0.42	-	-	-	-	-	-	\$2.00	\$4.47
Fairfax	\$6.90	\$1.58	\$1.50	\$0.63	-	-	-	-	-	-	\$3.00	\$6.71
<b>Lifetime Total:</b>									\$22.68			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Process Optimization**

Project Location: WRRF – Building 69

**Description:** The centrate pretreatment (CPT) facility provides energy-efficient ammonia removal and requires upgrades. Project will assess, repair, and improve the CPT system.

**Justification:** To improve the reliability and efficiency of the CPT process.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Implementation in FY2025-2027

**Status:** An assessment of the existing system was completed in FY2025. CPT facility improvements are in progress from FY2025 to FY2026.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											Total
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Total	\$0.50	\$5.00	\$7.50	-	-	-	-	-	-	-	-	\$12.50
<b>Financing</b>												
AlexRenew	\$0.20	\$2.00	\$3.00	-	-	-	-	-	-	-	-	\$5.00
Fairfax	\$0.30	\$3.00	\$4.50	-	-	-	-	-	-	-	-	\$7.50
<b>Lifetime Total:</b>									\$13.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Campus-wide Electrical Upgrade Program**

Project Location: WRRF – Campus-wide

Description: AlexRenew relies on the electrical grid throughout the WRRF's campus to ensure continuous operations of treatment equipment/processes. A program is needed to assess, design, and implement an overhaul of the WRRF's electrical grid and related infrastructure.

Justification: Ensure the reliability, safety, and efficiency of the WRRF's electrical systems.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Assessment and design in FY2025-2026, Construction in FY2027-2034

Status: Assessment to begin in FY2025.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.00	\$2.50	\$2.50	\$5.00	\$7.50	\$12.50	\$15.00	\$15.00	\$10.00	\$5.00	\$5.00	\$80.00
<b>Financing</b>												
AlexRenew	\$0.40	\$1.00	\$1.00	\$2.00	\$3.00	\$5.00	\$6.00	\$6.00	\$4.00	\$2.00	\$2.00	\$32.00
Fairfax	\$0.60	\$1.50	\$1.50	\$3.00	\$4.50	\$7.50	\$9.00	\$9.00	\$6.00	\$3.00	\$3.00	\$48.00
<b>Lifetime Total:</b>									\$81.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Buildings L and G Elevator Replacement**

Project Location:

WRRF – Buildings  
L & G

Description: The elevators in Buildings L and G are used daily to move people and equipment. Both Building L and G elevators are reaching end of useful life and require replacement.

Justification: To replace obsolete equipment and improve the reliability and performance of the elevators

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Construction in FY2025

Status: Procurement anticipated for FY2024, and construction in FY2025.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.00	\$2.00	-	-	-	-	-	-	-	-	-	\$2.00
<b>Financing</b>												
AlexRenew	\$0.40	\$0.80	-	-	-	-	-	-	-	-	-	\$0.80
Fairfax	\$0.60	\$1.20	-	-	-	-	-	-	-	-	-	\$1.20
<b>Lifetime Total:</b>									\$3.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Warehouse and Inventory Upgrade**

Project Location:

WRRF – Building F

**Description:** AlexRenew warehouse is used to store spare parts, equipment, and supplies necessary to maintain treatment processes. The existing warehouse space has limited storage space. Project will repurpose an existing facility to serve as AlexRenew's centralized warehouse to provide additional space for storage and coordinate with ongoing asset management project.

**Justification:** To improve storage of and access to necessary spare parts, equipment, and supplies for maintaining AlexRenew's assets.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Planning and design in FY2024-2026, Construction in FY2026-2027.

**Status:** Planning and design underway.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.10	\$3.20	\$4.30	-	-	-	-	-	-	-	\$5.00	\$12.50
<b>Financing</b>												
AlexRenew	\$0.04	\$1.28	\$1.72	-	-	-	-	-	-	-	\$2.00	\$5.00
Fairfax	\$0.06	\$1.92	\$2.58	-	-	-	-	-	-	-	\$3.00	\$7.50
<b>Lifetime Total:</b>										\$12.60		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Plantwide Sump and Drain System Updates**

Project Location: WRRF – Campus-wide

Description: The WRRF includes a system of various sump and drain infrastructure to remove fluids from process areas. Project will assess, repair, and modify of the sumps and drainage systems.

Justification: Improved reliability of the WRRF drainage network.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Assessment and implementation in FY2026-2029

Status: Project moved to start in FY2026.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$0.20	\$0.50	\$0.50	\$1.50	-	-	-	-	-	\$5.00	\$7.70
<b>Financing</b>												
AlexRenew	-	\$0.08	\$0.20	\$0.20	\$0.60	-	-	-	-	-	\$2.00	\$3.08
Fairfax	-	\$0.12	\$0.30	\$0.30	\$0.90	-	-	-	-	-	\$3.00	\$4.62
<b>Lifetime Total:</b>									\$7.70			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Plant Effluent Water System Improvements**

Project Location:

WRRF – Building F

Description: AlexRenew's WRRF uses highly-treated plant effluent water instead of potable water to support operations. Upgrades to various components of the plant effluent water system are needed.

Justification: Increased reliability and efficiency of the plant effluent water system.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Design and construction in FY2026-2027.

Status: Project not yet started.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$2.29	\$1.80	-	-	-	-	-	-	-	\$5.00	\$9.09
<b>Financing</b>												
AlexRenew	-	\$0.92	\$0.72	-	-	-	-	-	-	-	\$2.00	\$3.64
Fairfax	-	\$1.37	\$1.08	-	-	-	-	-	-	-	\$3.00	\$5.45
<b>Lifetime Total:</b>									\$9.09			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**NMF Wet Well Modifications**

Project Location: Building 60 (NMF)

Description: AlexRenew's Nutrient Management Facility (NMF) was constructed to include a wet well that is no longer needed. Project will assess, design, and construct modifications to or eliminate the NMF wet well.

Justification: To modify the NMF wet well to ensure efficient performance of NMF.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Assessment in FY2026, Design and construction in FY2029-2030

Status: Project has not yet started.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$1.00	-	-	\$2.00	\$2.00	-	-	-	-	\$5.00	\$10.00
<b>Financing</b>												
AlexRenew	-	\$0.40	-	-	\$0.80	\$0.80	-	-	-	-	\$2.00	\$4.00
Fairfax	-	\$0.60	-	-	\$1.20	\$1.20	-	-	-	-	\$3.00	\$6.00
<b>Lifetime Total:</b>									\$10.00			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.



**Secondary Settling Tanks Refurbishment**

Project Location:

WRRF – Secondary  
Settling Tanks

Description: AlexRenew uses settling tanks (SSTs) as part of its secondary treatment processes. The internal chain and flight systems used in the SSTs are reaching the end of their useful life and require replacement.

Justification: Improve the reliability and performance of the SSTs

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Design in FY2025; Construction in FY2026-2027

Status: Equipment procurement to begin in FY2025.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$1.50	\$2.00	\$2.00	-	-	-	-	-	-	\$5.00	\$10.50
<b>Financing</b>												
AlexRenew	-	\$0.60	\$0.80	\$0.80	-	-	-	-	-	-	\$2.00	\$4.20
Fairfax	-	\$0.90	\$1.20	\$1.20	-	-	-	-	-	-	\$3.00	\$6.30
<b>Lifetime Total:</b>									\$10.50			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Security Services During Construction**

Project Location: WRRF – Campus-wide

Description:	AlexRenew uses security guards posted at entry points to monitor access to the WRRF. During major plant construction (i.e. RiverRenew and PhaseForward), additional guards are required to maintain plant security while allowing trucks to use additional WRRF gates.
Justification:	To maintain site security during and support construction of RiverRenew Tunnel project and PhaseForward program.
Program:	Capital Improvement Program
Cost Share Category:	Joint (60% Fairfax County / 40% AlexRenew)
Schedule:	Schedule aligns with the RiverRenew Tunnel Project and PhaseForward construction.
Status:	Ongoing, as-needed to support truck routes

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$1.38	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$0.80	\$8.00
<b>Financing</b>												
AlexRenew	\$0.55	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$0.32	\$3.20
Fairfax	\$0.83	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$0.48	\$4.80
<b>Lifetime Total:</b>										\$9.38		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Reclaimed Water System Upgrade**

Project Location:

WRRF – Building F

Description: AlexRenew has the capability to produce reclaimed water (RW) for use on-site or in the community. The RW system requires upgrades to ensure it remains operational and reliable.

Justification: To meet future RW demands and maintain system performance and reliability.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Design in FY2025-2027, Construction in FY2029-2032

Status: Existing system performance was assessed under a previous study.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$0.50	\$0.30	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$1.60
<b>Financing</b>												
AlexRenew	-	\$0.20	\$0.12	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.04	\$0.64
Fairfax	-	\$0.30	\$0.18	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.06	\$0.96
<b>Lifetime Total:</b>									\$1.60			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**WRRF HVAC System Upgrade**

Project Location: WRRF – Campus-wide

Description: Assessment, replacement, and modification of HVAC systems across the AlexRenew campus.

Justification: Increased reliability and performance of campus HVAC systems.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Assessment, design, and construction in FY2029-2034

Status: Project has not yet started.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	-	-	-	\$2.00	\$2.50	\$5.50	\$2.50	\$1.50	\$0.50	\$5.00	\$19.50
<b>Financing</b>												
AlexRenew	-	-	-	-	\$0.80	\$1.00	\$2.20	\$1.00	\$0.60	\$0.20	\$2.00	\$7.80
Fairfax	-	-	-	-	\$1.20	\$1.50	\$3.30	\$1.50	\$0.90	\$0.30	\$3.00	\$11.70
<b>Lifetime Total:</b>									\$19.50			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Plantwide Chemical System Updates**

Project Location: WRRF – Campus-wide

Description: AlexRenew uses chemicals for process control and permit compliance. These chemicals must be safely stored and distributed to multiple unit processes on-site. Chemical storage and distribution systems are approaching the end of their useful life.

Justification: Improve reliability and safety of the WRRF's chemical systems.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Planning and design in FY2026, Construction in FY2026-2027

Status: A chemical system study will be performed in FY2026.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$2.00	\$5.00	-	-	-	-	-	-	-	\$5.00	\$12.00
<b>Financing</b>												
AlexRenew	-	\$0.80	\$2.00	-	-	-	-	-	-	-	\$2.00	\$4.80
Fairfax	-	\$1.20	\$3.00	-	-	-	-	-	-	-	\$3.00	\$7.20
<b>Lifetime Total:</b>										\$12.00		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Description:** The garage of the Environmental Center was designed to connect to the future Carlyle Plaza II development. Engineering and/or construction oversight services are necessary to ensure that considerations for the protection of the Environmental Center and AlexRenew's operations are considered and coordinated with the design and construction of future development.

**Justification:** To protect the Environmental Center structure and maintain AlexRenew's operations during the Carlyle Plaza II development's design and construction

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Project will align with the Carlyle Plaza II development's design and construction schedule, currently anticipated for FY2029-2032

**Status:** Project has not yet started.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	-	-	-	\$0.20	\$0.30	\$0.30	\$0.30	-	-	-	\$1.10
<b>Financing</b>												
AlexRenew	-	-	-	-	\$0.08	\$0.12	\$0.12	\$0.12	-	-	-	\$0.44
Fairfax	-	-	-	-	\$0.12	\$0.18	\$0.18	\$0.18	-	-	-	\$0.66
<b>Lifetime Total:</b>									\$1.10			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**North Bridge Structural Upgrades**

Project Location: WRRF – North Bridge

Description: AlexRenew's North Bridge, which was built in 1976, serves as a primary access point for all deliveries and hauling for WRRF operations. This project will assess, design, and implement any structural upgrades necessary.

Justification: Maintain the structural integrity of the North Bridge.

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Design in FY2030-2032, Construction in FY2032-2034

Status: Project has not yet started.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	-	-	-	-	\$0.50	\$1.00	\$1.00	\$3.00	\$5.00	-	\$10.50
<b>Financing</b>												
AlexRenew	-	-	-	-	-	\$0.20	\$0.40	\$0.40	\$1.20	\$2.00	-	\$4.20
Fairfax	-	-	-	-	-	\$0.30	\$0.60	\$0.60	\$1.80	\$3.00	-	\$6.30
<b>Lifetime Total:</b>									\$10.50			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Climate Change Resiliency Program**

Project Location: WRRF – Campus-wide

Description:	AlexRenew is susceptible to climate change impacts, including extreme temperatures and more frequent/intense weather events. This program assesses facility vulnerabilities to climate change impacts and implements engineering solutions to protect AlexRenew assets and personnel.
Justification:	Program aligns with AlexRenew’s strategic goal of Operational Excellence.
Program:	Capital Improvement Program
Cost Share Category:	Joint (60% Fairfax County / 40% AlexRenew)
Schedule:	Study/short-term initiatives to be completed in FY2027, long-term initiatives to begin implementation in FY2033.
Status:	Study to identify short- and long-term initiatives to be completed in FY2025.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$0.59	\$0.50	\$0.25	-	-	-	-	-	\$5.00	\$7.00	-	\$12.75
Financing												
AlexRenew	\$0.24	\$0.20	\$0.10	-	-	-	-	-	\$2.00	\$2.80	-	\$5.10
Fairfax	\$0.35	\$0.30	\$0.15	-	-	-	-	-	\$3.00	\$4.20	-	\$7.65
Lifetime Total:									\$13.34			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.



**Biosolids Regional Facility**

Project Location: WRRF – Campus-wide

**Description:** AlexRenew is conducting a feasibility study in collaboration with other norther Virginia wastewater authorities to investigate a regional biosolids treatment and handling facility. The facility could provide a long-term sustainable solution for AlexRenew’s biosolids. The study is the first phase of this project that will provide recommendations for future years.

**Justification:** This project supports AlexRenew’s strategic goal of Environmental Sustainability.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew) – the cost is additionally split across the other Virginia wastewater authorities that are participating

**Schedule:** Feasibility study completed in FY2026.

**Status:** Procurement in FY2025

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$0.40	-	-	-	-	-	-	-	-	-	\$0.40
<b>Financing</b>												
AlexRenew	-	\$0.16	-	-	-	-	-	-	-	-	-	\$0.16
Fairfax	-	\$0.24	-	-	-	-	-	-	-	-	-	\$0.24
<b>Lifetime Total:</b>									\$0.40			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Boiler Improvement Project**

Project Location:

Building A and  
Building G

Description: AlexRenew's boilers are reaching the end of their useful life and require upgrades to address maintenance and operational challenges, including assessing the feasibility of adding a new boiler to optimize the boiler system.

Justification: Improve the reliability and performance of the boiler system

Program: Capital Improvement Program

Cost Share Category: Joint (60% Fairfax County / 40% AlexRenew)

Schedule: Design in FY2025-2026; Construction in FY2026-2028

Status: Design is underway

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$1.50	\$1.50	\$0.50	-	-	-	-	-	-	-	\$3.50
<b>Financing</b>												
AlexRenew	-	\$0.60	\$0.60	\$0.20	-	-	-	-	-	-	-	\$1.40
Fairfax	-	\$0.90	\$0.90	\$0.30	-	-	-	-	-	-	-	\$2.10
<b>Lifetime Total:</b>									\$3.50			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**Website Upgrade Project**

Project Location: WRRF – Campus-wide

**Description:** AlexRenew is updating its existing website (AlexRenew.com) to be modern, user-friendly, and accessible for audiences, while working to enhance user engagement, support organizational objectives, and integrate necessary third-party services. AlexRenew will also be incorporating content from RiverRenew.com, to unset that website.

**Justification:** To ensure AlexRenew customers and community members continue to have access to critical information related to AlexRenew through an accessible and user-friendly website.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (60% Fairfax County / 40% AlexRenew)

**Schedule:** Implementation in FY2026-2027

**Status:** Procurement anticipated to start in FY2025

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	-	\$0.20	\$0.10	-	-	-	-	-	-	-	-	\$0.30
<b>Financing</b>												
AlexRenew	-	\$0.08	\$0.04	-	-	-	-	-	-	-	-	\$0.12
Fairfax	-	\$0.12	\$0.06	-	-	-	-	-	-	-	-	\$0.18
<b>Lifetime Total:</b>										\$0.30		

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**RiverRenew Tunnel Project – Alex-Only**

Project Location:

Various

**Description:** AlexRenew is constructing a tunnel, pumping stations, and sewer infrastructure to address combined sewer overflows in Alexandria. Improvements will bring Alexandria's four existing combined sewer outfalls into compliance. Program includes wastewater projects that were completed at the WRRF in advance of tunnel project construction.

**Justification:** A 2017 Virginia law required Alexandria's four existing combined sewer to be brought into compliance.

**Program:** Capital Improvement Program

**Cost Share Category:** Alexandria Only (0% Fairfax County / 100% AlexRenew)

**Schedule:** RiverRenew wastewater projects completed in FY2021. RiverRenew tunnel project construction in FY2021-2026

**Status:** Construction is underway.

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$166.98	\$17.61	-	-	-	-	-	-	-	-	-	\$17.61
<b>Financing</b>												
AlexRenew	\$166.98	\$17.61	-	-	-	-	-	-	-	-	-	\$17.61
Fairfax	-	-	-	-	-	-	-	-	-	-	-	-
<b>Lifetime Total:</b>									\$184.59			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.

**RiverRenew Tunnel Project – Joint**

Project Location:

Various

**Description:** AlexRenew is constructing a tunnel, pumping stations, and sewer infrastructure to address combined sewer overflows in Alexandria. Improvements will bring Alexandria's four existing combined sewer outfalls into compliance. Program includes wastewater projects that were completed at the WRRF in advance of tunnel project construction.

**Justification:** A 2017 Virginia law required Alexandria's four existing combined sewer to be brought into compliance.

**Program:** Capital Improvement Program

**Cost Share Category:** Joint (Cost share varies by project component)

**Schedule:** RiverRenew wastewater projects completed in FY2021. RiverRenew tunnel project construction in FY2021-2026

**Status:** Construction is underway

**Project Financials:**

Expenditure	Fiscal Year (\$M)											
	Prior Years	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Total	\$367.02	\$78.38	-	-	-	-	-	-	-	-	-	\$78.38
<b>Financing</b>												
AlexRenew	\$320.16	\$68.78	-	-	-	-	-	-	-	-	-	\$68.78
Fairfax	\$46.86	\$9.60	-	-	-	-	-	-	-	-	-	\$9.60
<b>Lifetime Total:</b>									\$445.40			

Note: Prior Years amount represents actual spend through FY2024 and adopted FY2025 budget.



1800 Limerick Street | Alexandria, VA 22314  
[alexrenew.com](http://alexrenew.com)



## MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: June 17, 2025

SUBJECT: *Unfinished Business, Alexandria Only*  
Approve and adopt rates for Fiscal Years 2026 and 2027

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### Issue

A public comment period was posted and a public hearing was held on Saturday, May 17, 2025 at 9:30 a.m. to receive comments on AlexRenew's Notice of Intent to Adopt Certain Rates, Fees, and Charges for Fiscal Years (FY) 2026 and 2027. Five (5) public comments were received.

### Recommendation

Staff respectfully requests the Board of Directors adopt the attached resolution enabling AlexRenew's rate adjustment of 5.0 percent and 5.7 percent for FY2026 and FY2027, respectively. If approved, the schedule will be reflected in the adopted AlexRenew's Rates, Rules, and Regulations.

### Discussion

The FY2026-2027 rate recommendation will supports necessary spending on the ongoing \$615 million RiverRenew project, which is slated for completion in 2026, and to meet requirements related to operating and maintaining AlexRenew's wastewater facilities. To ensure Board review and public comment, AlexRenew followed the following process:

- March 11: FY2026 Preliminary Draft Budget and FY2026-2027 Rate Recommendation reviewed with Finance and Audit Committee
- March 18: FY2026 Preliminary Draft Budget and FY2026-2027 Rate Recommendation recommended to the Board for consideration by the Finance and Audit Committee
- April 15: FY2026 Draft Budget and FY2026-2027 Rate Recommendation presented to Board for approval of resolution for public notice and to set the public hearing
- A public comment period posted, and a public hearing held on Saturday, May 17 at 9:30 a.m. to receive comments on the FY2026 Budget and FY2026-2027 Rate Recommendation. All five (5) public comments were received and addressed prior to the public hearing date. No additional comments were received during the public hearing.

From April to May, AlexRenew performed outreach to ratepayers that included website updates, social media posts, bill inserts, digital ads, and emails to customers and key stakeholders.

**This action supports AlexRenew's strategic goal of Commitment to the Community.**

**ACTION TAKEN**

Approved:

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Disapproved:

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Approved with Modification:

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Modification(s):

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## RESOLUTION TO ADOPT AND CHANGE CERTAIN RATES, FEES, AND CHARGES

BE IT RESOLVED, that the City of Alexandria, Virginia Sanitation Authority d/b/a AlexRenew, adopts the following Rates, Rules, and Regulations schedule:

Description	Meter Size	Current Effective July 1, 2024	Proposed Effective July 1, 2025	Proposed Effective July 1, 2026
Individually Metered Residential Service – Wastewater Treatment Charge	All Meters	\$10.26*	\$10.77*	\$11.38*
Commercial Service – Wastewater Treatment Charge				

\*Per 1,000 gallons

Description	Meter Size	Current Effective July 1, 2024	Proposed Effective July 1, 2025	Proposed Effective July 1, 2026
Residential Base Charge	All Meters	\$14.57	\$15.29	\$16.16
Commercial Base Charge	5/8 inch	\$43.68	\$45.87	\$48.48
	3/4 inch	\$43.68	\$45.87	\$48.48
	1 inch	\$109.19	\$114.68	\$121.20
	1-1/2 inch	\$218.38	\$229.35	\$242.40
	2 inch	\$349.41	\$366.96	\$387.84
	3 inch	\$655.14	\$688.05	\$727.20
	4 inch	\$1,091.90	\$1,146.75	\$1,212.00
	6 inch	\$2,183.80	\$2,293.50	\$2,424.00
	8 inch	\$3,494.08	\$3,669.60	\$3,878.40
Minimum Deposit Based on Meter Size	-	\$0.00	\$0.00	\$0.00
Residential Customer Activation Fee	-	\$15.00	\$15.00	\$15.00

This Resolution shall take effect July 1, 2025.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Secretary-Treasurer

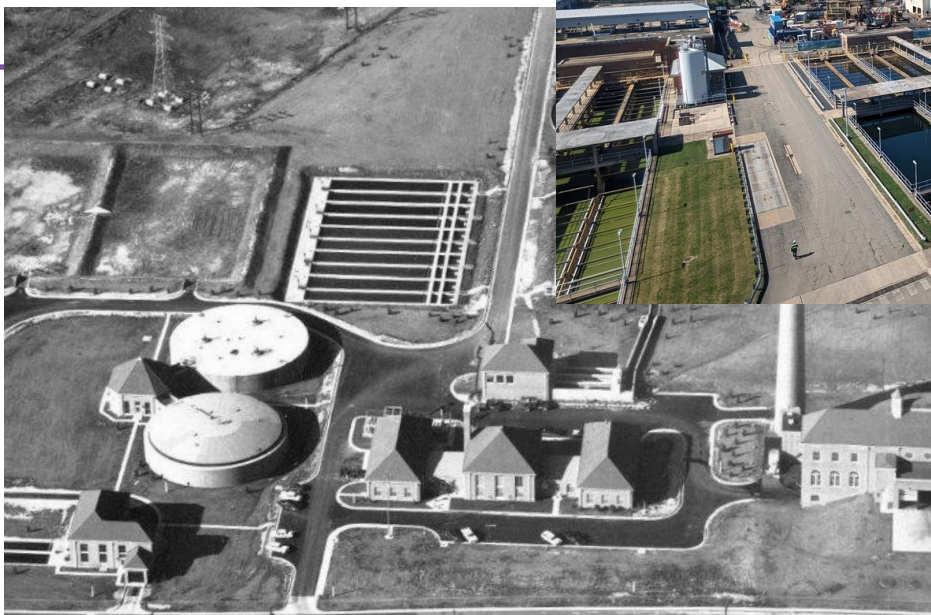
\_\_\_\_\_  
Chair

# RATES, RULES, AND REGULATIONS

Effective July 1, 2025

Revised and Approved:

Jun 18, 2013  
Jul 23, 2013  
Aug 19, 2014  
Dec 16, 2014  
Apr 21, 2015  
Sep 20, 2016  
May 21, 2019  
Jul 01, 2019  
Jun 15, 2021  
Jun 20, 2023  
Jun 18, 2024  
Jun 17, 2025



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I.RATES, FEES, AND CHARGES .....	1
Rates for Service .....	1
Other Rates, Fees, and Charges.....	3
II.RULES AND REGULATIONS.....	5
Rule No. 1 – Definitions.....	5
Rule No. 2 – General.....	6
Rule No. 3 – Special Contracts.....	7
Rule No. 4 – Extension of Public Sewers .....	7
Rule No. 5 – Quantity and Quality Determinations for Continuing Service Charge .....	7
Rule No. 6 – Meters and Meter Installation .....	7
Rule No. 7 – Sewer Meters.....	8
Rule No. 8 – Deduct Meters .....	8
Rule No. 9 – Customer's Liability for Charges .....	8
Rule No. 10 – Bills for Service.....	9
Rule No. 11 – Terms of Payment .....	9
Rule No. 12 – Abatement .....	9
Rule No. 13 – Service Termination Fee .....	9
Rule No. 14– Discontinuance of Service .....	10
Rule No. 15 – Restoration of Service.....	10
Rule No. 16 – Water Leaks and Adjustments .....	11
Rule No. 17 – Refund policy.....	11
Rule No. 18 – Adjustment of Fixed Charges Based on Oversized Meters.....	11
III.AMENDMENT AND INTERPRETATION .....	13
IV.EFFECTIVE DATE .....	14

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## I. RATES, FEES, AND CHARGES

### Rates for Service

#### Schedule A – Wastewater

This schedule shall apply to all individually metered residential customers and commercial customers discharging sewage to and/or requiring wastewater treatment service by AlexRenew (wastewater customers). Commercial wastewater customers include all commercial, industrial, government and other public agencies, master-metered residential, and all other accounts or customers not classified as individually metered residential customers.

The wastewater customer's monthly bill for wastewater collection, treatment, and disposal services (sewer service) shall be based upon the sum of: i) the base charge and ii) the wastewater treatment charge calculated based on water meter readings at the customer premise. The base charge shall serve as the minimum monthly bill for sewer service for all customers receiving wastewater service from AlexRenew.

**Wastewater Treatment Charge** - A charge per 1,000 gallons of water consumption will be billed monthly for wastewater customers at the rates shown below.

Description	Meter Size	Current Effective July 1, 2024	Proposed Effective July 1, 2025	Proposed Effective July 1, 2026
Individually-metered Residential Service – Wastewater Treatment Charge <sup>1</sup>	All Meters	\$10.26 <sup>2</sup>	\$10.77 <sup>2</sup>	\$11.38 <sup>2</sup>
Commercial Service – Wastewater Treatment Charge				

<sup>1</sup>The Individually metered Residential Wastewater Treatment Charges are based upon the lesser of: a) a customer's actual monthly metered water use; or b) the customer's determined winter quarter average billing cap as further defined in subsequent sections of the Rates, Rules, and Regulations.

<sup>2</sup>Per 1,000 gallons

**Base Charge** - a charge per account predicated on the size of the meter size serving the customer premise, will be billed to all wastewater customers at the rates shown below.

Description	Meter Size	Current Effective July 1, 2024	Proposed Effective July 1, 2025	Proposed Effective July 1, 2026
Residential Base Charge	All Meters	\$14.57	\$15.29	\$16.16
Commercial Base Charge	5/8 inch	\$43.68	\$45.87	\$48.48
	3/4 inch	\$43.68	\$45.87	\$48.48
	1 inch	\$109.19	\$114.68	\$121.20
	1-1/2 inch	\$218.38	\$229.35	\$242.40
	2 inch	\$349.41	\$366.96	\$387.84
	3 inch	\$655.14	\$688.05	\$727.20
	4 inch	\$1,091.90	\$1,146.75	\$1,212.00
	6 inch	\$2,183.80	\$2,293.50	\$2,424.00
	8 inch	\$3,494.08	\$3,669.60	\$3,878.40
Minimum Deposit Based on Meter Size	-	\$0.00	\$0.00	\$0.00
Residential Customer Activation Fee	-	\$15.00	\$15.00	\$15.00

AlexRenew is currently studying its rate structure for possible major revisions as early as Fiscal Year 2027. As part of the Board's consideration of any proposed changes to AlexRenew's rate structure, AlexRenew will undertake a public input and feedback process, conducted in accordance with §15.2-5136 of Virginia Code for public notice and public hearing procedures.

#### Winter Quarter Average Billing Cap:

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 Treatment Charges for residential customers are based on water used during the winter quarter 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.

The individually metered residential single-family customer's monthly Wastewater Treatment Charges shall be based on water meter readings at the customer's premise. Individually metered residential single-family customers shall be billed the Wastewater Treatment Charges utilizing a monthly wastewater treatment billing cap that shall be determined annually. The wastewater treatment billing cap per customer shall be established based on the customer's average monthly metered water consumption (gallons) recognized on bills rendered during the winter quarter which is defined as the months of December, January, and February. The monthly wastewater treatment billing cap is not effective for bills rendered during the winter quarter.

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). If no 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.

The Wastewater Treatment Charges billed to commercial customers will be determined based on the total metered water delivered to the premise and shall not be eligible for the monthly winter quarter average billing cap. To the extent a commercial customer has a water-only meter serving the property such metered water consumption would not be charged the Wastewater Treatment Charge. An example of a water-only service would include a meter exclusively used by the customer to measure outdoor water irrigation.

Customers receiving wastewater service only and obtaining water from sources other than Virginia American Water shall install a water meter on their water supply which will be read as the basis for calculating wastewater treatment charges. A charge shall be added to each bill to offset the cost of reading the independent customer's water meter.

### **Schedule B – Reuse (Reclaimed) Water**

Customers which receive reclaimed water service from AlexRenew will pay a charge of \$1.77 per 1,000 gallons of metered reclaimed water delivered to the customer premise. All reclaimed water to be delivered to a customer premise will be metered.

## **Other Rates, Fees, and Charges**

### **Schedule A – Pretreatment Permit Fee**

In accordance with US EPA Regulations (40 CFR 403) and the Code of the City of Alexandria, Virginia, 1981, as amended, AlexRenew maintains and regulates an industrial pretreatment program.

Industrial users are those customers meeting the definition in Section 5-6-102(mm) of the Code of the City of Alexandria, Virginia, 1981, as amended.

Non-significant industrial users are those industrial users meeting the definition in Section 5-6-102(mm)(3) & (4) of the Code of the City of Alexandria, Virginia, 1981, as amended.

The annual Pretreatment Permit Fee for permitted industrial users shall be:

Significant Industrial User - \$1,500 per year.

Non-significant Industrial User - \$500 per year.

Additionally, the permit application fee is \$100 with an additional \$100 charged in the event of a permit revision. A permit includes pretreatment requirements, discharge limits, and special conditions for significant industrial user or categorical sites. The fee covers AlexRenew's costs in administering the permit and the permits are issued for up to five years. Lastly, Letters of Approval are issued for one-time discharges of limited duration for a fee of \$100.

### **Schedule B – Deduct Meters Charge**

AlexRenew commercial and industrial customers that have a portion of their wastewater flow that does not enter the wastewater collection system may apply for a deduct meter. The application for a deduct meter must be certified by an independently licensed plumber. Customers participating in the deduct meter program shall receive flow adjustments for the billing of the Wastewater Treatment Charges only through the proper operation of the approved deduct meter(s). Residential customers are not eligible for deduct meters.

When a deduct meter permit is issued by AlexRenew to allow for a new connection and/or meter to be installed, a deduct meter permit fee shall be paid by the applicant. The permit fee is designed



to defray the cost of the required deduct meter inspection at the time of meter installation and to establish the customer billing and service requirements at the time of installation.

The Deduct Meter Permit fee for users shall be \$500, paid in full at the time of application. This is a one-time application fee.

The charge for reading the Deduct Meter is \$50 per reading per account if all of the deduct meters billed to the account have the same premise address. If an account has different premise addresses associated with its Deduct Meters, there is a \$50 charge per reading at each specific premise address. This charge will be in addition to the payment of Base Charges for those commercial customers that have been approved for and have installed a deduct meter.

The charge for inspecting the Deduct Meter by AlexRenew shall be \$100 per inspection for each inspection performed after the installation of the Deduct Meter. An inspection of the Deduct Meter will be required every 2 years to verify the flow accuracy of the meter, condition, and other aspects associated with providing this service.

#### **Schedule C – New Account Activation Charge**

All Customers opening a new account to i) establish wastewater service or ii) re-establish wastewater treatment service will be charged a \$15.00 new account activation fee.

#### **Schedule D – Service Termination Charge**

All customers whose water service has been disconnected for non-payment for wastewater service or for violation of these Rules and Regulations will be assessed a non-negotiable service fee of \$50.00 added to the account. Payment of this charge, together with any arrears that may be due AlexRenew, may be required before utility the service is restored.

Customers will be charged a \$35.00 returned check fee per occurrence.

## II. RULES AND REGULATIONS

### Rule No. 1 – Definitions

Unless the context specifically indicates otherwise, the meaning of terms used in this publication of Rates, Rules, and Regulations shall be as follows:

- a. "AlexRenew" shall mean the City of Alexandria, Virginia Sanitation Authority d/b/a AlexRenew.
- b. "City of Alexandria" shall mean the City of Alexandria, Virginia.
- c. "City Sanitary Sewer Maintenance Fee" shall mean City of Alexandria's sanitary sewer maintenance fee calculated by multiplying the number of thousands of gallons of water consumption (based on water meter readings) by the rate established by the City of Alexandria from time to time and which rate is applied to all customers on a "per 1,000 gallons of billed water consumption" which will also serve as the same basis for billing the Wastewater Treatment Charges by AlexRenew. Amounts collected from this fee will be remitted to the City of Alexandria to fund the operations and maintenance of the City's sanitary sewer system and are not for use or considered as revenue by AlexRenew.
- d. "Customer" shall mean every property owner or tenant whose Premises are connected to the City of Alexandria wastewater collection system and shall be responsible for paying for the cost of receiving wastewater service. Normally, a customer is provided potable water by Virginia American Water. Each customer shall be served by a separate service connection.
  - i. "Residential Customer" shall mean every Customer whose Premises is a single-family dwelling connected to a water meter that serves only that dwelling.
  - ii. "Commercial Customer" shall mean every other Customer whose Premises is not a single-family dwelling individually connected to a water meter that serves only that dwelling. Commercial Customers include, but are not limited to, multi-family dwellings, whether the dwellings are leased or in a condominium form of ownership, other uses such as retail, office, government and other public agencies, and industrial, and all other accounts or customers not classified as (individually metered) residential customers.
- e. "Person" shall mean any individual, firm, company, association, society, corporation, or group.
- f. "Interceptor" shall mean a sewer conveyance line which is owned and controlled by AlexRenew.
- g. "Public Sewer" shall mean a sewer conveyance line that is, owned and maintained by the City of Alexandria.
- h. "Sewer Service Connection" shall mean the fittings through which the building sewer is joined to the public sewer and constitutes the point of service for AlexRenew. A "Cross-Connection" is an actual or potential link between the potable water supply (water safe for human consumption) and a non-potable source (any other type of liquid, gas or substance not fit for consumption and that can affect water quality).
- i. A "Sewer Meter" is a device utilized to measure the quantity of sewer discharge

into the Public Sewer from a premise.

- j. "Deduct Meter" shall mean the meter that is installed on the Commercial Customer property subsequent or downstream from the primary water meter that measures the amount of water that does not enter the wastewater collection system for such Customer. All water use by the Customer is assumed to be discharged to the wastewater collection system for treatment unless specifically identified through metering pursuant to a Deduct Meter. Water measured by the Deduct Meter is subtracted from the total water measured by the primary water meter to calculate the Wastewater Treatment Charges for the Customer.
- k. "Premises" shall mean:
  - i. Each residential dwelling structure.
  - ii. Each residential dwelling unit in a duplex, triplex, apartment building, or in any other building that is used for residential purposes.
  - iii. Each unit contained in a structure serving more than one tenant, lessee, or owner; and used for any purpose other than residential.
  - iv. Each structure or group of contiguous structures, that is owned, rented, or leased by one person and occupied by that person. The following shall also be considered one premise:
    - 1. Residence used as a rooming house
    - 2. Dwelling or building for transients
    - 3. Apartment building or residential condominium where the water utility bill is included in the rent or condominium fee.
- l. An "Extended Absence" is any absence greater than 60 days.
- m. "Water Company" shall mean Virginia American Water Company, its successors or assignees which provide potable water to customers within the City of Alexandria.

## **Rule No. 2 – General**

- a. There shall be no free service rendered by AlexRenew, and, if any local, state, or federal government, or any department, agency or instrumentality thereof, or any other public body shall desire service to be rendered by AlexRenew, it shall apply for and receive such service pursuant to the rules and regulations herein contained and shall pay for the same at the established rates, fees, and other charges.
- b. The service pipes, building sewers, meters, piping and fixtures on the Customer's Premises shall be accessible to AlexRenew for observation or inspection at reasonable hours.
- c. Employees or agents of AlexRenew are expressly forbidden to demand or accept any compensation for any service rendered to its customers except as covered by its Rates, Rules, and Regulations.
- d. No employee or agent of AlexRenew shall have the right or authority to bind it by any promise, agreement, or representation contrary to the letter or intent of these Rules and Regulations.
- e. Any complaint against the service or employees of AlexRenew should be made in writing or electronically to AlexRenew.

### **Rule No. 3 – Special Contracts**

AlexRenew may enter into contracts with any person, firm, or corporation, including municipalities, sanitary districts and other political subdivisions and public bodies, for the rendering of any wastewater service; provided, however, that the rates or charges to be paid thereunder shall not be less than an amount which is fair and equitable, taking into account the cost to AlexRenew for providing such service.

### **Rule No. 4 – Extension of Public Sewers**

Applicants for service to a premises not already having direct access to an adequate existing public sewer must make application to the City of Alexandria to extend and/or upgrade the public sewer system. In addition to City ordinance requirements, applicants must provide, free of charge to AlexRenew, any easement necessary for installation, operation and maintenance of sanitary sewers or other facilities owned by AlexRenew.

Connections to the public sewers shall be regulated and authorized by the City of Alexandria. No private connection shall be permitted to any Interceptor or other facility owned or operated by AlexRenew unless expressly authorized in writing by AlexRenew.

It is the responsibility of the Water Company to establish and maintain cross-connection control programs to detect, prevent, and eliminate cross-connections that may create an imminent and substantial danger to the public health.

### **Rule No. 5 – Quantity and Quality Determinations for Continuing Service Charge**

- a. The quantity of sewage discharged into the public wastewater system shall be assumed to be equal to the quantity of water registered by the water meter or meters measuring the entire flow to the premises; less those flows that are separately metered by AlexRenew through the installation of a Deduct Meter that serves only appliances and/or facilities that are not connected to the public sewer in any manner.
- b. Where discharge to the public sewer from a specific appliance or process is of significantly lesser volume than that registered by the meter, the quantity discharged may be measured as the basis for the quantity of sewer service. AlexRenew reserves the right, at its sole discretion, to estimate the quantity of sewer service required by such specialized appliance or process.
- c. AlexRenew reserves the right to determine the quantity and/or quality of sewage by any accurate method of measurement and/or analysis of discharge from the premises sewer. If the quantity is found to be in excess of the quantity measured by the customer's water meter or meters, the customer shall be back charged not less than six months on the basis of the greater flow and shall be required to install meter or meters in such a manner as may be specified by AlexRenew.
- d. If the quality of wastewater discharge does not comply with the requirements of AlexRenew, immediate steps shall be taken by the customer to comply, and costs of necessary analysis and compliance shall be paid by the customer.

### **Rule No. 6 – Meters and Meter Installation**

- a. All water meters except Deduct Meters are installed, owned, maintained, and read by the Water Company. All customer meters are read monthly by the Water Company and the billed water use measured in thousand gallons and meter size used to

service the Customer as provided by the Water Company is provided to and relied upon by AlexRenew for purposes of billing its Customers the monthly Wastewater base charges and wastewater treatment charges. AlexRenew reserves the right to estimate the amount of wastewater flow if the water meter readings are considered inaccurate; AlexRenew correct billings to its Customers upon the receipt of subsequent corrected information as an adjustment in the subsequent bill for wastewater service or on some other basis as may be determined by AlexRenew .

- b. Deduct Meters will be read monthly by AlexRenew or its designee.
- c. The customer shall promptly notify Water Company and AlexRenew of any calibration failure, defect in, or damage to the meter or its connection.

### **Rule No. 7 – Sewer Meters**

- a. AlexRenew may, at its sole discretion, enter into agreements with Commercial Customers to measure its sewer service through the use of a sewer meter or meters.
- b. The sewer meter shall be installed by the applicant, in a place readily accessible to AlexRenew for reading. If access is deemed unsafe by AlexRenew or its designee, Customer will be responsible for moving the sewer meter to an accessible location. Upon installation of the meter by the applicant, the sewer meter shall be contributed to and become the property of AlexRenew.

### **Rule No. 8 – Deduct Meters**

- a. Where AlexRenew is to issue a permit for the use of a Deduct Meter, an application for Deduct Meter service shall be made by the property owner or their designated agent at the offices of AlexRenew.
- b. All customers with Deduct Meters are responsible for maintaining the Deduct Meter and remote read device in a good working condition. Meter shall be calibrated annually by an appropriate licensed contractor and results submitted to AlexRenew; if a Customer does not provide AlexRenew a copy of the deduct meter calibration results, AlexRenew reserves the right to discontinue the recognition of the deduct meter water flows in the application of Wastewater Treatment Charges.
- c. AlexRenew staff shall review the application fee from time to time and make a recommendation for any changes. All customers with Deduct Meters are responsible for the sub-meter and remote meter device and for readings to be performed.
- d. Should any meter and/or its appurtenances become damaged, including any damage that may result from allowing the meter to become frozen, it shall be the responsibility of the property owner to get the meter repaired. No Deduct Meter credit adjustment will be made for or during the period when the Deduct Meter is out of service for repair.

### **Rule No. 9 – Customer's Liability for Charges**

- a. A Customer who has made an application for or received service at a Premises shall be held liable for all service furnished to such premises until such time as the Customer has properly notified the Water Company to discontinue the service for the account.

## **Rule No. 10 – Bills for Service**

- a. Customers are responsible for furnishing their correct addresses and corresponding service information to the Water Company.
- b. Failure to receive bills will not be considered an excuse for nonpayment nor permit an extension of the date when the account will be considered delinquent.
- c. If bills are to be sent to an address other than the Premises served, the Water Company shall be notified by the Customer of any change of address.
- d. If requested in writing by the owner-customer, AlexRenew will send bills to and receive payments from agents or tenant-customers. However, this accommodation will in no way relieve the owner-customers of the liability for all charges, in accordance with the Virginia Water and Waste Authorities Act (Chapter 51, Title 15.2, Section 5100 et seq., Code of Virginia, 1950 as amended.)
- e. Payments shall be made by mail to the lockbox provider selected by AlexRenew or such other places or methods as may be designated by AlexRenew.
- f. AlexRenew reserves the right to correct any bills rendered in error.
- g. Each Customer, as defined in Rule No. I, shall be billed separately for service.
- h. Bills will be rendered monthly.

## **Rule No. 11 – Terms of Payment**

- a. Bills for sewer service shall be payable on or before stated due date.
- b. If a bill is not paid within twenty-one (21) days after the billing due date, and payable, and after notice has been properly provided by AlexRenew to the Customer of record, water and wastewater service may be discontinued, and the wastewater deposit, if any, may be applied against such bill and any other arrears due by the Customer.
- c. There may be a lien upon the real estate for the amount of any rates, fees, and other charges made by AlexRenew to the owner or lessee or tenant of such real estate for the services rendered by AlexRenew to such real estate from and after the time when such rates, fees, and other charges are due and payable and for the interest which may accrue thereon.
- d. There shall be a handling charge corresponding to bank fees for all returned checks which have been submitted to AlexRenew for payment of any applicable charges.
- e. A late payment charge of ten percent of the unpaid balance on accounts not paid within 21 days of their billing date may be charged and collected by AlexRenew.
- f. AlexRenew may report the failure of a Customer to make payments within 95 days to appropriate credit reporting agencies in accordance with federal and state law.

## **Rule No. 12 – Abatement**

There shall be no abatement of the service charges in whole or in part by reason of an extended absence of the customer, unless service has been discontinued at his request.

## **Rule No. 13 – Service Termination Fee**

If any premise violates these Rules and Regulations and it has become necessary to discontinue water service, a non-negotiable service termination fee will be assessed and added to the account.

In cases where service disconnection has occurred, this charge, together with any arrears that may be due AlexRenew, shall be paid before the water will be turned on.

#### **Rule No. 14– Discontinuance of Service**

- a. Water service may be discontinued by AlexRenew, through the Water Company after ten (10) days' notice for any of the following reasons:
  - i. Nonpayment of any account for wastewater service, or for any fee or charge accruing under these Rates, Rules, and Regulations.
  - ii. Violation of any rule or regulation of AlexRenew.
- b. Service may be discontinued by one of the following methods:
  - i. Where water is supplied by the Water Company, supply will be cut off and the meter removed.
  - ii. Where water is furnished by the owner, or by other than the Water Company, AlexRenew reserves the right to (a) remove the sewer meter used for measuring the flow to the wastewater facilities, (b) seal the building drain or sewer, or (c) remove the connection to the public sewer.
- c. Discontinuing wastewater service or the supply of water to a premises for any reason shall not prevent AlexRenew from pursuing any lawful remedy by action at law or otherwise, for the collection of monies from the Customer.
- d. When service to a customer has been terminated for any of the above stated reasons, other than temporary vacancy of the premises, it will be renewed only after the conditions, circumstances, or practices which caused the service to be discontinued are corrected to the satisfaction of AlexRenew and may require payment of all charges due and payable by the Customer in accordance with these Rates, Rules, and Regulations.

#### **Rule No. 15 – Restoration of Service**

- a. When it becomes necessary to discontinue service to any Customer because of a violation of these Rates, Rules, and Regulations or because of nonpayment of any bill, charges shall be made as follows:
  - i. If service was discontinued only by turn-off of water supplying the Premises, the Customer may pay a connection charge as presented in Section 2, Schedule D of these Rates, Rules, and Regulations for turning on the water plus any arrears that may be due to AlexRenew for charges related to turn-off/turn-on and associated administrative costs.
  - ii. If service was discontinued by removal of the meter, or by sealing the building drain, or by removal of the connection to the public sewer, Customer shall pay as a charge the actual cost of restoring the service, including all labor, materials, and overhead plus 100% of said actual costs including labor, materials and overhead. Said charge shall be estimated by AlexRenew upon application for restoration of service and the Customer shall pay the amount of the estimate prior to restoration of service. Any adjustments in actual cost will be made upon completion of restoration of service.
- b. Restoration of service for nonpayment of wastewater service will only occur during regular business hours for AlexRenew . Same-day water service restoration will not



- be provided. It is the Customer's responsibility to ensure payment has been received by AlexRenew.
- c. If at the time of such discontinuance of service for nonpayment of bill the customer has not made a deposit, AlexRenew may require a deposit, whether Customer is property owner or not, as a guarantee of payment of future bills. Deposit shall equal the amount of the estimated bill for two regular billing periods and, in no case, be less than the minimum deposit established codified by these Rates, Rules, and Regulations, before the water and the corresponding wastewater service will be turned on. The deposit will be refunded when service has been discontinued, after deducting any charges due on final settlement of the Customer's account.
  - d. When a Customer has requested discontinuance of water service because of temporary vacancy, wastewater service is being furnished by AlexRenew, and where all bills have been paid, AlexRenew may charge a turn-on fee as presented in Section 2, Schedule D for the restoration of both water and wastewater service.

### **Rule No. 16 – Water Leaks and Adjustments**

- a. In the event of a water leak, the Customer shall immediately notify the Water Company.
- b. AlexRenew is not responsible for maintaining the public water main and water service connection or individual Customer notifications.
- c. AlexRenew may consider, on a case-by-case basis, whether to adjust wastewater bills based on documented water leaks. Among the factors to be considered will be whether the Water Company accepts responsibility for the leak or potential misread of the meter. If an adjustment is made, the maximum amount will be 50% of the bill and a one-time courtesy adjustment will be allowed per Customer account owner.
- d. If a leak is found not to be the responsibility of AlexRenew, the Customer will be notified and shall have the leak repaired by a registered plumber at his expense.

### **Rule No. 17 – Refund policy**

Customers that overpay an account in error shall not receive a refund of the over-payment unless the over payment is greater than two (2) times the average billing amount. Over-payments shall be credited to a Customer account and used to offset/pay the next bill due. In a situation where a refund is appropriate, AlexRenew will apply credits to the same credit card accounts rendering the payment. Customers making payments by check may apply for a check refund that may be made after a 30 day clearing period (no exceptions).

### **Rule No. 18 – Adjustment of Fixed Charges Based on Oversized Meters**

Upon request of a Customer, the Chief Executive Officer (CEO) may apply the fixed charge for a smaller meter, if the CEO determines at his/her discretion that:

- a. The Customer's actual water usage over the multiple billing periods is significantly less than the typical consumption for the size of water meter installed; and
- b. The potential for significantly higher water usage in the future is unlikely based on one or more of the following factors:
  - i. Whether the meter combines fire flow and potable water uses;
  - ii. The size and use classification of the structure served limited water usage; and



- iii. Other legally binding use restrictions limit water usage.

AlexRenew further reserves the right to apply the fixed charge for the actual meter size if any of these factors change in the future.

### **III.AMENDMENT AND INTERPRETATION**

AlexRenew reserves the right to revise and/or amend these Rates, Rules, and Regulations to interpret the meaning of all statements made herein.

## **IV.EFFECTIVE DATE**

The Rates, Fees, and Other Charges; Rules and Regulations herein contained shall become effective as revised on July 1, 2025 and shall remain in effect thereafter until further revised

## **Rate-setting Policy**

Date of Adoption: April 15, 2025

Date of Revision: [June 17, 2025](#)

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 customers and provide payment assistance programs for those struggling to pay their wastewater bill.
- F. **Equitable, Fair, and Reasonable Rates.** AlexRenew will strive to set rates to recover costs from customers and customer classes in proportion to the costs of providing services to demonstrate that the rates are fair and equitable.
- 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

- A. 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:
  - 1. *Rates, fees, and charges for the services of a sewer ...system shall be just and equitable, and may be based upon:*
    - a. *The quantity of water used or the number and size of sewer connections;*
    - b. *The number and kind of plumbing fixtures in use in the premises connected with the sewer or sewage disposal system;*
    - c. *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;*
    - d. *Any other factor affecting the use of the facilities furnished; or*
    - e. *Any combination of the foregoing factors.*
  - 2. *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...*
- B. 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.
- C. 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

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

1. Forecast Demand Analysis;
2. Revenue Requirements Analysis;
3. Cost of Service Determination; and
4. Rate Structure Design.

- B. 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.

- C. 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.

- D. 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.

- E. 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

- A. 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.
- B. 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 (for individually metered residential single-family customers only)

1. 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.
2. AlexRenew's winter quarter average is structured as follows:
  - a. 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.
  - b. Individually metered residential single-family customers are billed wastewater treatment charges using a monthly wastewater treatment billing cap, determined annually.
  - c. 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.
  - d. The monthly wastewater treatment billing cap is not applied to or applicable for wastewater bills rendered during the winter quarter, since these months are used to calculate the winter quarter average.
  - e. 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).
  - f. 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

1. 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).
2. 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. Late Fees

1. AlexRenew assesses late fees to cover the increased administrative costs associated with late payments and to encourage prompt payment of wastewater bills.
2. AlexRenew assesses a 10 percent late payment charge on customer accounts with an unpaid current monthly balance 21 days after their billing date.
3. Late fees apply to the current month's past-due balance only, and are not applied to payment plan balances or previous past-due balances.

#### E.F. 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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## MEMORANDUM

TO: AlexRenew Board of Directors

FROM: Justin Carl, General Manager and CEO

DATE: June 17, 2025

SUBJECT: *New Business, Joint Use*  
Review and approve Job Order Contracts 25-009-A, 25-009-P, 25-009-S, and 25-009-T

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### Issue

AlexRenew leverages job order contractors to support its Improvement, Renewal, and Replacement (IRR) program to maintain, repair, and renew assets. To continue these services, approval is required by the Board of Directors for new job order contracts.

### Recommendation

Staff respectfully requests the Board of Directors authorize the Chief Executive Officer to execute job order contracts with American Contracting and Environmental Services, Inc. (ACE); PC Construction Company (PC); S-Works Construction Corporation (S-Works); and The Matthews Group, Inc (TMG).

### Budget and Funding

Funding for the job order contracts is included in the Fiscal Year 2026 Operating and Capital Budget. The contracts align with Virginia Code § 2.2-4303.2 which permits a four (4) year contract term (renewed annually), a maximum threshold of \$10 million per year per contract, and a maximum of \$1,000,000 for each individual job order. Staff will continue to track the status of job order contracts in the Board of Directors Monthly Report.

### Discussion

In July 2023, the Board approved three (3) job order contracts to support AlexRenew's ongoing construction and maintenance needs. To date, a total of \$5.6 million of work has been completed under the contracts through individual task orders which are summarized in Table 1.

**Table 1.** Summary of work completed under job order contracts

Facility	Number of Task Orders	Value
WRRF Headworks Systems	4	\$455,000
WRRF Biological Treatment Systems	3	\$575,000
WRRF Tertiary Treatment Systems	3	\$830,000
WRRF Disinfection Systems	1	\$70,000
WRRF Solids Treatment and Handling Systems	12	\$2,165,000
WRRF Miscellaneous – HVAC, Electrical, Building, etc.	3	\$525,000
Pumping Stations	2	\$705,000
Interceptors	0	\$ -
Environmental Center	1	\$280,000
<b>Total</b>	<b>29</b>	<b>\$5,605,000</b>

The job order contracting model has proved to be incredibly beneficial to the organization. The contracting model has allowed staff to expeditiously renew assets to improve the functionality and reliability of equipment while reducing the administrative procurement burden. In many cases, it has eliminated the need for separate capital projects and associated design and construction procurements. Additionally, by taking on large scope projects, it has allowed the maintenance department to focus on the day-to-day corrective and preventative maintenance needed to support the organization’s asset management program.

The original job order contracts had a term limit of three (3) years, renewed annually. Per Virginia code, there was one (1) year remaining on the term limit for the existing job order contracts. However, staff decided to issue a new solicitation for job order contracts ahead of the term expiration to replace an underperforming job order contractor and to align with new requirements enacted through the Virginia Public Procurement Act (VPPA). The new VPPA requirements went into effect in July 2024 and benefit AlexRenew by increasing individual tasks orders from \$500,000 to \$1,000,000 and extending the contract term limit to a total of four (4) years, renewed annually.

The new job order contracts solicitation was issued as a sealed competitive negotiation in accordance with Virginia Code § 2.2-4302.2 on March 11, 2025 via a Request for Proposals (RFP-25-009). Four (4) Proposals were received in response to the RFP on April 29, 2025. RFP-25-009 considered the selection of up to three (3) wastewater contractors and one (1) building and facilities contractor. Qualifications for a building and facilities-type contractor were solicited to support ongoing improvements to AlexRenew’s mechanical, electrical, and plumbing building systems; heating, ventilation, and air conditioning equipment; and miscellaneous site and facilities improvements.

AlexRenew evaluated Proposals based on the criteria set forth in the RFP, which considered factors for team organization and key personnel, related experience, safety program and record, and the respondents’ coefficient multiplier. Table 1 summarizes the evaluation results and associated multipliers.

**Table 2.** RFP-23-004 Evaluation Summary

Item	Contractor			
	ACE	PC	S-Works	TMG*
Proposal Score	78.7	77.9	63.2	56.5
Coefficient Multiplier	1.65	1.79	1.09	0.93

\*Note: The Matthews Group, Inc. selected for experience with buildings and facilities improvements

Following Proposal evaluation, ACE; PC; S-Works; and TMG were determined to be the most qualified, responsible, and suitable offerors for this contract award. The successful proposals bring substantial and varied job order contract experience in wastewater treatment as well as buildings and facilities construction. ACE and PC currently provide job order contract support for AlexRenew and have consistently demonstrated strong performance on their assigned task orders. Both ACE and PC proposed the same key personnel as their current job order contracts, who bring with them considerable knowledge and experience specific to working here at AlexRenew.

S-Works's proposed key personnel bring good experience with the job order contract model, having executed a variety of projects in wastewater, water treatment, and building and facilities. Their past experience includes emergency wastewater line sag repairs for Fairfax County, water pipe replacements for Lake Mooney Water Treatment Plant, and restroom renovations for Loudoun County Public Schools. Leveraging S-Works wastewater and water treatment experience will provide AlexRenew with a third contractor to enhance the functionality and reliability of our wastewater infrastructure. Additionally, their demonstrated experience in building and facilities work will provide AlexRenew with flexibility and redundancy.

TMG's proposed key personnel also bring significant experience with the job order contract model, with a concentrated focus on buildings and facilities work. Their experience includes roof replacements for Fairfax Water, building renovations for Arlington Public Schools, and elevator installations for Alexandria City Public Schools. TMGs focused experience makes them a valuable resource for supporting AlexRenew's ongoing building and facilities type improvements.

Staff has executed satisfactory contracts with each of the firms and recommends execution for the initial one (1) year term.

**This action supports AlexRenew's strategic goal of Operational Excellence.**

#### **ACTION TAKEN**

Approved: \_\_\_\_\_

Disapproved: \_\_\_\_\_

Approved with Modification: \_\_\_\_\_

Modification(s): \_\_\_\_\_





# HEADWORKS RENEWAL PROJECT

## OVERVIEW OF GUARANTEED MAXIMUM PRICE AMENDMENTS

BOARD OF DIRECTORS | JUNE 17, 2025



# PRESENTATION OVERVIEW



**01**

## **Headworks Renewal Project Overview**

Description of project and major upgrades, selected CMAR, and overall project schedule

**02**

## **Guaranteed Maximum Price**

Refresh on Guaranteed Maximum Price elements

**03**

## **Headworks Renewal Amendments**

Overview of amendments, cost certainty progression, and capital cost

**04**

## **Next Steps**

Overview of next steps

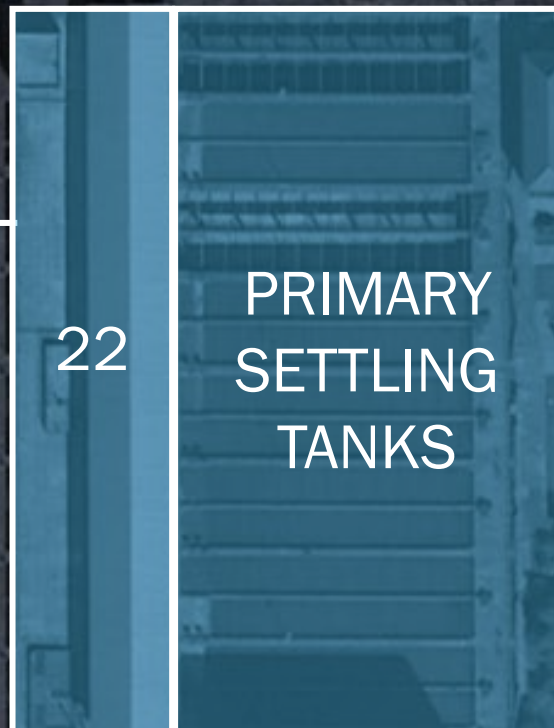


# HEADWORKS RENEWAL PROJECT



Payne St

- Primary effluent channel repairs
- Refurbishment of primary weir observation house



- Primary sludge pump upgrades
- Primary settling tank equipment rehabilitation



- Fine screening upgrades
- Grit separator upgrades
- Conveyance and truck loading upgrades
- Scum treatment system upgrades



- Upgrade coarse screens and add third channel
- Raw Sewage Pumping Station upgrades



## OVERVIEW

# RENEWING OUR HEADWORKS INFRASTRUCTURE



Upgrade existing coarse screens (2) and add third coarse screen channel and equipment



Replace existing Raw Sewage Pumps with new pumps, valves, and piping to a firm capacity of 120 MGD



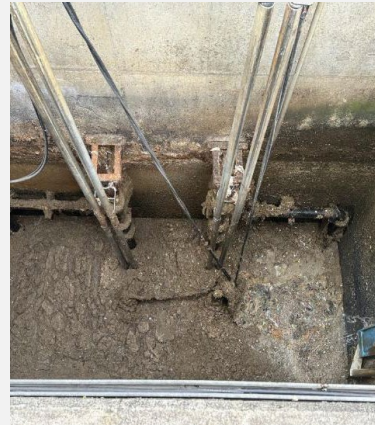
Upgrade existing Fine Screens and conveyers to capture more screenings



Replace two (2) vortex grit separators and add three (3) stacked tray grit separators



Add separate grit and screenings conveyers and upgrade truck loading area with automatically leveling roll-off containers



Replace scum concentrator with scum screens



Replace roof and rehabilitate interior steel, equipment, and lighting in Building 22



Repair concrete and install new covers over the primary effluent channel



# ULLIMAN SCHUTTE – HEADWORKS CMAR



Received Board approval to provide  
Preconstruction Services in July 2024



Over 25 years of executing  
**wastewater construction**  
projects in the mid-Atlantic area



Regional office in Chantilly, VA

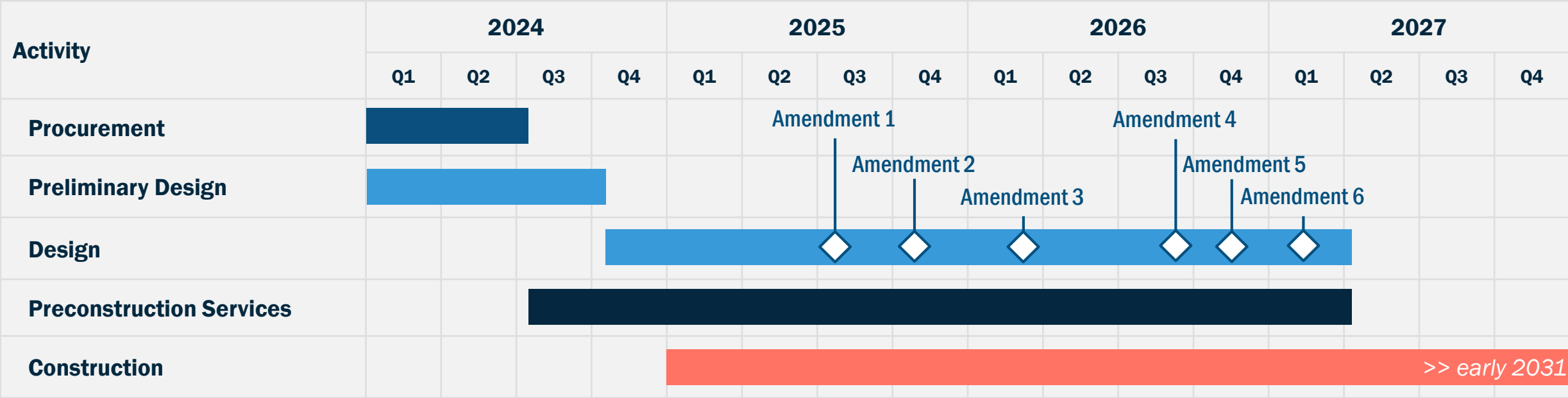


Extensive experience in construction  
of **liquids process upgrades** on  
active wastewater plants



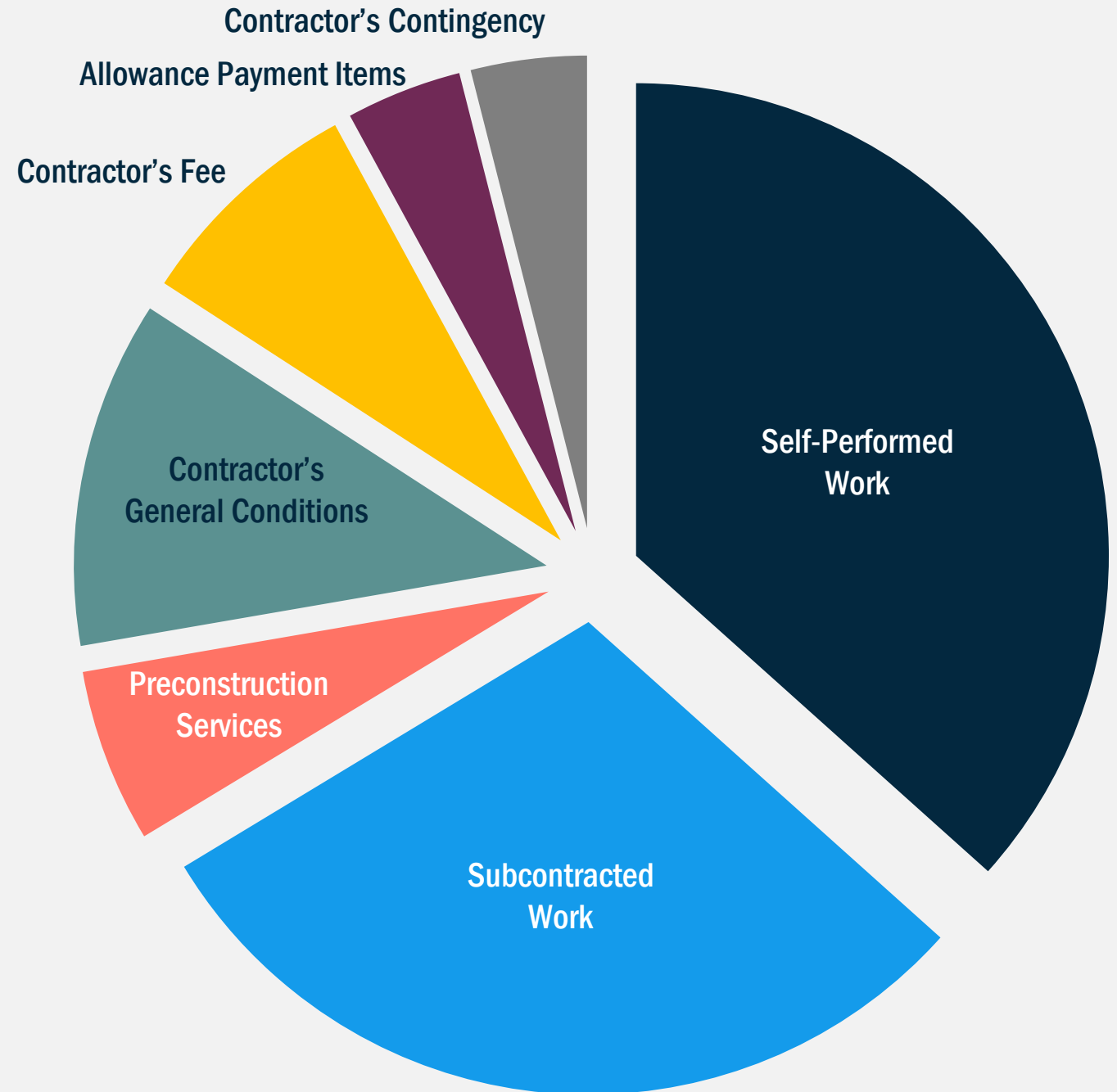
Experience with over 20 **CMAR**  
**projects** including AlexRenew's NMF

# HEADWORKS RENEWAL PROJECT SCHEDULE



# GUARANTEED MAXIMUM PRICE

A guaranteed maximum price (GMP) sets a not-to-exceed cost for how much an owner will pay a contractor for completing the work outlined in the contract. Typically, a GMP reimburses a contractor for the items shown in the pie chart at the right.



# HEADWORKS RENEWAL PROJECT

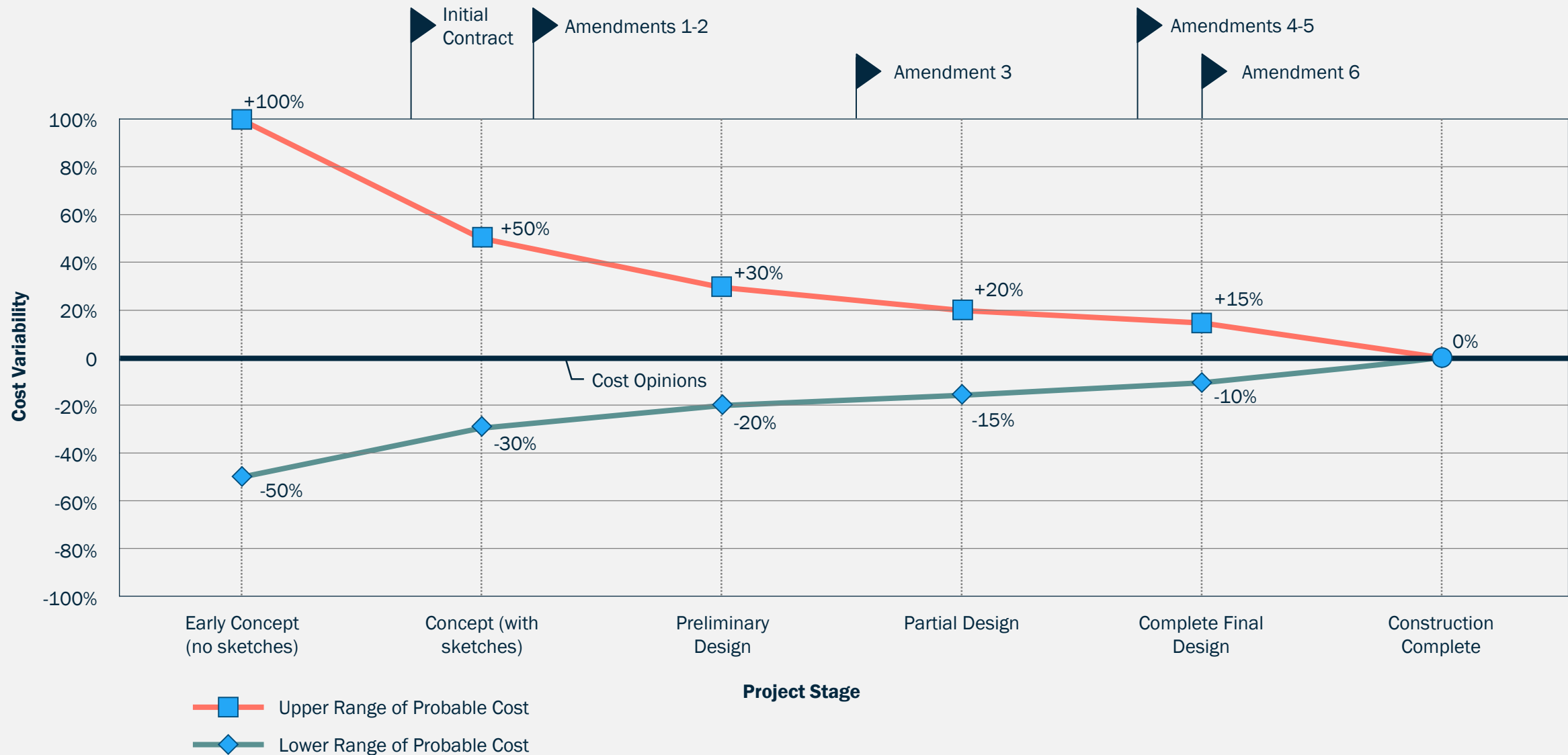
## GMP OVERVIEW

INITIAL CONTRACT	AMENDMENT 1	AMENDMENT 2	AMENDMENT 3	AMENDMENT 4	AMENDMENT 5	AMENDMENT 6
<b>Preconstruction Services</b> <ul style="list-style-type: none"> <li>– Provide input on design</li> <li>– Perform constructability reviews</li> <li>– Prepare open book cost estimates</li> <li>– Develop project schedule</li> </ul>	<b>Equipment Procurement</b> <ul style="list-style-type: none"> <li>– Primary sludge pumps</li> <li>– Screening and grit removal equipment</li> <li>– Electrical equipment</li> </ul>	<b>Preliminary Site Work</b> <ul style="list-style-type: none"> <li>– Utility relocations</li> <li>– Third coarse screen channel prep work</li> <li>– Site permitting</li> </ul>	<b>Equipment Installation</b> <ul style="list-style-type: none"> <li>– Construction and installation of equipment procured under Amendment 1 (except electrical)</li> <li>– Primary effluent channel improvements</li> </ul>	<b>Building A</b> <ul style="list-style-type: none"> <li>– Raw sewage pumping station</li> <li>– New coarse screens and screen channel</li> <li>– Electrical and ventilation improvements</li> </ul>	<b>Building K</b> <ul style="list-style-type: none"> <li>– Fine screens</li> <li>– Grit system</li> <li>– Truck bay improvements</li> <li>– Electrical and ventilation improvements</li> </ul>	<b>Primary Settling Tanks and Building 22</b> <ul style="list-style-type: none"> <li>– Scum removal equipment</li> <li>– Steel and concrete rehabilitation</li> <li>– Roof replacement</li> <li>– Odor control improvements</li> </ul>
Board approved in July 2024	Board review in July 2025	Board review in October 2025				

GMP = Guaranteed Maximum Price

All amendments require Board review and approval

# EVOLUTION OF HEADWORKS RENEWAL CAPITAL COSTS



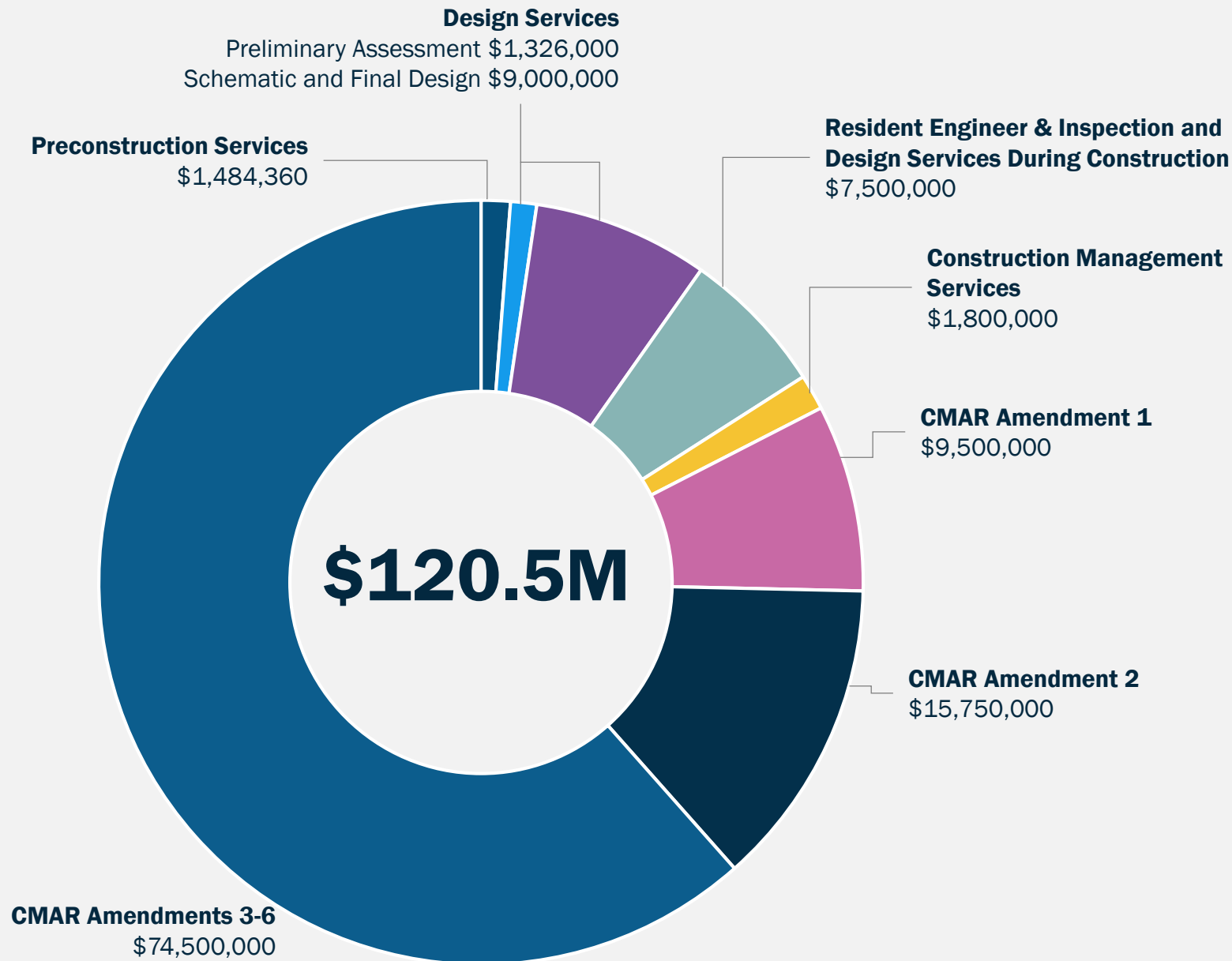


2021-2031 (FISCAL YEAR)

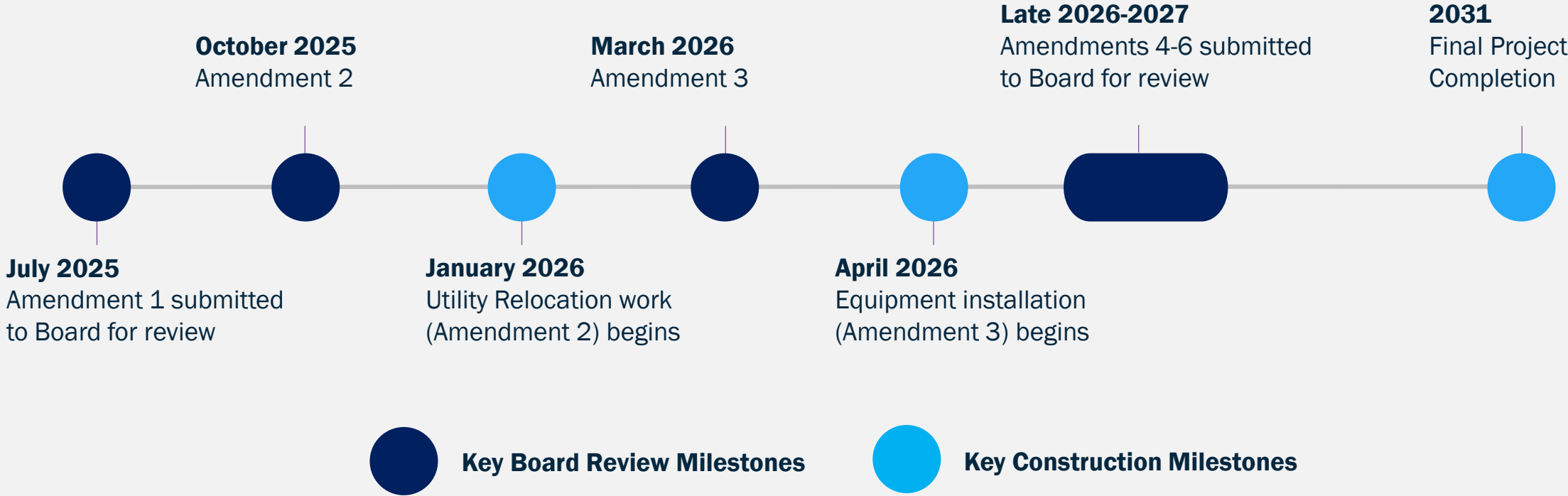
# HEADWORKS RENEWAL CAPITAL COST

Estimated capital cost as of June 1, 2025,  
based on the following costs and assumptions:

- Preconstruction Services: Actual cost
- Design Services Preliminary Assessment: Actual cost
- Design Services Schematic and Final Design: Proposed costs
- Resident Engineer & Inspection and Design Services During Construction: Rough Order of Magnitude
- Construction Management Services: Rough Order of Magnitude
- Amendment 1: Contractor's Class 3 Estimate
- Amendment 2: Contractor's Class 3 Estimate
- Amendments 3-6: Contractor's Rough Order of Magnitude



# Next Steps









# COMMONWEALTH INTERCEPTOR INFILTRATION AND INFLOW STUDY

BOARD OF DIRECTORS | JUNE 17, 2025

# TONIGHT'S PRESENTERS



**Ed Cronin**  
Brown and Caldwell  
Senior Advisor



**Erin Bevis-Carver**  
City of Alexandria  
Chief, Sanitary Infrastructure

# ALEXANDRIA'S WATER SYSTEM



● **Water pipes** transport clean drinking water to buildings. Operated by Virginia American Water.

● **Storm sewers** collect rainwater runoff from roofs, sidewalks, and streets. Managed by the City of Alexandria.

● **Sanitary sewers** carry sewage from buildings to AlexRenew for treatment. Managed by the City of Alexandria.

● **Combined sewers** (mainly in Old Town) carry a mixture of sewage and rainwater. On rainy days, these pipes can overflow into our waterways.



# ALEXRENEW INTERCEPTORS AND COMMONWEALTH SEWERSHED

Dowden Terrace  
Diversion

Mark Center Pumping  
Station

Four Mile Run Pumping  
Station

Innovation District  
Pumping Station

Slaters Lane Pumping  
Station

Potomac Yard Pumping  
Station

Commonwealth  
Separate Sanitary  
Sewer System

Separate Sanitary Sewer System  
(sewersheds not shown)

Fairfax Holmes Run Sewer

Backlick Sewers

Holmes Run Trunk Sewer

Commonwealth  
Interceptor

Potomac Yard Trunk Sewer

Combined Sewer  
System

Potomac Interceptor

WRRF

Jones Point  
Trunk Sewer

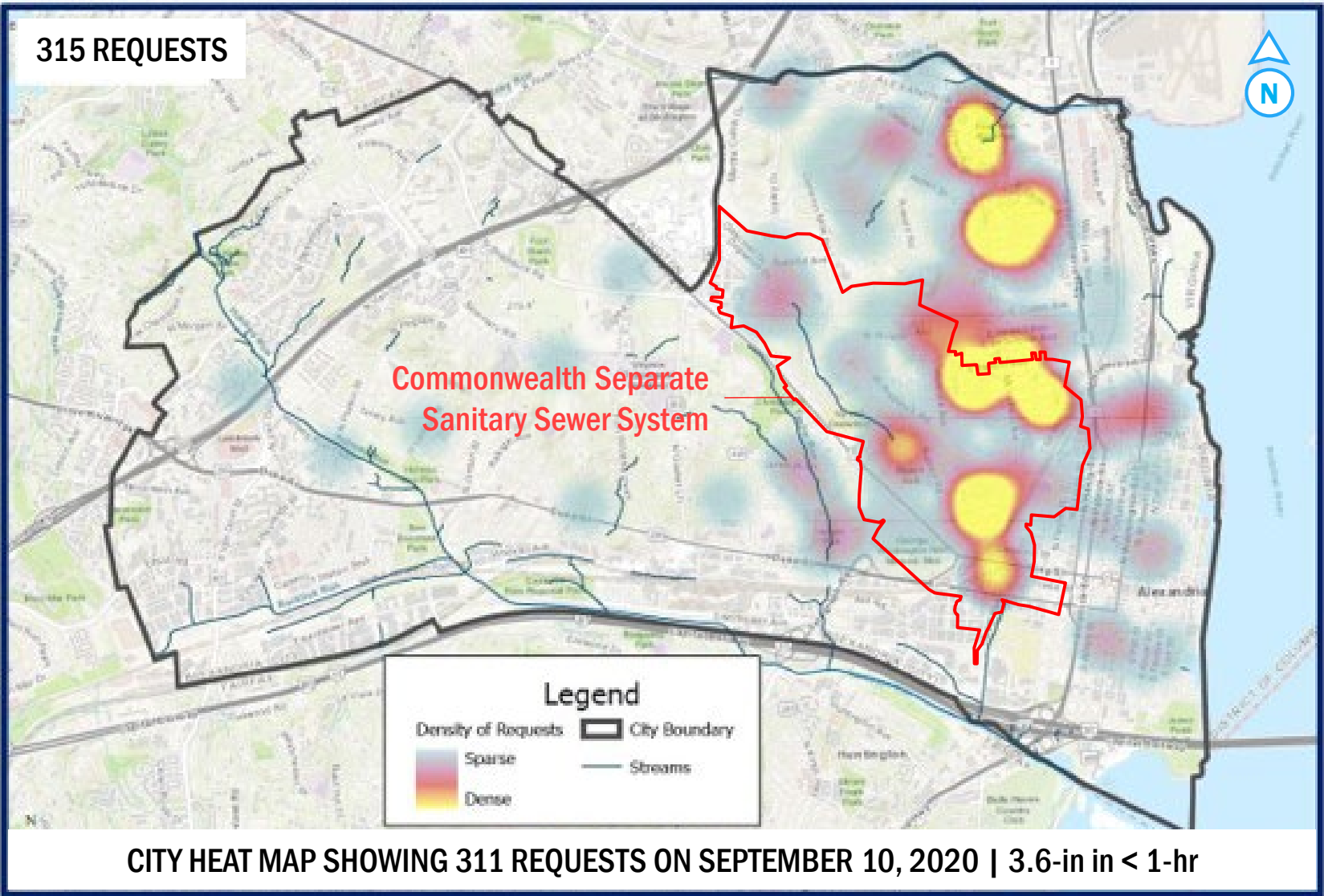
## Legend

- AlexRenew Interceptor
- ▲ AlexRenew Pumping Station

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



# SEPTEMBER 2020 FLOOD HEAT MAP



# SANITARY AND STORM DESIGN STANDARDS



## Separate Sanitary Interceptors



## Storm Sewers

**Governance**

State Water Control Board through Virginia Department of Environmental Quality

City of Alexandria, Virginia

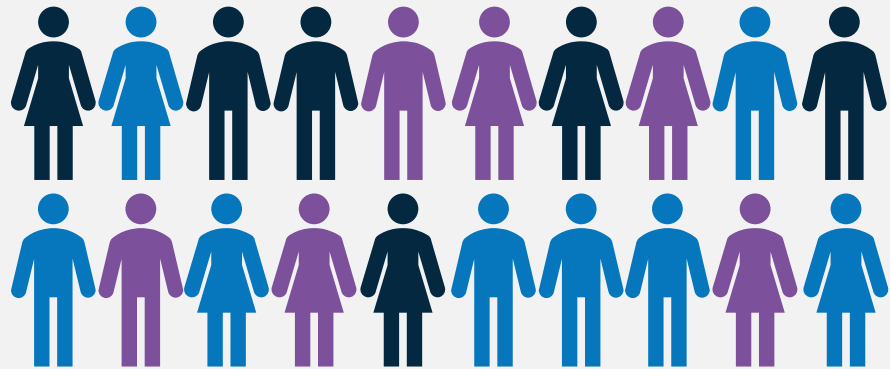
**Regulation**

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

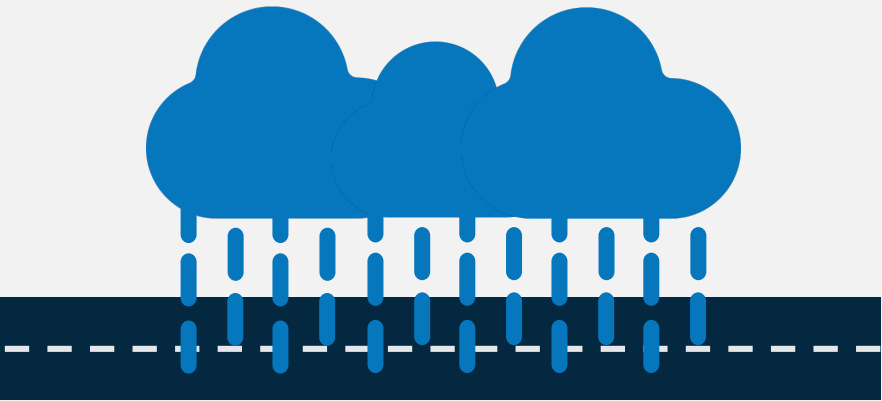
Design and Construction Standards

**Design Requirements**

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



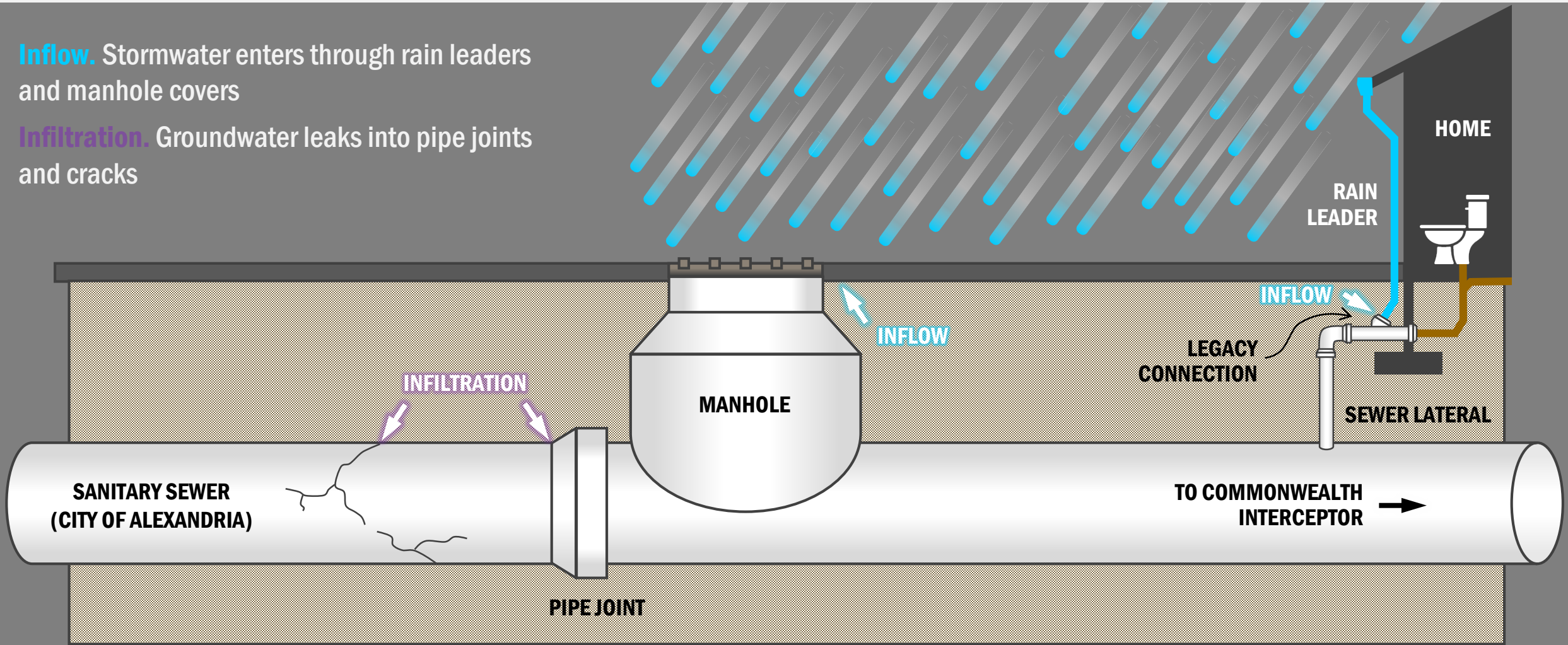
Precipitation: 10-year, 24-hour storm



# INFILTRATION AND INFLOW

**Inflow.** Stormwater enters through rain leaders and manhole covers

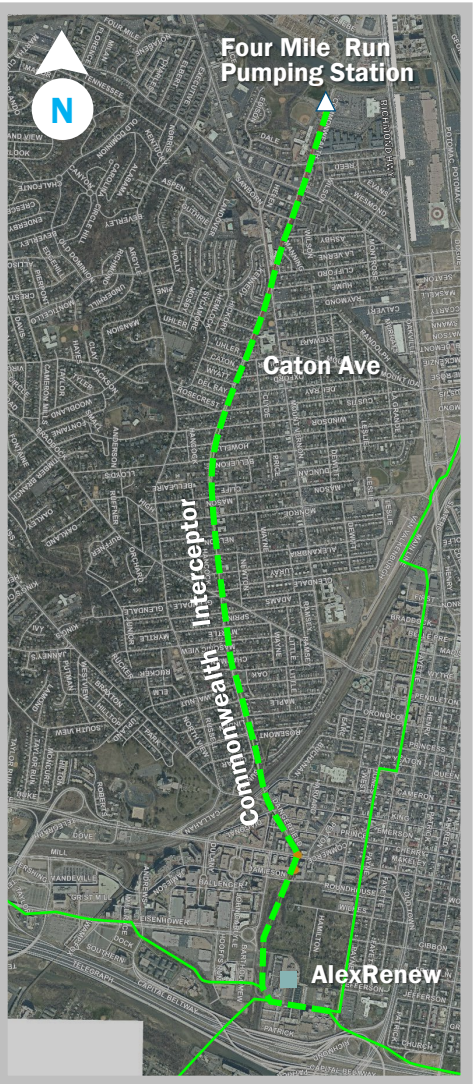
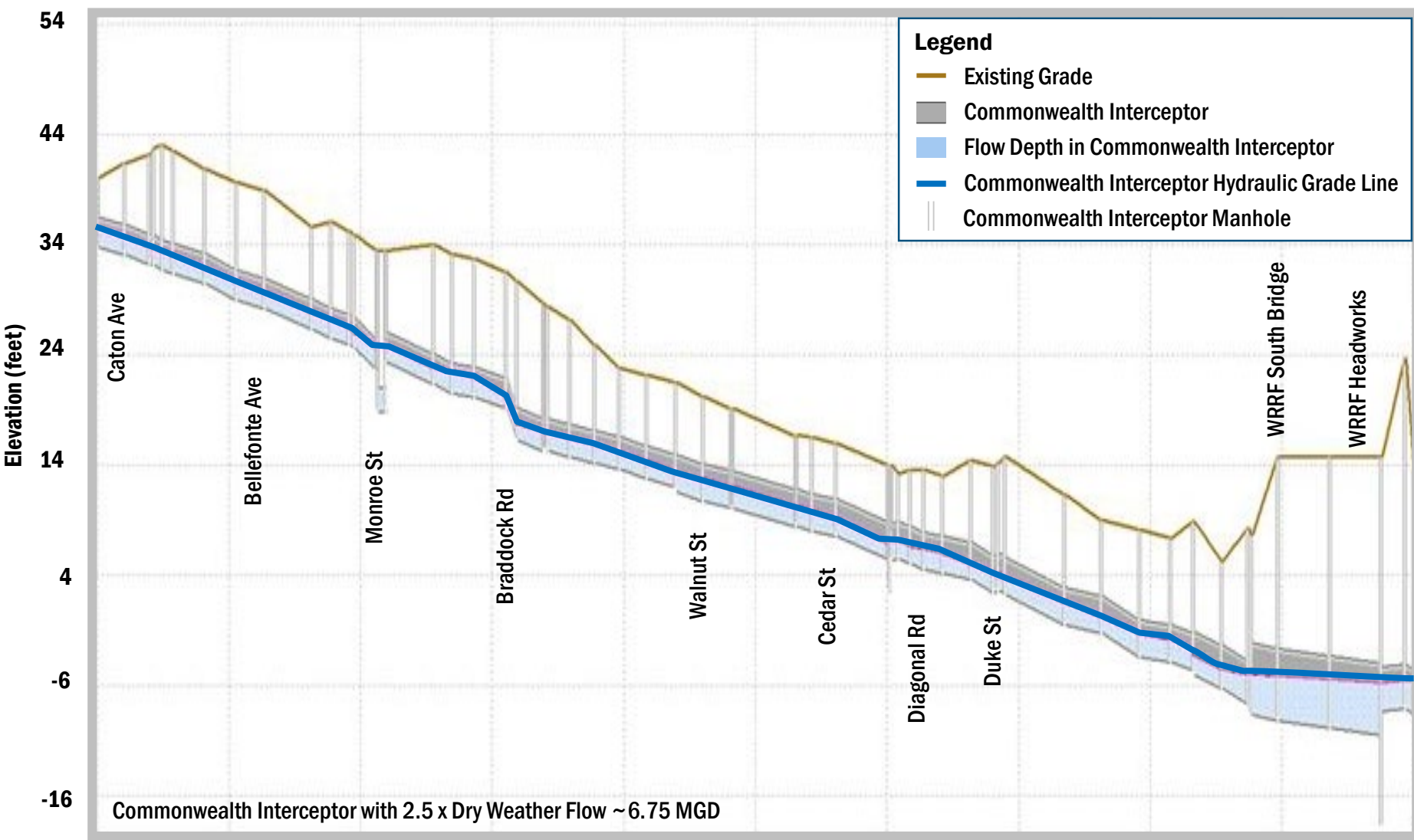
**Infiltration.** Groundwater leaks into pipe joints and cracks







# COMMONWEALTH INTERCEPTOR HYDRAULIC PROFILE



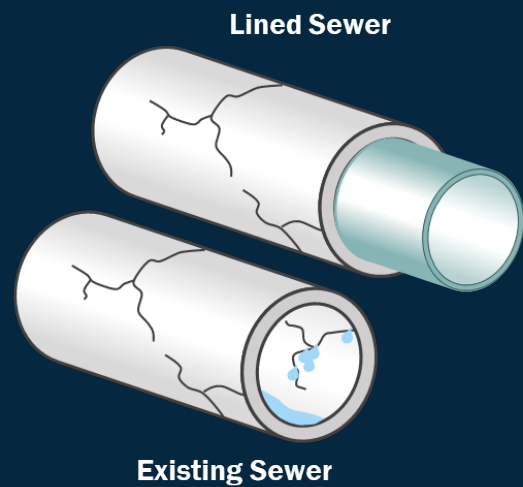
# COMMONWEALTH INTERCEPTOR PEAKING FACTORS

Wet Weather Flow Peaking Factor* by Storm Event			
Event	November 21, 2023	December 17, 2023	January 9, 2024
Storm Characterization	1-yr	2-yr	2-yr
Average Daily Dry Weather Flow (MGD)	2.7 MGD		
Peak Wet Weather Flow (MGD)	15.3 MGD	17.0 MGD	16.3 MGD
Peaking Factor	5.7	6.3	6.0

\*Peaking Factor (PF) is the ratio of wet weather flow to average daily flow

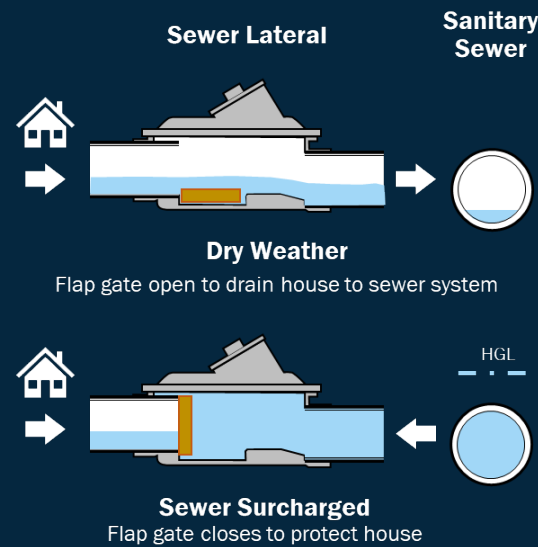
# MITIGATING INFILTRATION AND INFLOW

## Sewer Rehabilitation

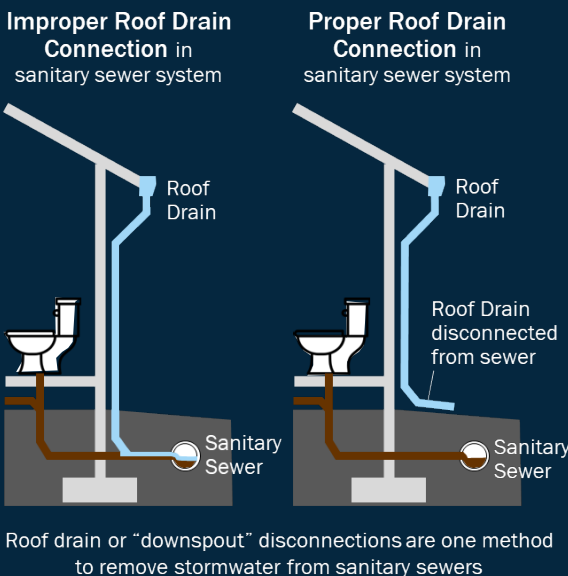


Sewer lining (Cured in Place Pipe, Sliplining) or Full Pipe Replacement

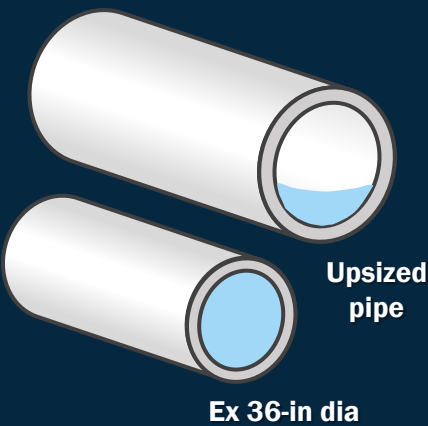
## Backflow Preventer Installation in Sewer Lines



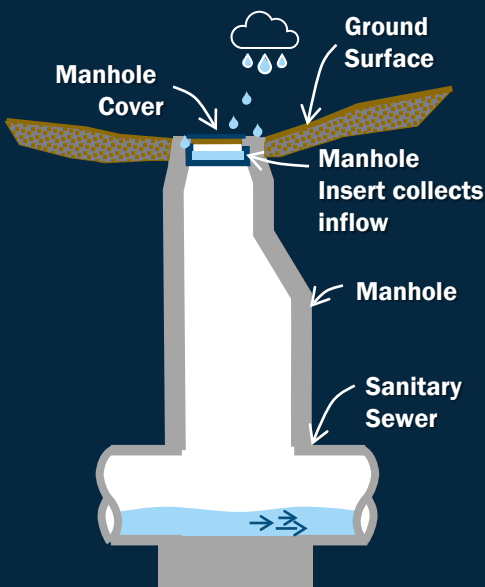
## Address Legacy Sources of Stormwater from Homes and Businesses



## Increase Capacity of Storm Sewer System



## Install Manhole Inserts



# COMMONWEALTH INFILTRATION AND INFLOW STUDY OUTLINE

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



# HYDRAULIC MODELING PROCESS

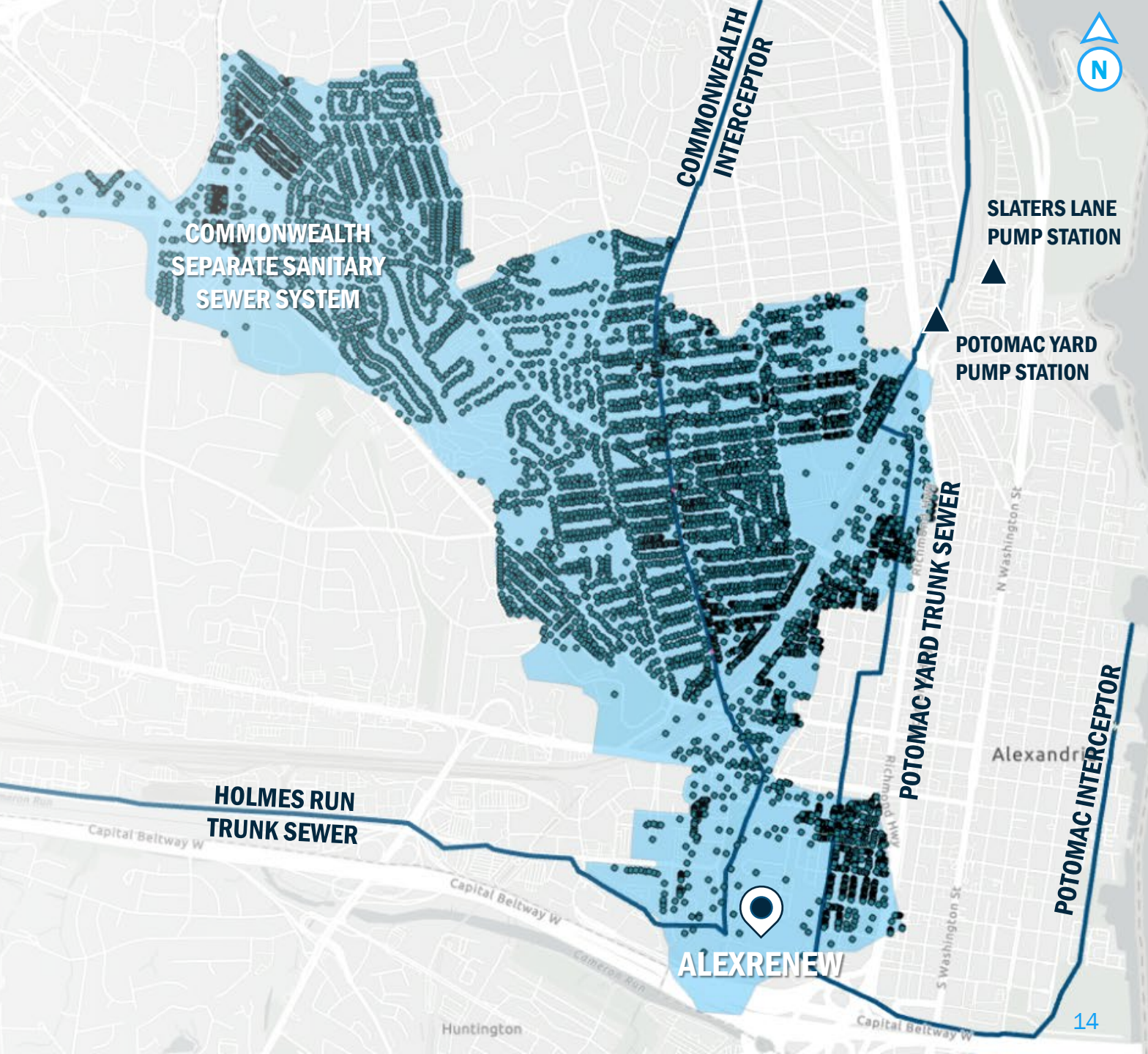


1. Data Collection
  - Identifying Infiltration and Inflow Sources
  - Flow Meters
2. Model Calibration
3. Model Assumptions
4. Model Results



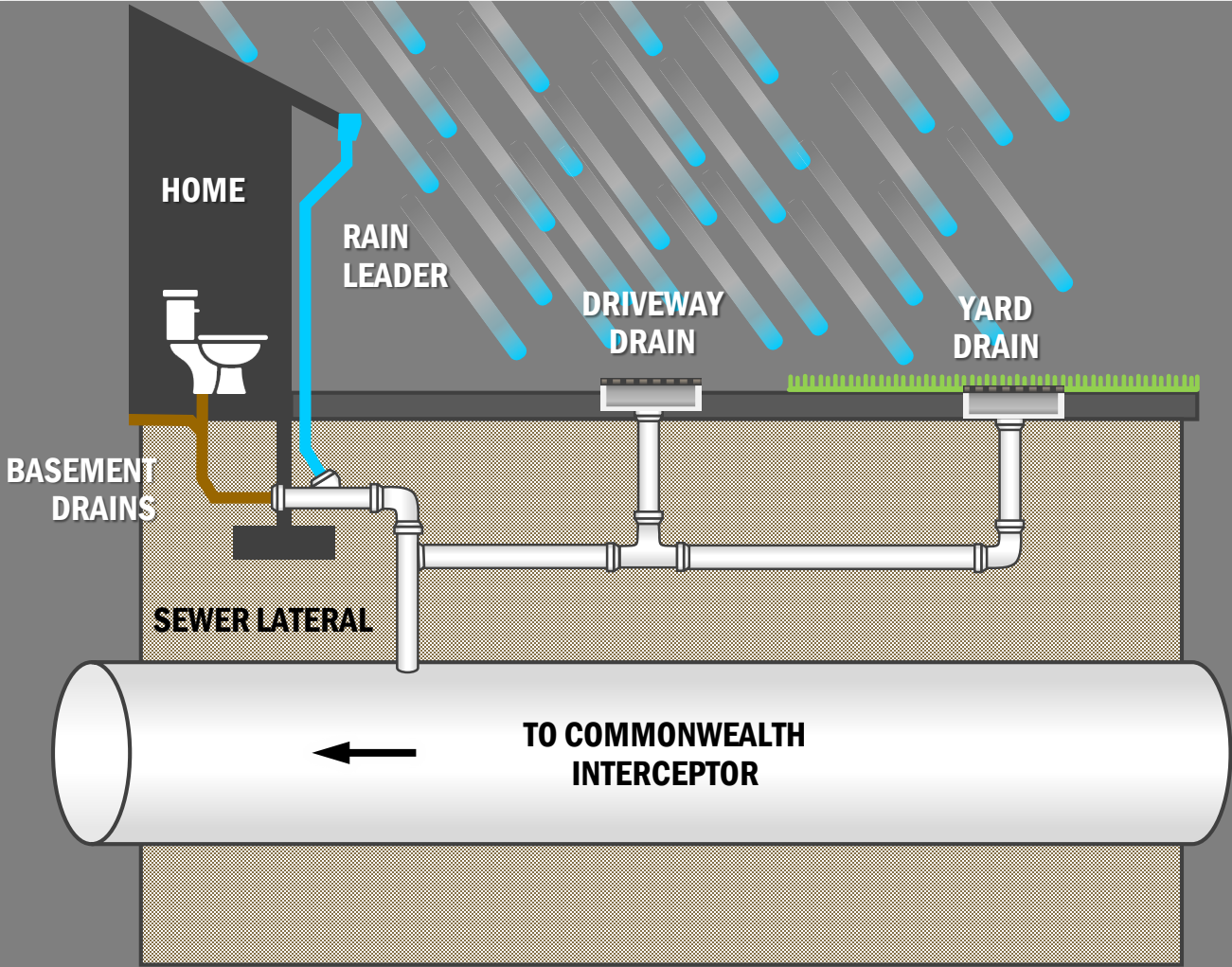
# INFLOW CONNECTION SURVEY

1. The City surveyed 5,036 of 6,200 addresses in the Commonwealth Separate Sanitary Sewer System for inflow connections
2. Of the surveyed 5,036 addresses, 685 were found to have inflow connections





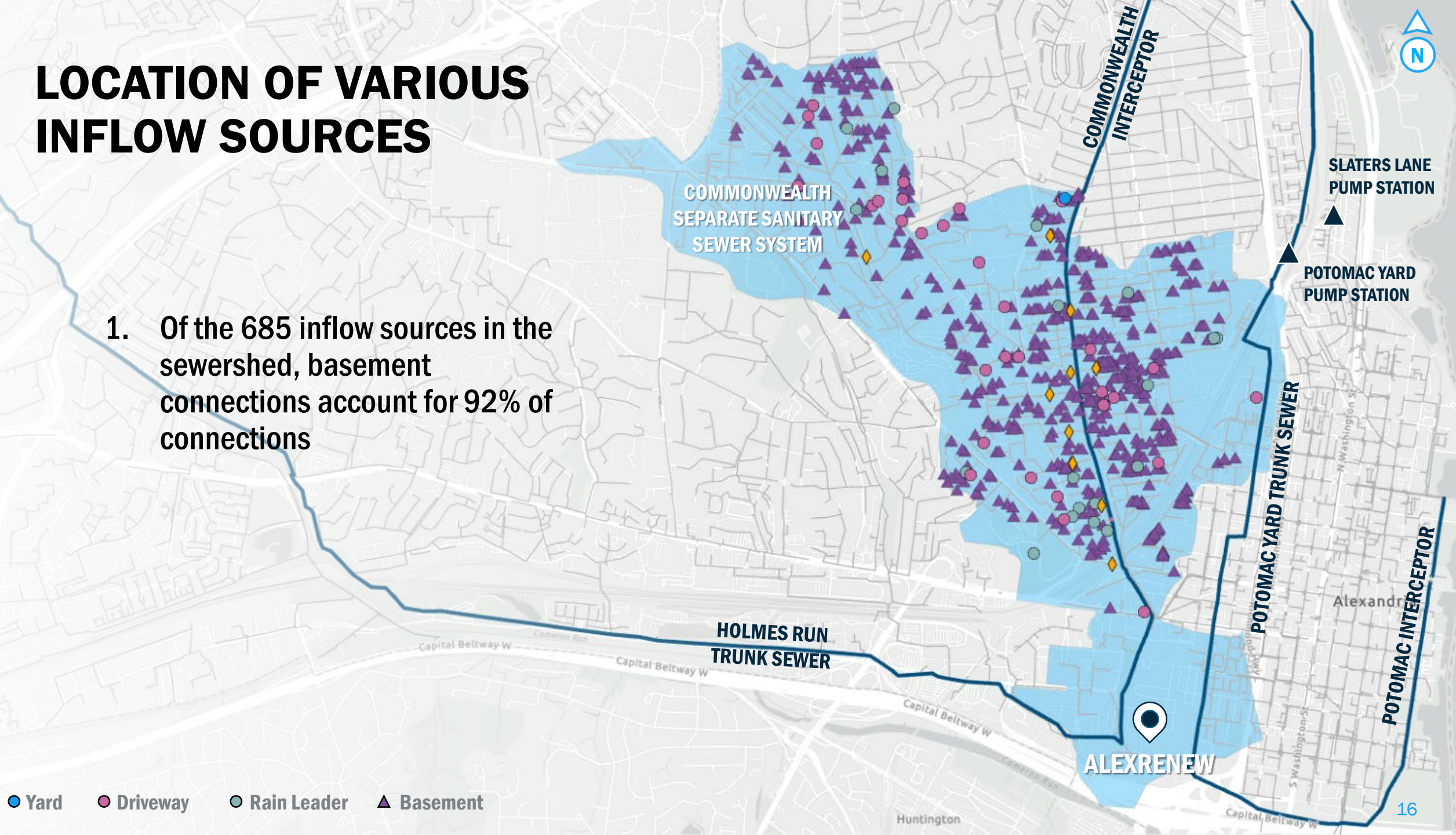
# INFLOW SOURCES TYPES





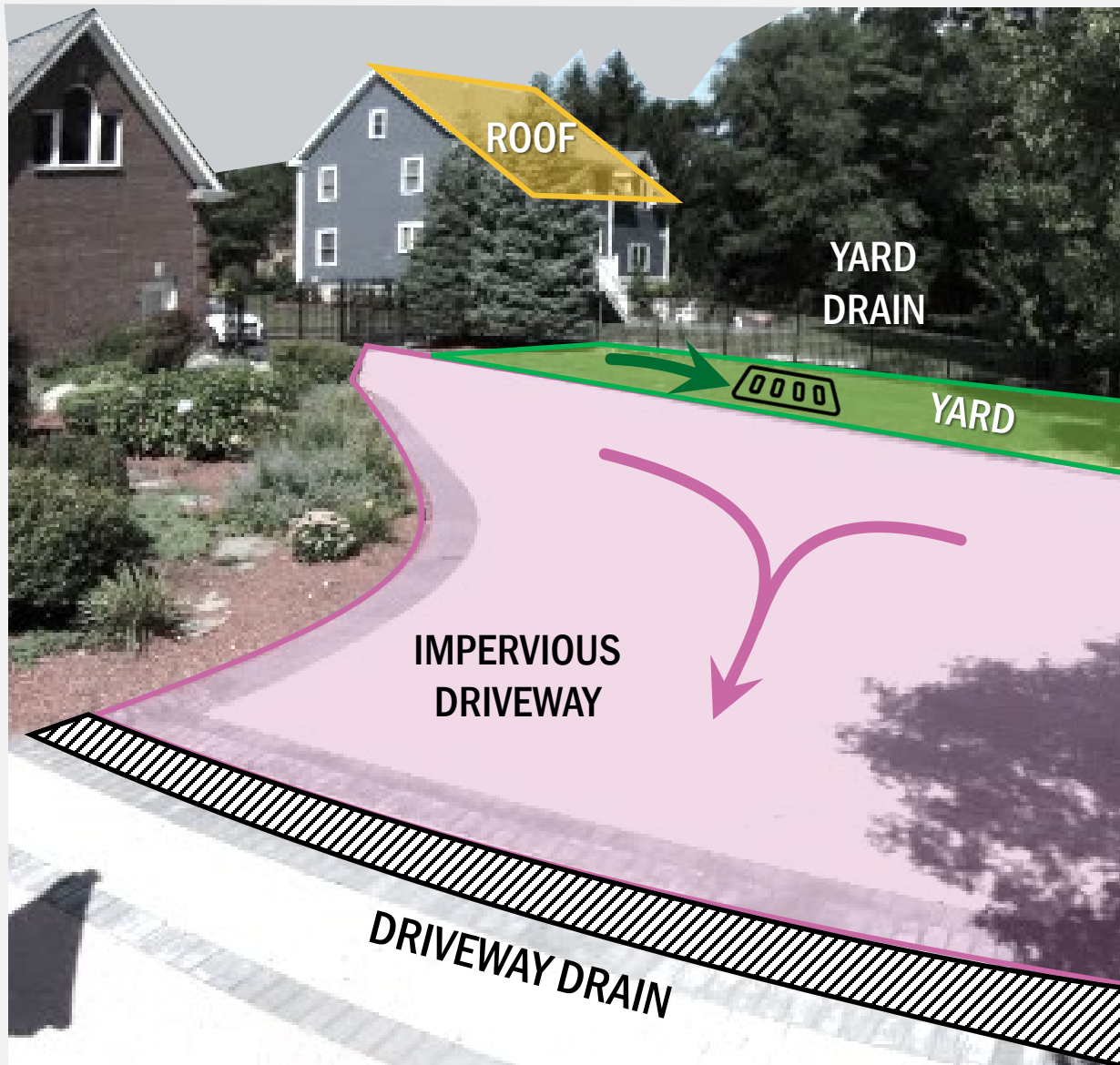
# LOCATION OF VARIOUS INFLOW SOURCES

1. Of the 685 inflow sources in the sewershed, basement connections account for 92% of connections





# DETERMINING INFLOW FLOW RATES



## Rational Method to Calculate Runoff

$$Q = C \times i \times A$$

$Q$  – Flow (cfs)

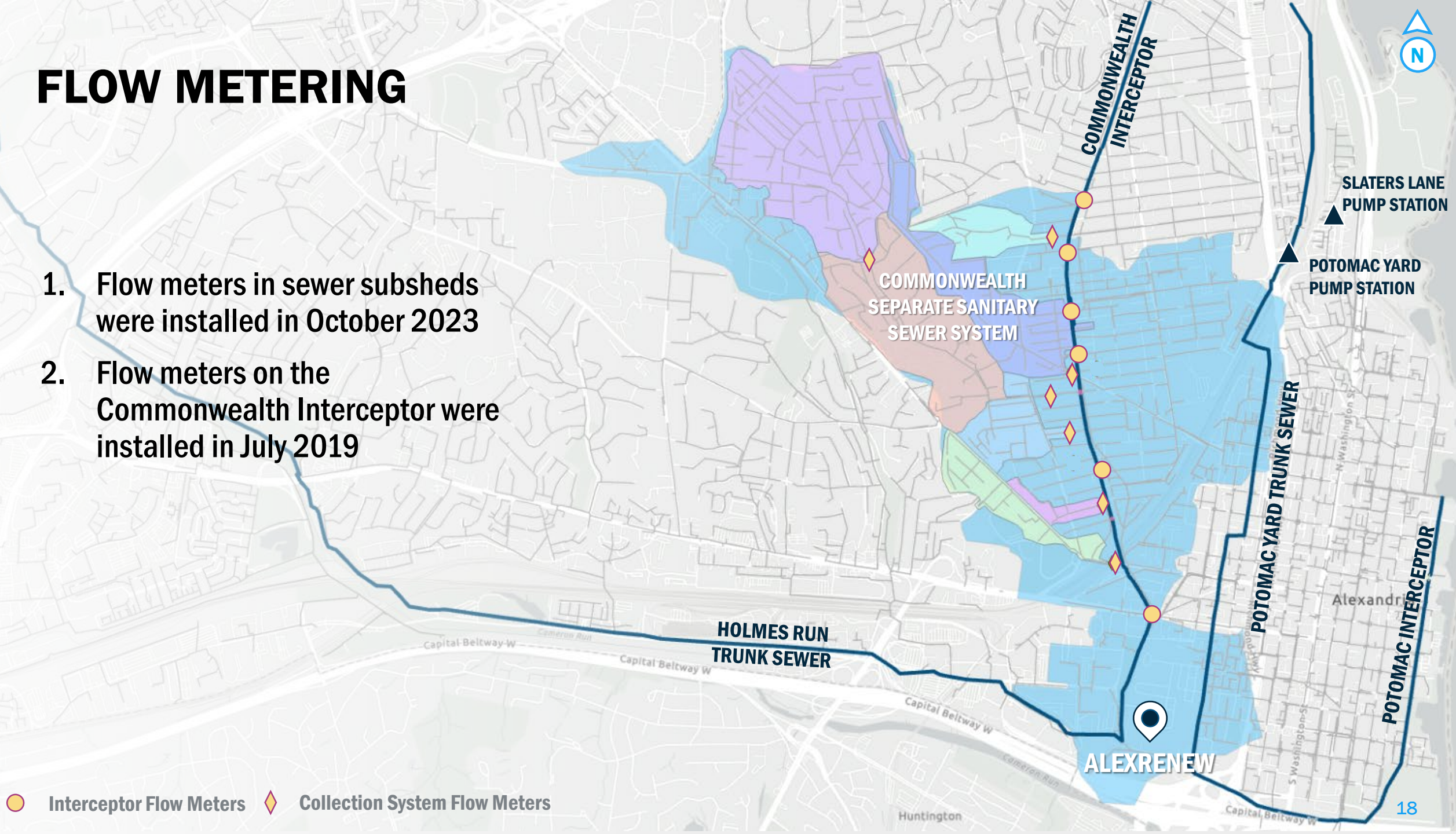
$C$  – Runoff coefficient (unitless ratio)

$i$  – Rainfall intensity (in/hr)

$A$  – Drainage area (acres)

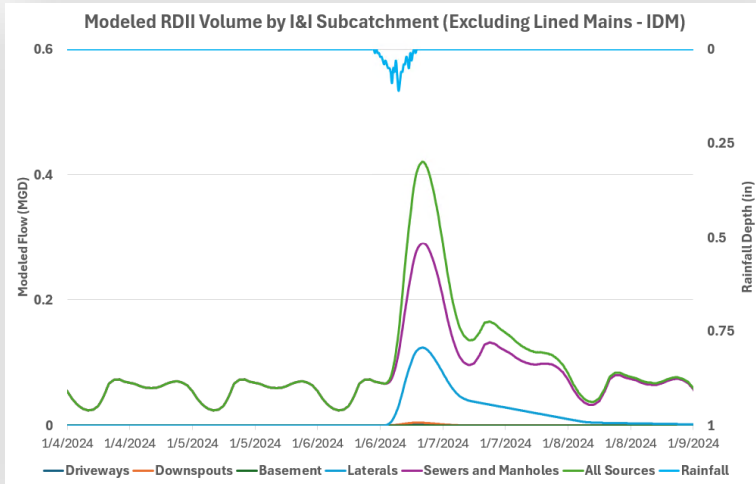
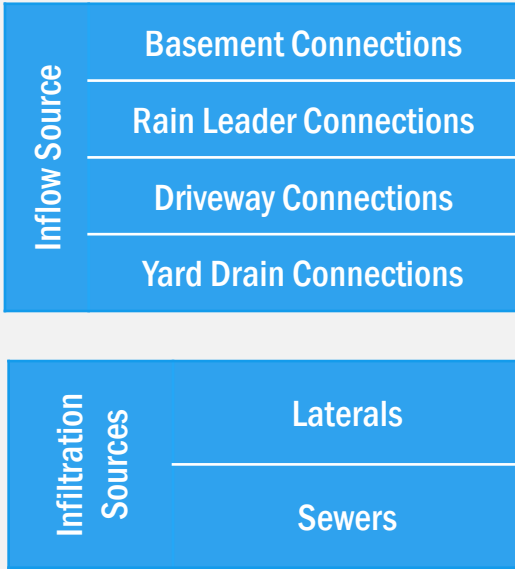
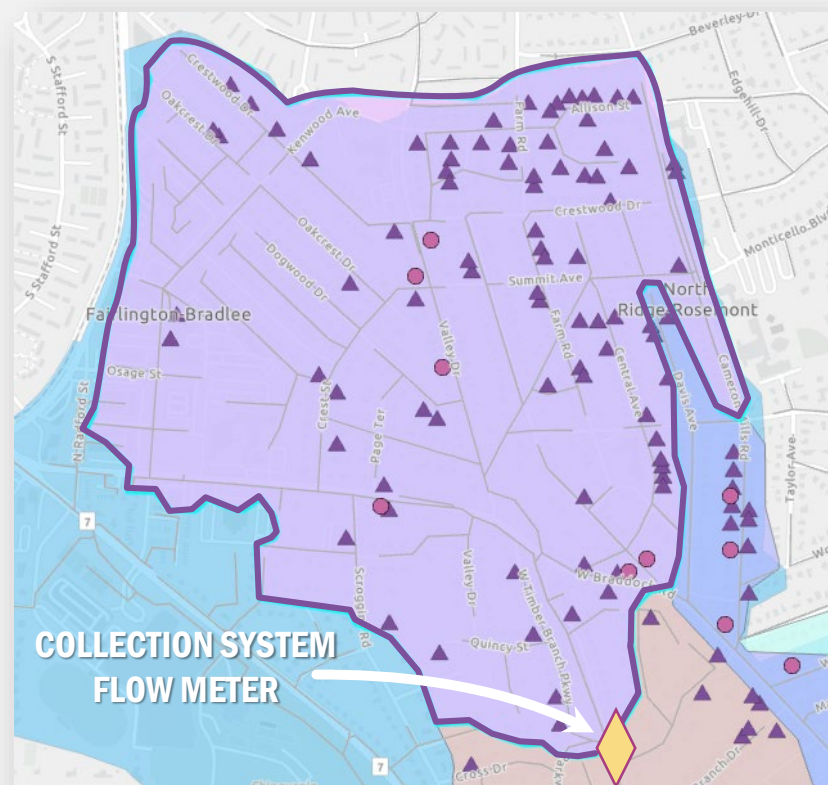
# FLOW METERING

1. Flow meters in sewer subsheds were installed in October 2023
2. Flow meters on the Commonwealth Interceptor were installed in July 2019

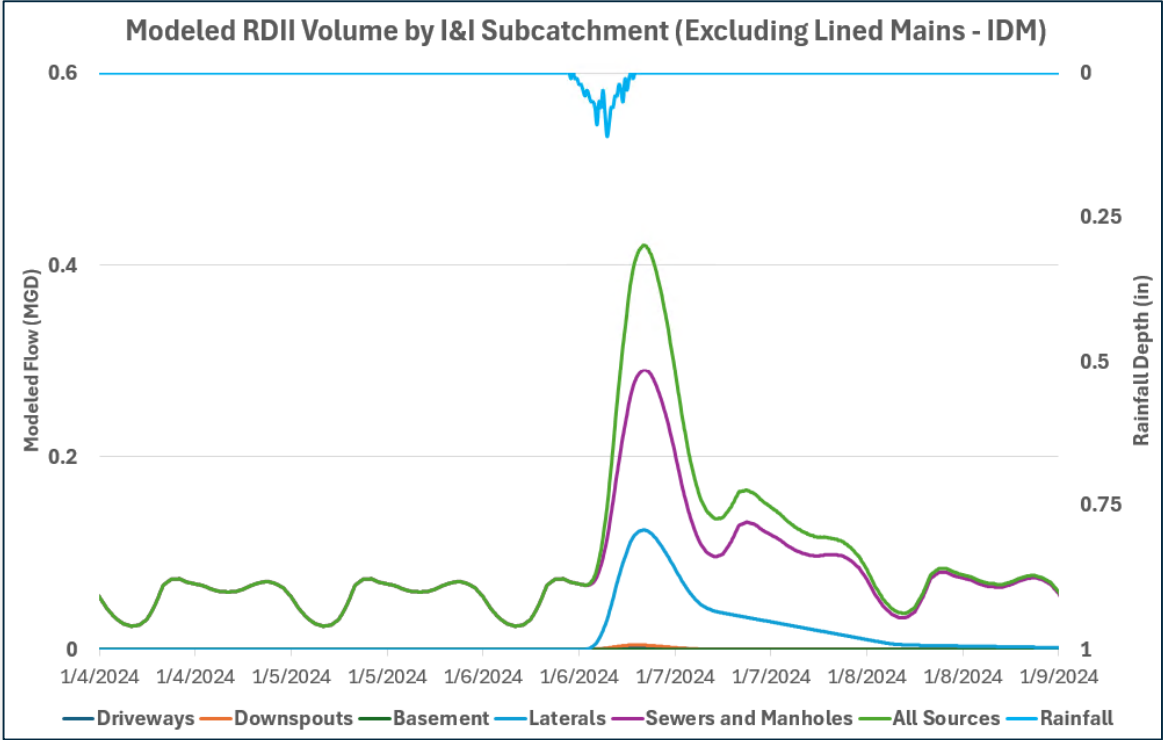
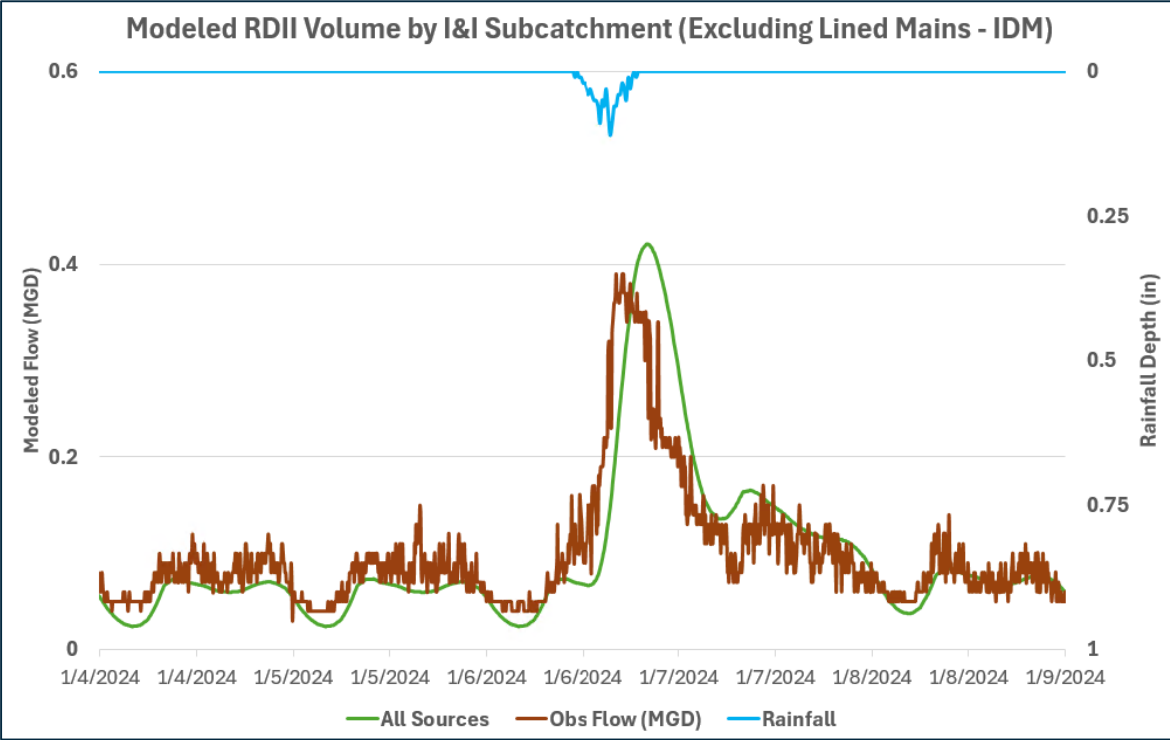




# MODELING INFLOW SOURCES

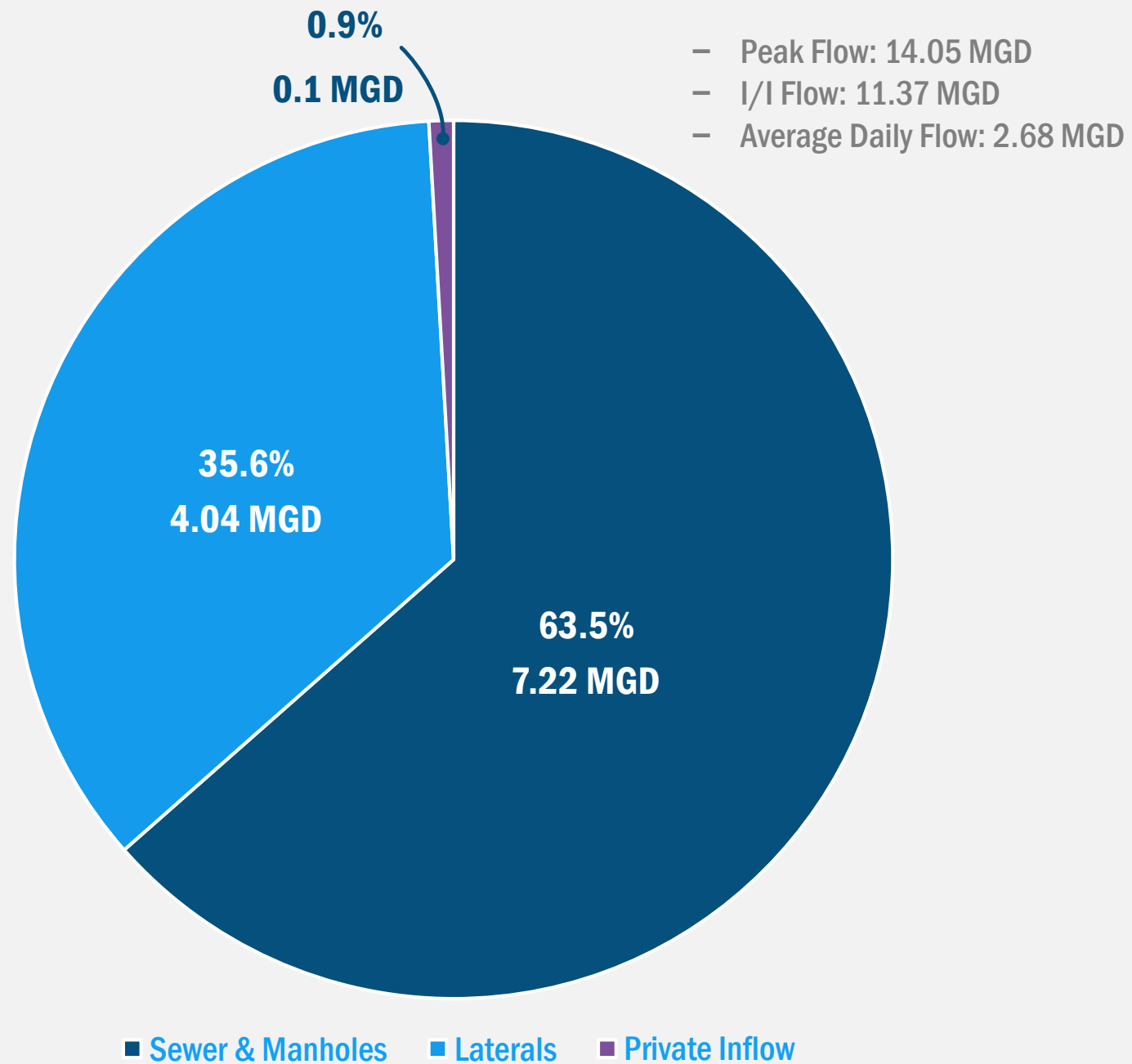


# FLOW METER DATA VS MODELED FLOW



Modeled Infiltration and Inflow

# ESTIMATED INFILTRATION AND INFLOW FLOWS DURING 1-YEAR STORM EVENT



# MODELING ASSUMPTIONS



10-yr, 24-hr design storm  
(City Level of Service)



Major City Stormwater  
Projects Complete



RiverRenew in Service

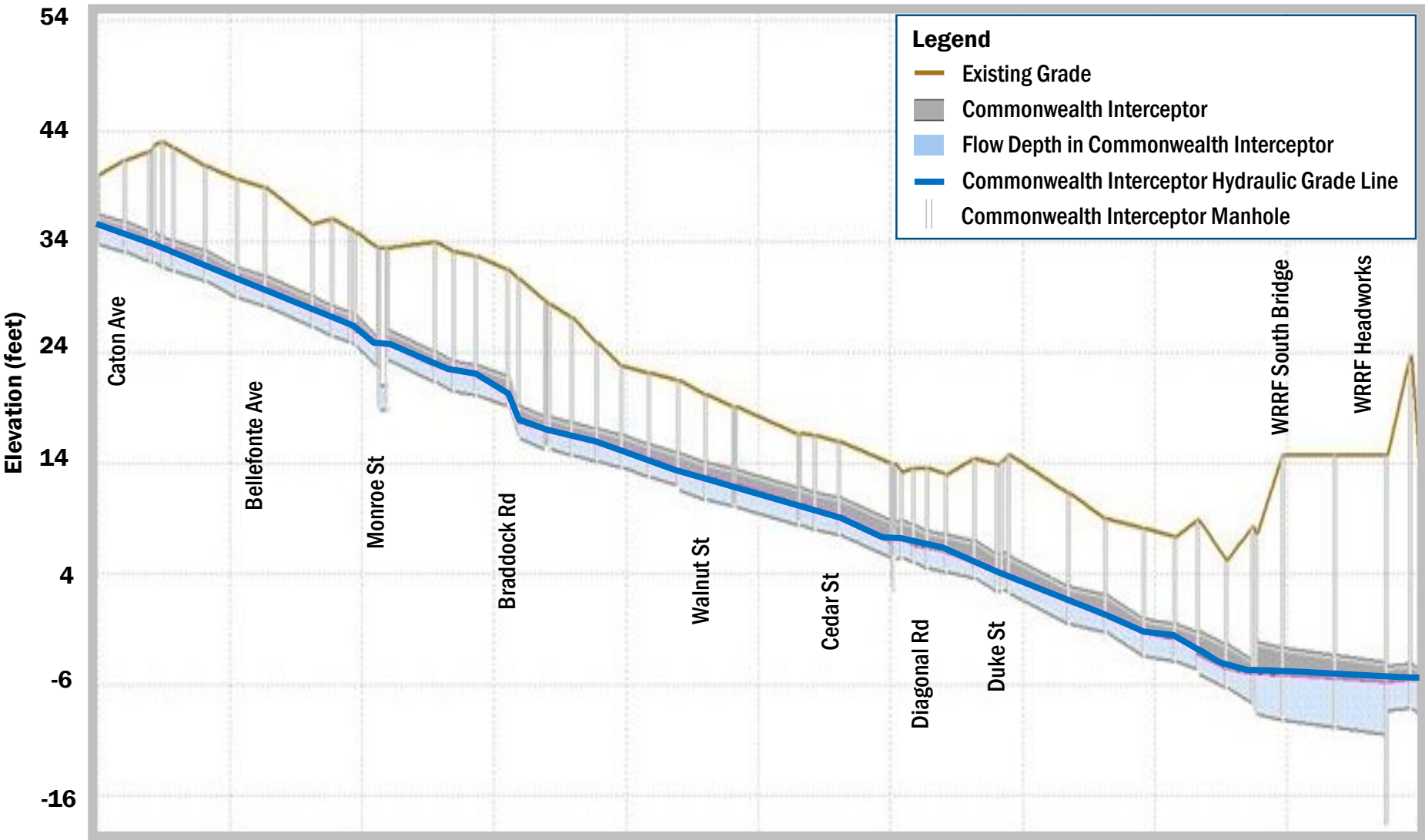
I&I Rehabilitation Scenario	Public Sewer (% Infiltration Reduction)	City-Owned Laterals (% Infiltration Reduction)	Private Laterals (% Infiltration Reduction)	Private Inflow (% Inflow Reduction)
No Improvements	0%	0%	0%	0%
Full Rehabilitation	50%	50%	0%	0%
Increase Interceptor to 54-in diameter	0%	0%	0%	0%

*Full rehabilitation:*

- Lining 201,400 linear feet of sewers
- Pipes diameter: 6 to 27-inches
- Lining 6,200 laterals
- Installing 1,500 Manhole Inserts

# COMMONWEALTH INTERCEPTOR

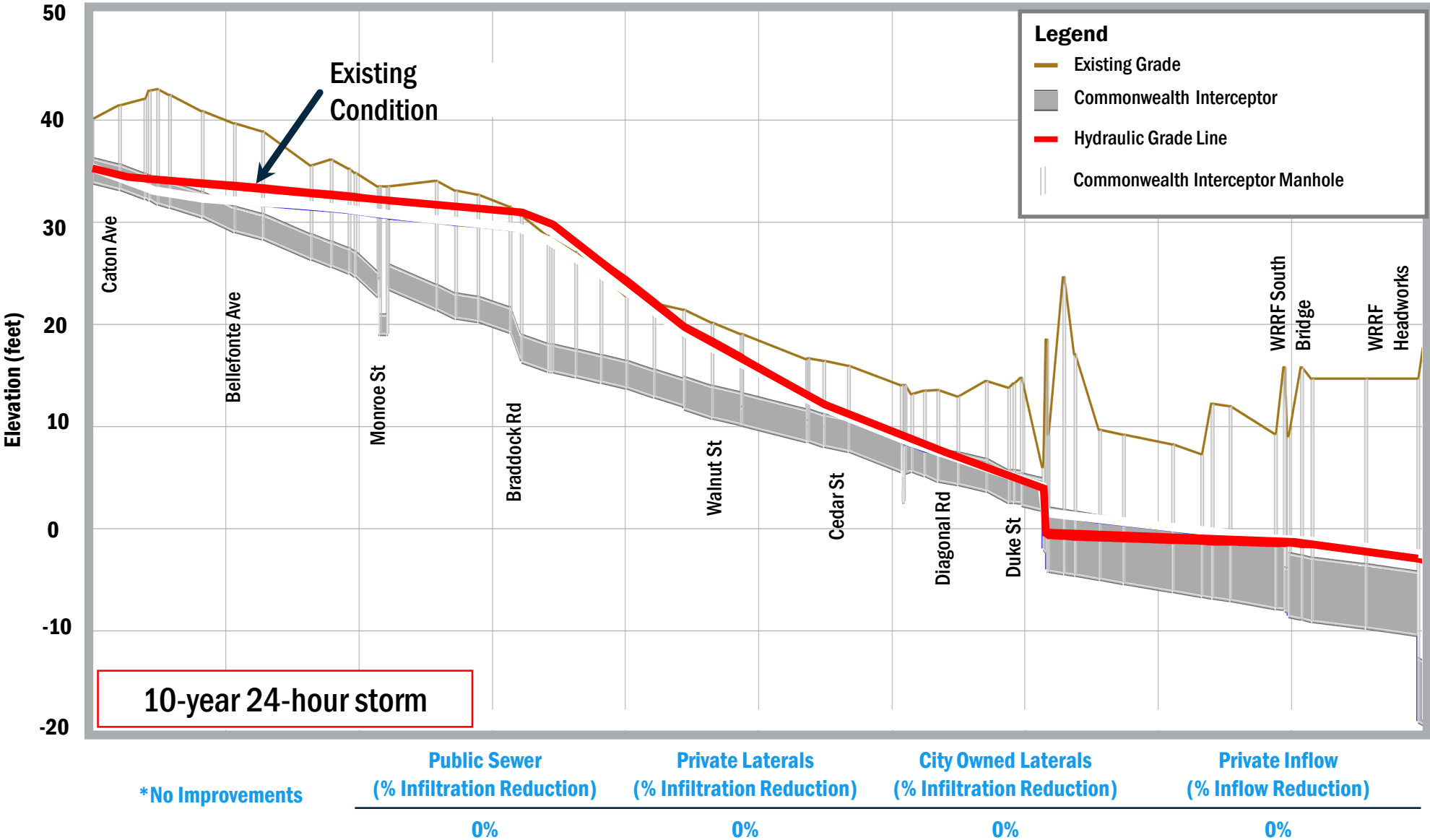
## DRY WEATHER





# COMMONWEALTH INTERCEPTOR

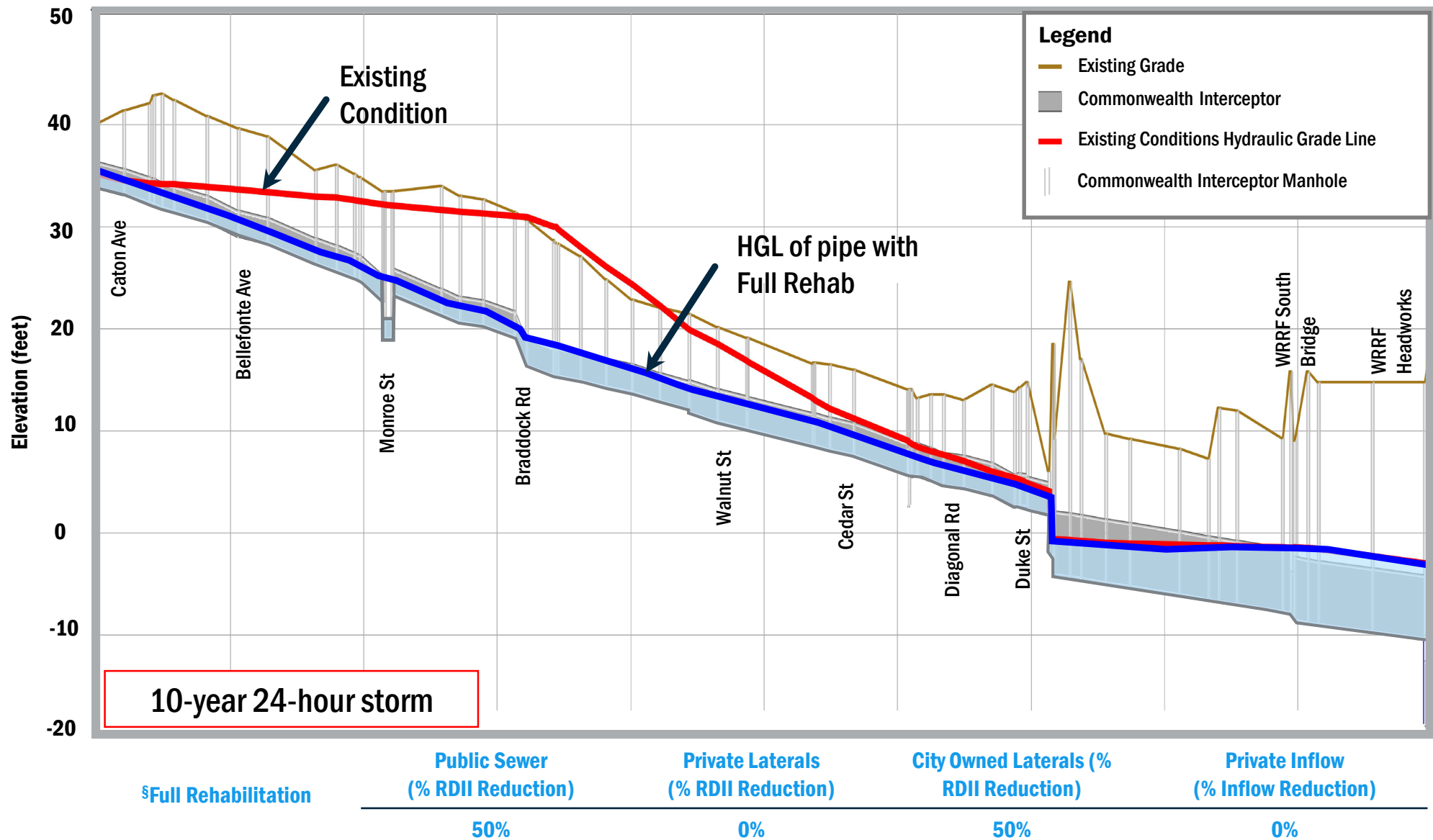
## WET WEATHER – NO IMPROVEMENTS





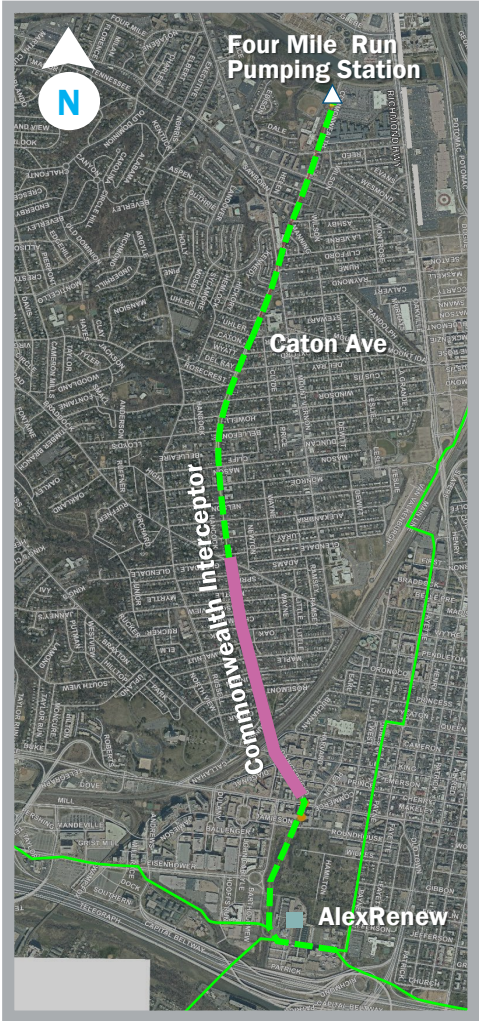
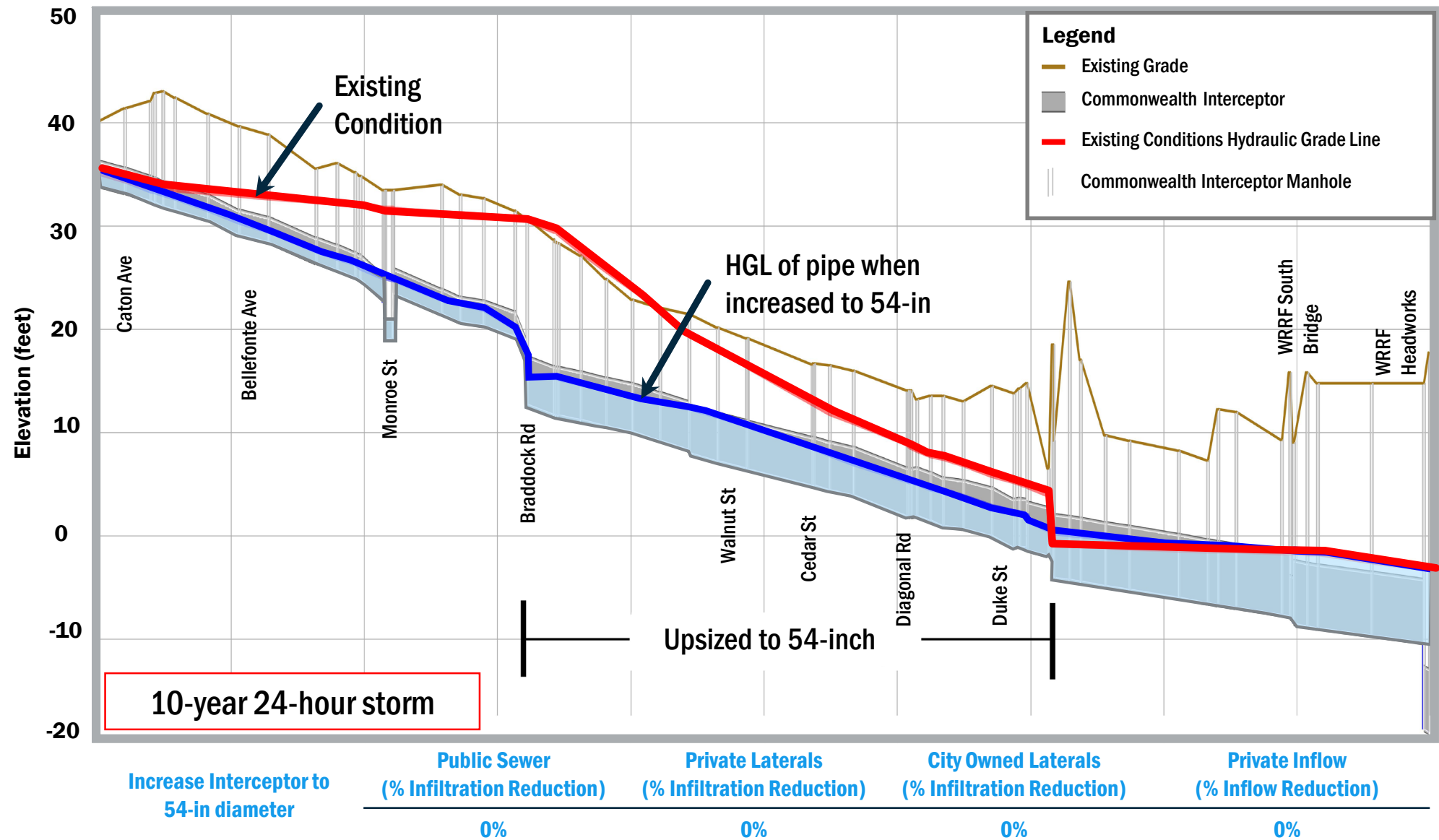
# COMMONWEALTH INTERCEPTOR

## WET WEATHER WITH FULL REHAB§



# COMMONWEALTH INTERCEPTOR

## INCREASE INTERCEPTOR TO 54-INCH





# CITY OF ALEXANDRIA SEWER REHABILITATION PROJECT UPDATE



**1**

**DEL RAY EAST**  
*(Inspected: 2021-2022)*

- Manholes: 580
- Laterals: 2,611
- Mainline: 113,000 LF

**UNDER CONSTRUCTION**

**2**

**DEL RAY WEST**  
*(Inspected: 2022-2023)*

- Manholes: 472
- Laterals: 1,182
- Mainline: 75,000 LF

**IN DESIGN**

**3**

**NORTH RIDGE**  
*(Inspected: 2023-2024)*

- Manholes: 305
- Laterals: 975
- Mainline: 63,200 LF

**REVIEWING INSPECTIONS**

**4**

**BRADDOCK HEIGHTS**  
*(Inspected: 2024-2025)*

- Manholes: 461
- Laterals: 965
- Mainline: 78,335 LF

**INSPECTIONS UNDERWAY**





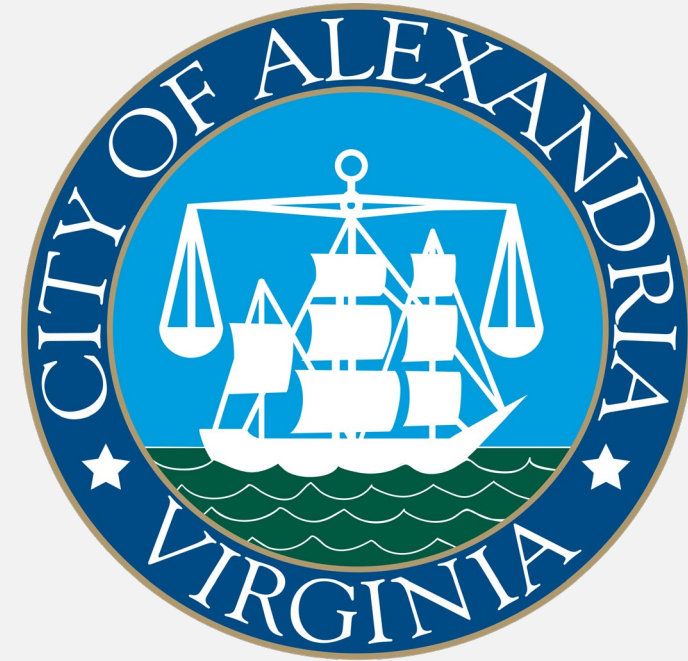
# KEY TAKEAWAYS AND NEXT STEPS

## Takeaways

- City data and associated modeling indicates that inflow sources are not a significant source of infiltration and inflow
- Any alternative to address infiltration and inflow requires stormwater system upgrades to be complete
- Extensive sanitary sewer lining (full rehabilitation) or increasing the capacity of the Commonwealth Interceptor can alleviate the impacts associated with infiltration and inflow
- Capacity at AlexRenew's Water Resource Recovery Facility should be considered when reviewing alternatives to treat additional stormwater flows

## Next Steps

- Alternatives evaluation
- Recommend plan
- Finalize study



## Monthly Report

### May 2025

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 May 2025.

## 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 May was 7.73 inches of rain which is more than the monthly average precipitation of 3.94 inches for the month.

AlexRenew met all Virginia Pollutant Discharge Elimination System (VPDES) effluent parameters for May 2025 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)
<b>Permit</b>	54.0	5.0	6.0	Seasonal (1)	0.18	6.0	3.0	493,381	29,603
<b>Reported</b>	40.8	<QL	3.2	<QL	0.11	8.4	2.1	90855	5,117

Notes: (1) Ammonia seasonal limit for 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 \$5.6 million of work has been completed under the JOC contracts. Table 1.2 summarizes the status of JOC task orders.

**Table 1.2.** Summary of JOC Task Orders

Task Order	Estimate	Status
Tertiary Settling Tank Valve Replacement	\$425,000	Work ongoing
Building A Flare System Repairs	\$765,000	Work ongoing
Environmental Center Improvements	\$280,000	Completed (3)
Plant Air Compressor Upgrades	\$645,000	Work ongoing
Building L W1 Booster Pump Skid Replacement	\$265,000	Work ongoing
WRRF Tank Access Improvements	\$450,000	Work ongoing
Sodium Hypochlorite System Repairs	\$950,000	Work ongoing
Potomac Yard Pumping Station Repairs	\$225,000	Completed (3)
High-Capacity Drain Pump Repair	\$115,000	Work ongoing
Methanol System Improvements	\$510,000	Work ongoing
Campus-wide Site Improvements	\$75,000	Work ongoing
Pre-Pasteurization Spare Parts	\$575,000	Work ongoing
Solids Instrumentation Upgrades	\$125,000	Work ongoing
IDPS Maintenance Improvements	\$95,000	Work ongoing
Secondary Settling Tank Flushing Improvements	\$135,000	Work ongoing

Notes: (1) New task order; (2) Estimate updated; (3) Status updated

### 1.3 RiverRenew

Updates on RiverRenew are outlined in the RiverRenew Dashboard.

### 1.4 PhaseForward

Updates on PhaseForward are outlined in the PhaseForward Dashboard.

### 1.5 Additional Capital Projects

In March 2025, AlexRenew issued a Request for Proposals (RFP) for Job Order Contracts (JOC) to support AlexRenew's ongoing construction and maintenance needs. The new JOCs will take the place of the current JOCs that were awarded in July 2023 and will align with updated term limits as established in the Virginia Public Procurement Act. This item is presented for Board approval in this month's Board package.

In April 2025, AlexRenew issued a Request for Qualifications (RFQ) for the Nutrient Reduction Project, which is the first step in the procurement of a design-builder. The Statements of Qualifications (SOQ) in response to the RFQ were submitted to AlexRenew on May 20 and are currently under review. The evaluation of the SOQs will result in a shortlist of respondents that will receive the RFP, which serves as the second step in the procurement of a design-builder. The RFP is currently anticipated to be issued in July 2025. Board review is anticipated for January 2026.

In April 2025, AlexRenew issued an RFP for community outreach and communications services. The successful respondent will provide outreach and communications support across a variety of



AlexRenew's needs, including communications and outreach strategy planning; material production such as flyers, exhibits, and annual reports; website and social media content planning and creation; event planning and support; and website redesign and maintenance. The proposals in response to the RFP were received on June 3 and are currently under review. Board review is anticipated for October 2025.

### 1.6 Basic Ordering Agreement Task Orders

In December 2024, the Board approved five (5) basic ordering agreements (BOA) to support AlexRenew's planning, design, and implementation of projects as part of AlexRenew's Capital Improvement (CIP) program. Table 1.3 summarizes the status of BOA task orders issued.

**Table 1.3.** Summary of BOA Task Orders

Task Order	Estimate	Status
Tertiary Systems Upgrade Project Owner's Advisor Services	\$750,000	Work ongoing
General Engineering Services	\$50,000	Work ongoing
PFAS Sampling Support	\$80,000	Work ongoing
Elevator Project – Engineering Services During Construction	\$200,000	Work ongoing
Building F Roof Design	\$100,000	Work ongoing
WRRF Influent Sampling	\$95,000	Work ongoing
HVAC Design Standards	\$115,000	Work ongoing
Sustainability Support (1)	\$200,000 (2)	Work ongoing (3)
PhaseForward Space Planning Assessment (1)	\$130,000 (2)	Work ongoing (3)

Notes: (1) New task order; (2) Estimate updated; (3) Status updated

### 1.7 Sole Source and Emergency Contracts

There were no sole source or emergency contracts executed in May.

## 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.

Heather Kerr, AlexRenew's Technical Trainer, received the Utility Employee of the Year by the Alexandria Chamber of Commerce on May 22 at Belle Haven Country Club.

AlexRenew hosted its quarterly all staff meeting and international potluck for employees on May 22 – employees were encouraged to bring their favorite dishes from around the world to the meeting.

Staff welcomed AlexRenew's new Maintenance Manager, Dennis Morris, on May 19. Dennis will play a critical role at AlexRenew, overseeing the repair, upkeep, and efficient operation of equipment and systems on the plant.

AlexRenew's high school interns officially completed their program in May, delivering a final presentation of what they learned to members of the executive team.

On June 2, employees, City staff, and contractors had the opportunity to select plants for their homes

and offices that had outgrown AlexRenew's living plant wall. The plant wall is currently being replanted with new plants.

Since August 3, 2023, AlexRenew has logged 390,715 hours without a lost time accident.

### 3 Strategic Partnerships

AlexRenew continues to foster strategic partnerships that promote watershed-level thinking through collaboration and advocacy.

Staff supported the City of Alexandria's Eco-City event on May 10 at Ben Brenman Park, attended Carlyle Council's Bike to Work Day in Carlyle Square on May 15, and hosted Eisenhower Partnership's movie night (Moana) on May 17, held on the elevated park next to Limerick Field.

AlexRenew's Chief Administrative Officer, Caitlin Feehan, presented an overview of AlexRenew and the RiverRenew program during the Potomac Conservancy's Board meeting on May 30.

### 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 and minimizing our impact on the environment.

AlexRenew produced 2,071 wet tons of biosolids that were beneficially reused on farms in the Virginia counties of Caroline, Fauquier, Hanover, King George, and King William. AlexRenew recycled 142 million gallons of water to support its operations. Plant processes used approximately 3,403,000 standard cubic feet of biogas that was produced onsite in the anaerobic digesters.

### 5 Commitment to the Community

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

#### 5.1 FY2025 Operating and Capital Budget – Revenues and Expenses

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

Table 5.1 summarizes AlexRenew revenues and expenditures for this period, including the following major takeaways:

- Wastewater Treatment Charge revenues (\$57.3 million) are trending higher than budget due to higher customer usage and higher than projected late fees;
- Operating and maintenance expenses (\$32.8 million) are trending at budget; and
- Total expenses (\$156.3 million) are currently trending lower than the budgeted expenses primarily due to the timing of spending associated with RiverRenew. This timing also impacts debt proceed revenues (\$68.0 million), which are lower than budgeted since the majority of capital expenses are funded through debt.

**Table 5.1.** Revenues and Expenses through May 2025

Revenues and Expenses	Total FY2025 Budget	FY2025 To-Date	% of Budget To-Date	% of FY2025 Completed	Total FY2025 Projected
<b>Revenues</b>					
Wastewater Treatment Charge	60,420,321	57,253,557	95	92	61,900,000
Fairfax Operating Expense Charge	12,838,293	11,768,435	92	92	12,800,000
Fairfax IRR* and Capital Contributions	40,753,072	19,274,024	47	92	22,000,000
Debt Proceeds and Other Sources	118,784,403	68,021,963	57	92	89,300,000
<b>Total Revenues</b>	<b>232,796,090</b>	<b>156,317,979</b>	<b>67</b>	<b>92</b>	<b>186,000,000</b>
<b>Expenses</b>					
Operating and Maintenance	35,295,594	32,765,644	93	92	35,300,000
Parity Debt Service	22,290,196	21,344,883	96	92	21,800,000
IRR*	11,755,900	12,290,011	105	92	12,900,000
Capital	163,454,400	89,917,441	55	92	116,000,000
<b>Total Expenses</b>	<b>232,796,090</b>	<b>156,317,979</b>	<b>67</b>	<b>92</b>	<b>186,000,000</b>

\*IRR: Improvement, Renewal, and Replacement

In March 2025, the Board adopted a revised Financial Policy that includes two metrics to ensure sufficient days cash on hand – Operating & Capital Days Cash on Hand and Total Days Cash on Hand. Days cash on hand or “days cash” is calculated by dividing the amount of unrestricted cash by the annual operating expenses, times 365 (total days in any given fiscal year). Operating & Capital Days Cash includes only a portion of AlexRenew’s unrestricted operating cash, while Total Days Cash includes all AlexRenew unrestricted cash and represents the days cash benchmark typically reviewed by rating agencies.

Minimums required by the revised Financial Policy for Operating & Capital and Total Days Cash are 120 and 270 days, respectively. The revised Financial Policy also modified the minimum debt service coverage from 1.5 to 1.6 times. Debt service coverage is calculated by dividing net revenue by annual debt service. AlexRenew currently exceeds its Financial Policy cash reserves and debt service coverage requirements as indicated in Tables 5.2a and 5.2b.

**Table 5.2a.** Cash Reserves

Days Cash on Hand	Minimum	FY2025 Annualized	Percentage of Goal
Operating and Capital Days Cash on Hand	120	126	105%
Total Days Cash on Hand	270	797	295%

**Table 5.2b.** Debt Service Coverage

Item	FY2025 Budget	FY2025 Annualized
Total Revenues	\$74,158,614	\$76,288,293
Less Operating Expenses	(\$35,295,594)	(\$35,300,000)
<b>Net Revenue</b>	<b>\$38,863,020</b>	<b>\$40,988,293</b>
<b>Annual Debt Service</b>	<b>\$22,290,196</b>	<b>\$21,800,000</b>
<b>Calculated Coverage</b>	<b>1.75 times</b>	<b>1.88 times</b>

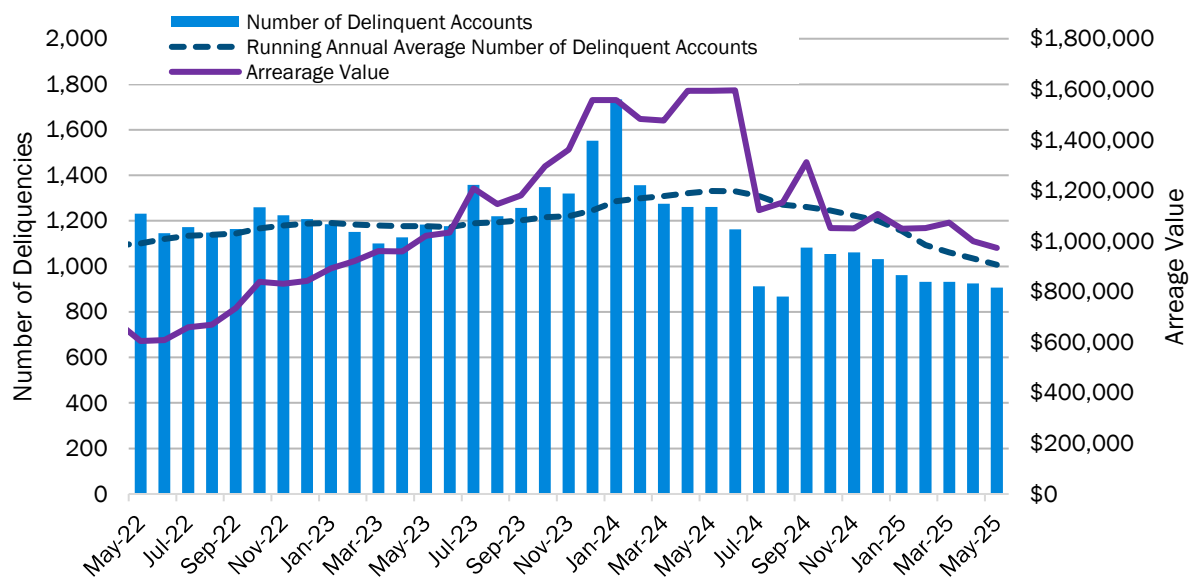
## 5.2 Status of Customer Delinquencies

Figure 5.1 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 907, a decrease of 18 accounts month-over-month;
- The total dollar amount owed to AlexRenew from these accounts was \$972,841, a decrease of \$26,760 month-over-month; and
- Approximately 57 percent of the delinquency value is from residential accounts.

AlexRenew has continued its communications campaign around the Lifeline Emergency Assistance Program (LEAP) and payment plans. As of May 31, 408 accounts were enrolled in payment plans, representing \$632,328.86 in scheduled payments. This value represents approximately 65 percent of the current (May) arrearage.

On behalf of AlexRenew, Virginia American Water disconnected 45 customers for nonpayment of their sewer bill in May. Of the customers who were disconnected, 21 paid their balance in full, 15 enrolled in a payment plan, one (1) account was closed, and eight (8) applied for a LEAP disbursement. Since July 2024, there have been 228 disconnections, of these, 23 accounts received a total of \$19,972 in LEAP disbursements.



**Figure 5.1.** Active Accounts 60 or more days Delinquent

### 5.3 Customer Service and Community Engagement

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

On May 20, AlexRenew's Chief Engineering Officer Felicia Glapion read our latest children's book, *Moxie's Magic Tunnel Tour*, to third grade students at Douglas MacArthur Elementary School. On May 21, AlexRenew provided a tour of our educational lobby to high school students from the Washington Latin Public Charter School.

On June 7, AlexRenew hosted the Hooffs Run Dedication Day, celebrating the completion of the new Hooffs Run Interceptor, the rejuvenation of Hooffs Run, and the reopening of the African American Heritage Park.

AlexRenew received the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. This is the 18th time AlexRenew has received the award.

AlexRenew welcomed an estimated total of 615 visitors from the following organizations that hosted meetings on the 6th floor of the Environmental Center in May: ACT for Alexandria (55), Alexandria City Public Schools (40), Alexandria Soccer Association (170), Pacific Northwest National Laboratory (90), Alexandria A Capella Collective (100), Alexandria Symphony Orchestra (45), Moms Demand Action (45), Potomac Conservancy (30), and NASPA Scrabble (40).

Additionally, staff provided tours to the City of Alexandria Stormwater Department and Pacific Northwest National Laboratory.

AlexRenew customer service received a total of 828 calls. The average wait time before calls were answered was 19 seconds. Call center staff answered 312 emails.

#### **5.4 Lifeline Emergency Assistance Program (LEAP)**

Additional updates on LEAP are outlined in the LEAP Dashboard.



# phaseforward

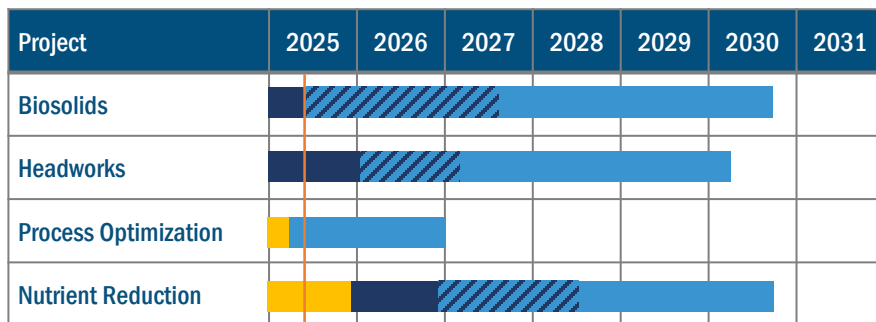
To support our evolving community, AlexRenew is making a significant investments to improve the resiliency of its infrastructure

## DASHBOARD | MAY 2025

The PhaseForward program includes a series of significant upgrades to critical wastewater processes that will allow us to meet evolving regulatory requirements and continue to improve the resilience of our infrastructure. PhaseForward includes four (4) major projects:

- Biosolids Diversification:** Upgrades to meet emerging regulations, increase bioenergy production, and realize alternative beneficial end uses for biosolids
- Headworks Renewal:** Improvements to aging equipment that provides initial screening of debris larger than a pea and settling for solids as small as a grain of sand. New pumping systems to ensure wastewater flows from the community through our wastewater treatment processes
- Process Optimization:** Installation of new equipment to enhance our nutrient removal processes and continue to improve water quality in the Chesapeake Bay and its tributaries
- Nutrient Reduction:** Rehabilitation of processes providing the final settling and filtration of wastewater to further reduce nutrient loads and allow for continued growth in our community

### PhaseForward schedule



■ Procurement ■ Design ■ Design and Construction ■ Construction

### PhaseForward spending (to date)

Project	Estimate (1)	Design	Construction	Total	% Local (2)
Biosolids	\$315M	\$7.7M	\$648,315	\$8.3M	87%
Headworks	\$120M	\$5.3M	\$0	\$5.3M	95%
Process Optimization	\$9.4M	\$1.2M	\$0	\$1.2M	100%
Nutrient Reduction	\$120M	\$0.9M	\$0	\$0.9M	100%
Total	\$568M	\$15.1M	\$648,315	\$15.7M	92%

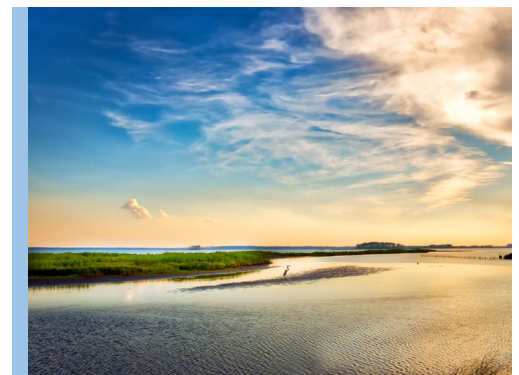
Note: (1) Current capital cost estimates (2) % Local spending from Alexandria, Northern Virginia, Maryland, and Washington, DC



BIOSOLIDS



HEADWORKS



PROCESS OPTIMIZATION



NUTRIENT REDUCTION





# Biosolids Diversification

Construction is underway! On May 19, 2025, the contractor began demolition of the lime system in Building L. This includes the removal of the 7-story lime storage silos, conveyor systems, and electrical equipment. The lime system provided stabilization of AlexRenew's biosolids and was previously decommissioned in 2006. The lime system demolition work is expected to last through September 2025.



## Headworks Renewal

The contractor received bids from subcontractors and vendors for the procurement of screens, grit removal systems, sludge pumps, and electrical equipment.

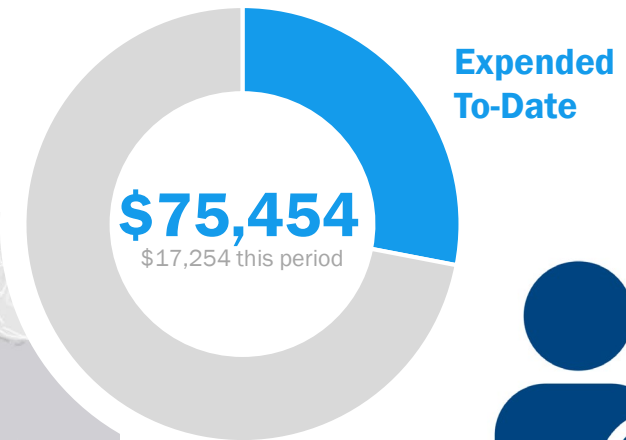
## Nutrient Reduction

Statements of Qualifications (SOQs) were received from entities interested in contracting to serve as the Design-Builder for the project.

## Process Optimization

The contractor began mobilizing equipment to support work starting on the project.





## Customers Assisted

23 customers assisted this period

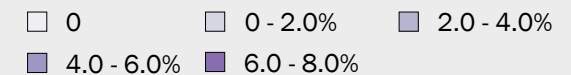


## Service Disconnections for Nonpayment

45 customers disconnected this period

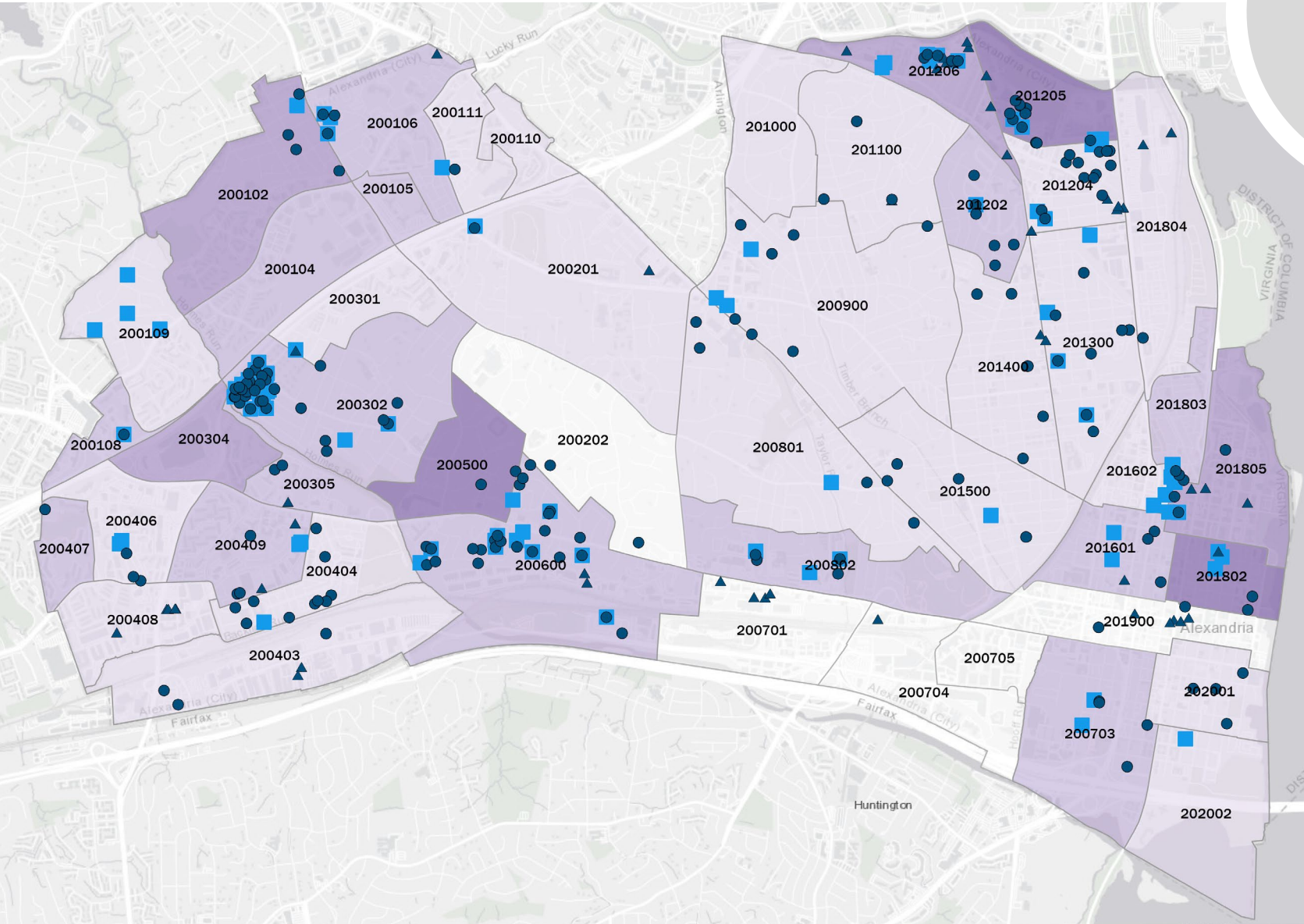
## Legend

### Percentage of Households Receiving SNAP



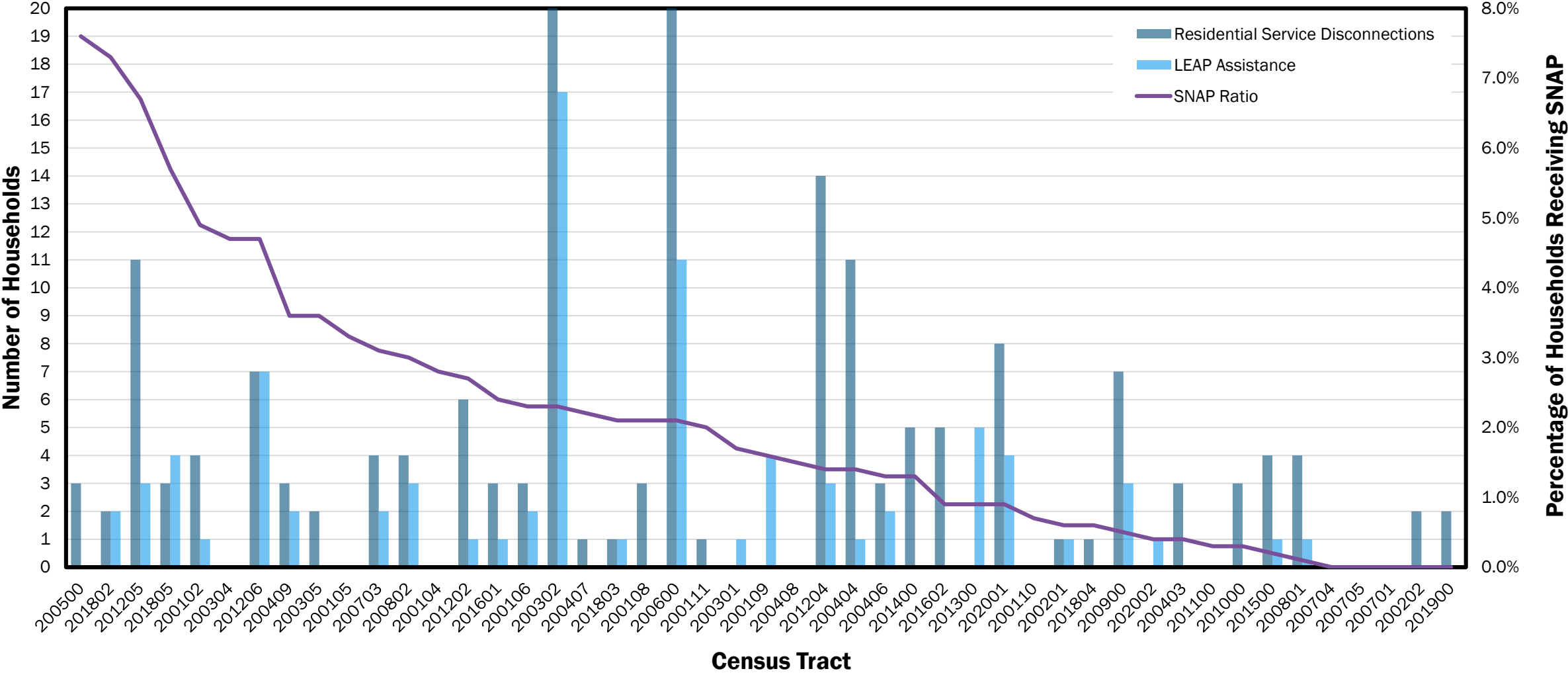
Averages: U.S. (12.5%); Virginia (3.0%); Alexandria (2.2%)

- Residential disconnections
- ▲ Commercial disconnections
- Residential customers receiving LEAP assistance



# LEAP Assistance, Service Disconnections, and SNAP Ratio by Census Tract

May 31, 2025

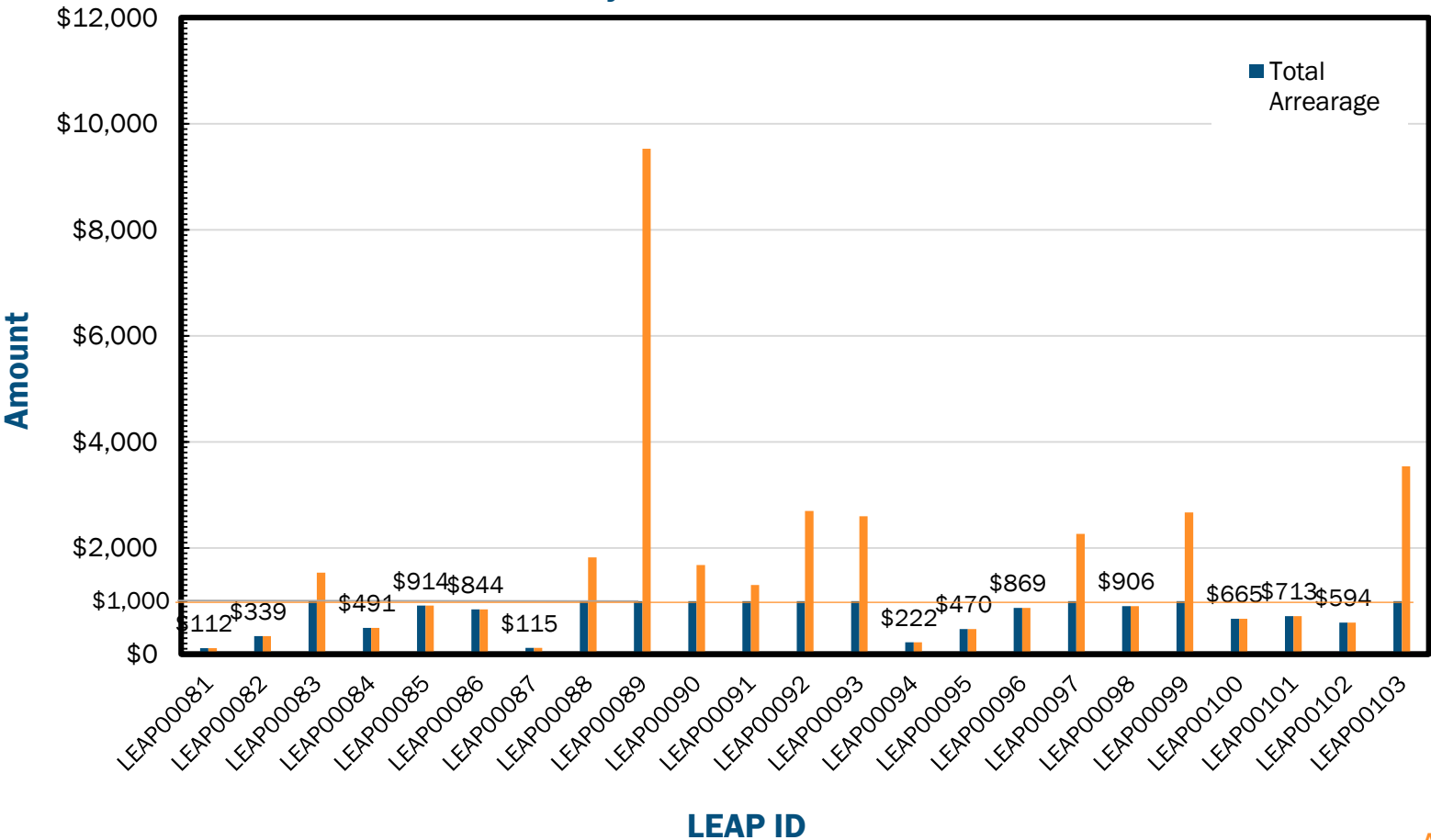


# LEAP Disbursements and Remaining Arrearage by Account

May 31, 2025

(May 2025)

Disbursements - May 2025



Disbursed	Arrearage	% of Arrearage	
\$1,000.00	\$9,527	10.50%	
\$1,000.00	\$3,540	28.25%	
\$1,000.00	\$2,696	37.09%	
\$1,000.00	\$2,668	37.48%	
\$1,000.00	\$2,596	38.52%	
\$1,000.00	\$2,268	44.09%	
\$1,000.00	\$1,825	54.79%	
\$1,000.00	\$1,681	59.49%	
\$1,000.00	\$1,535	65.15%	
\$1,000.00	\$1,303	76.75%	
\$914.00	\$914	100.00%	
\$906.00	\$906	100.00%	
\$869.00	\$869	100.00%	
\$844.00	\$844	100.00%	
\$713.00	\$713	100.00%	
\$665.00	\$665	100.00%	
\$594.00	\$594	100.00%	
\$491.00	\$491	100.00%	
\$470.00	\$470	100.00%	
\$339.00	\$339	100.00%	
\$222.00	\$222	100.00%	
\$115.00	\$115	100.00%	
\$112.00	\$112	100.00%	
Average:	\$750.17	\$1,604.04	76.18%
Median:	\$906.00	\$906.00	79.03%

# RiverRenew Board of Directors Dashboard



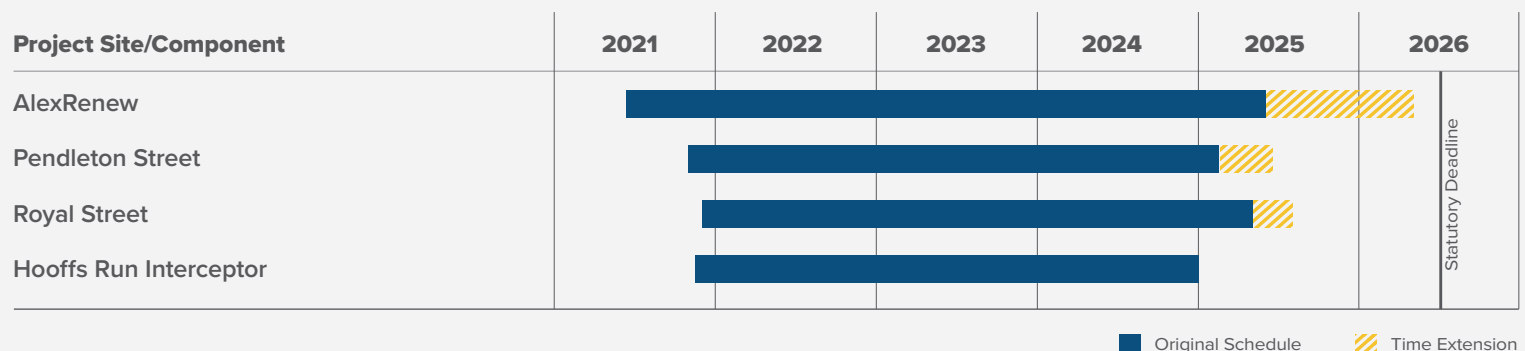
MONTH ENDING: MAY 31, 2025

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 2 of this dashboard. The phases of construction for the four remaining primary construction sites are illustrated in the schedule below.

## RiverRenew Tunnel Project Schedule



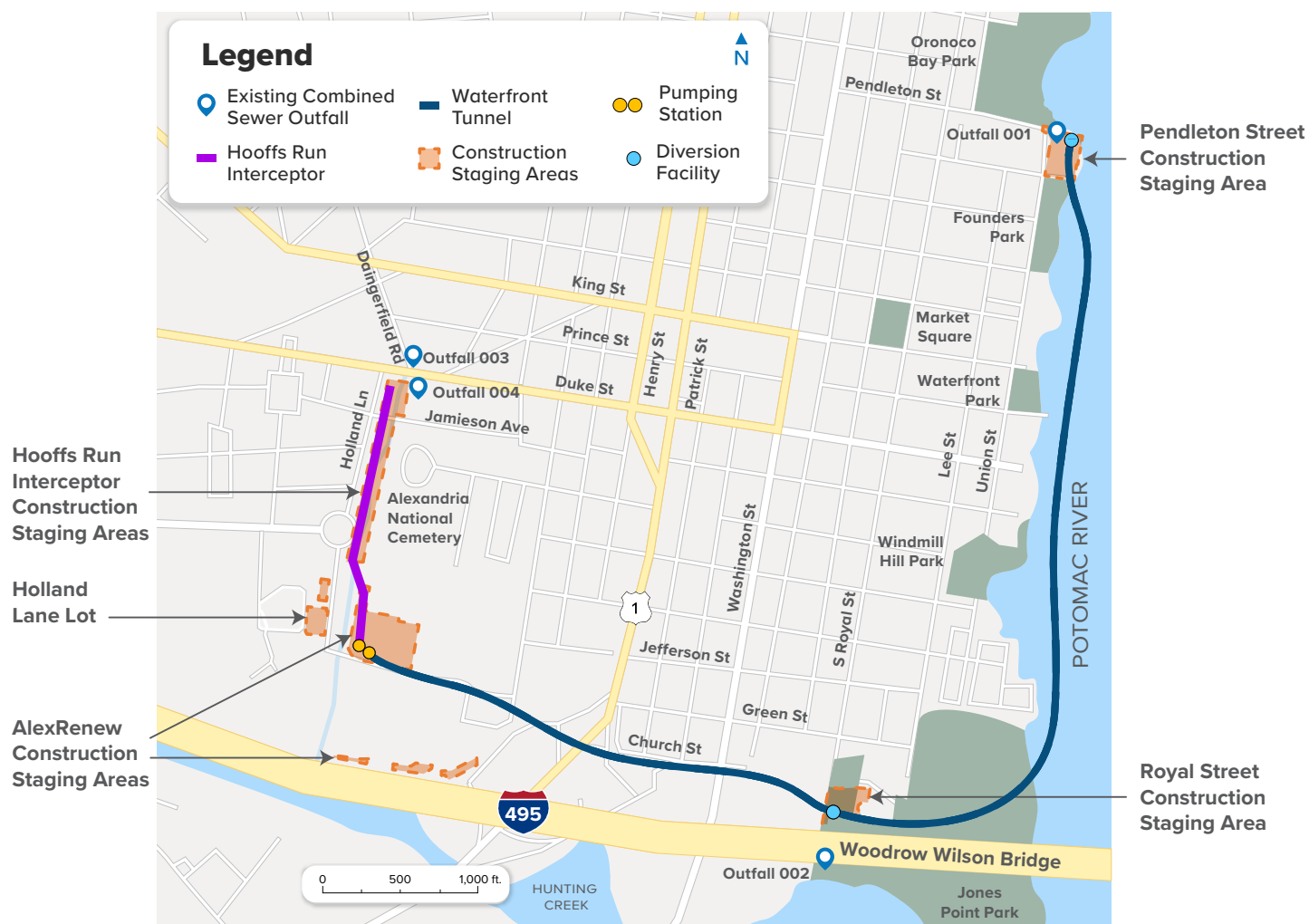
## Summary of Major Tunnel Project Delays

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).
12/2024	Extended contractual deadline to July 1, 2026.



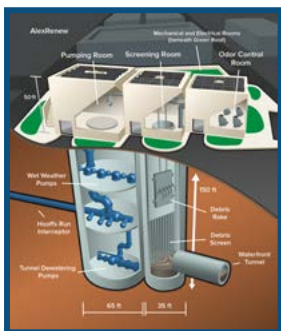
# RiverRenew Tunnel Project Snapshot

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.



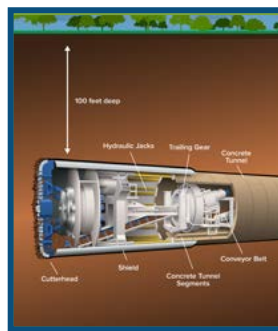
## Hooffs Run Interceptor

Complete! Click [here](#) for a timelapse of construction.



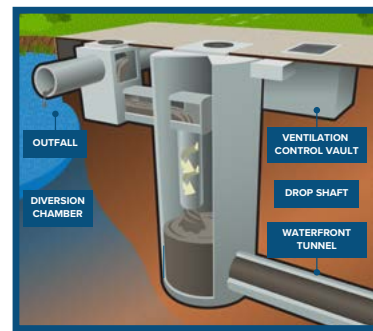
## Pumping Station

Click [here](#) to take a 3D tour of RiverRenew's future pumping station.



## Waterfront Tunnel

Complete! Click [here](#) to watch Hazel's journey.



### Diversion Facility

Click [here](#) for an overview about diversion facilities.

# RiverRenew Tunnel Project Highlights

## Overall Project Progress\*

(Design and Construction)

Actual

83%

Planned

84%

### Royal Street Site



#### Ongoing

- Permanent concrete work for hydraulic and mechanical structures

#### Upcoming

- Concrete shaft cover

### Pendleton Street Site



#### Ongoing

- Permanent concrete
- Site backfill
- Miscellaneous utility work

#### Upcoming

- Promenade construction and site restoration

### Hooffs Run Site



#### Ongoing

- Site restoration

#### Upcoming

- Park re-opening

### AlexRenew Site



#### Ongoing

- Pumping station piping installation
- Superstructure columns and high roof
- Pumping station mechanical, electrical, and plumbing work

#### Upcoming

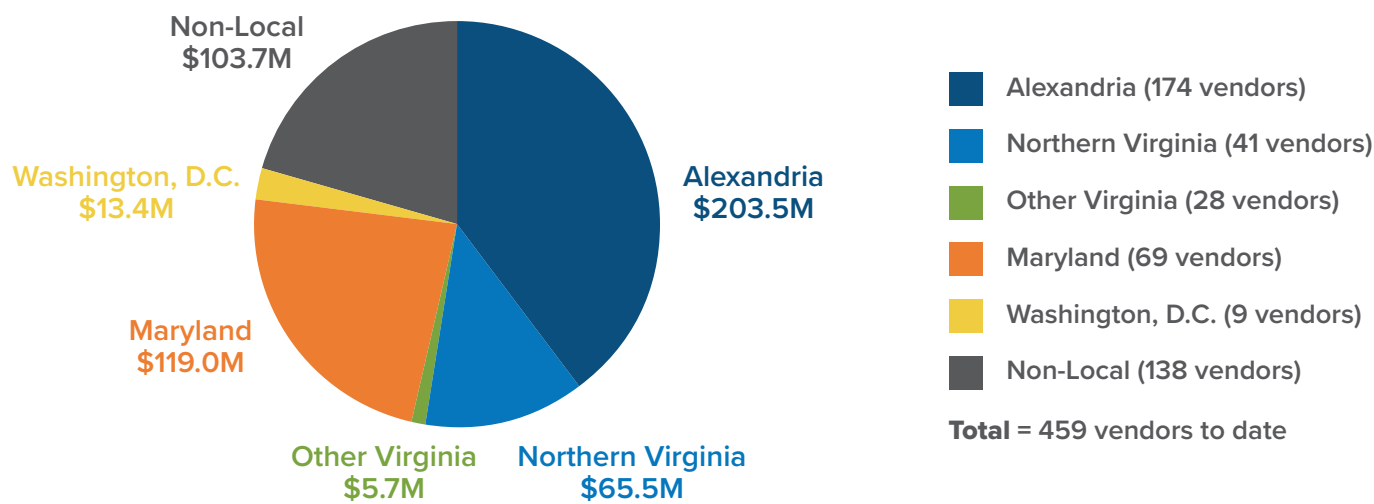
- Superstructure build-out

*\*Note: Schedule and cash flow are based on Design-Builder's revised schedule and schedule of values, which have been updated to reflect the one-year extension of the Scheduled Substantial Completion date to July 1, 2026.*



# RiverRenew Program Costs to Date

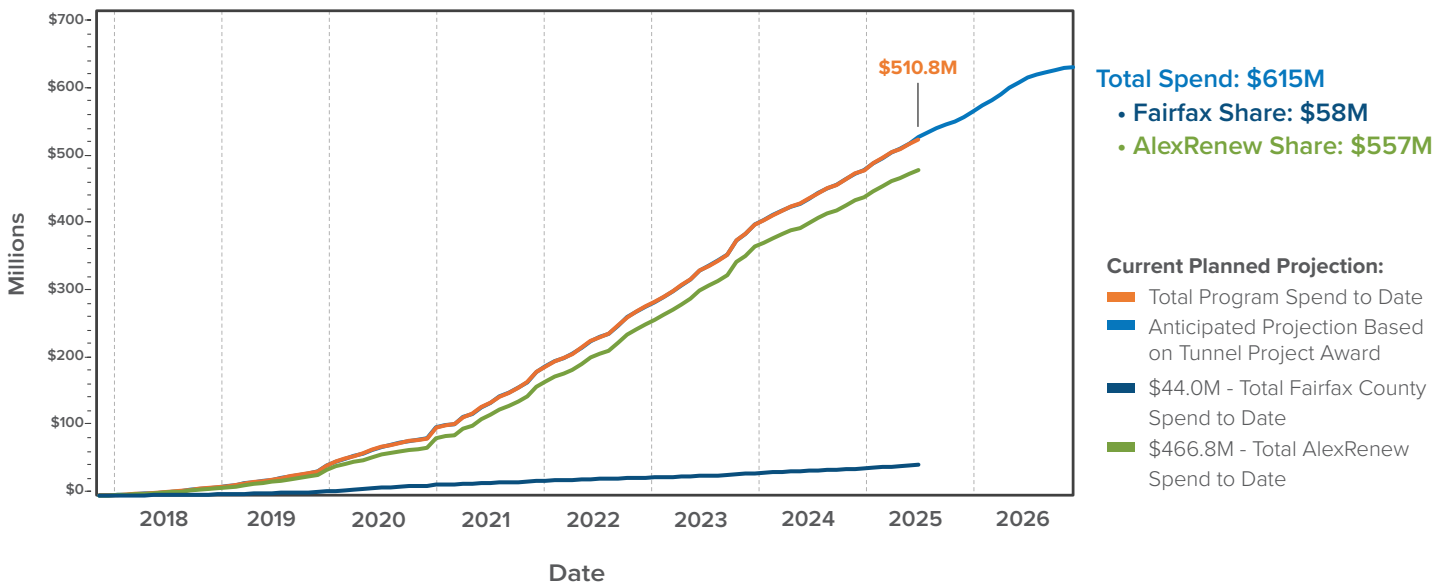
## RiverRenew Spend to Date by Locality



## 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	\$344.0
Brown and Caldwell	Owner's Advisor	Professional Services	17-022	Nov 2017	\$85.0
EPC	Resident Engineering & Inspection Tunnel System Project	Professional Services	20-013	Apr 2020	\$28.1
Completed RiverRenew Wastewater Projects to Pave the Way for the Tunnel Project					\$53.6

## RiverRenew Cash Flow Analysis\*



**Note:** As of May 31, 2025.

**\*Note:** Schedule and cash flow are based on Design-Builder's revised schedule and schedule of values, which have been updated to reflect the one-year extension of the Scheduled Substantial Completion date to July 1, 2026.

# RiverRenew Community Outreach



## Community Days & Events

**Community days** feature project-specific events to celebrate construction progress on the Tunnel Project and engage the community along the way. Participating in or co-sponsoring **community events** strengthens AlexRenew's relationship with its water and community partners.

- Hooffs Run Dedication Day: **June 7, 2025**  
AlexRenew will celebrate the completed Hooffs Run Interceptor and stream restoration—a major step toward cleaner waterways and the reopening of the African American Heritage Park.

### Looking Ahead:

- Pendleton Street Ribbon Cutting: **October 18, 2025**



## Digital Programming

**Digital programming** keeps the community connected to RiverRenew with regular program updates on RiverRenew.com and through AlexRenew's social media pages.

### Highlights:

- **Celebrating** the completion of the Hooffs Run Interceptor with site restoration finishing soon
- **Protecting** waterways with a hidden diversion facility

**AlexRenew**  
May 15 at 5:42 PM · 🌐

🌊 See the sea wall! Underneath the rocky exterior lies a diversion facility that will divert combined sewage down the Waterfront Tunnel to AlexRenew for treatment before it is returned to the waterway. When operational, the Waterfront Tunnel will reduce the number of combined sewer overflow events from 70 to less than 4 per year.



## Education

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

**Discover all RiverRenew educational content on Cloe's Corner! [RiverRenew.com/cloes-corner](https://riverrenew.com/cloes-corner)**

### Highlights:

- A **Water Resources Scavenger Hunt** in AlexRenew's Educational Lobby. Visitors can follow clues to learn about water to win prizes.





# Monthly Construction Spotlight



## Screening Shaft Concrete Completed

On May 16, RiverRenew crews poured over 360 cubic yards of concrete for the roof slab of the Screening Shaft. This marks an important milestone of construction at AlexRenew, signaling an end of structural work in the Screening Shaft.

Once in operation, the Screening Shaft will filter out trash and debris from combined sewer flows captured in the Waterfront Tunnel. Flows will then pass through the Screening Shaft and continue to the Pumping Shaft, where they will be pumped up to AlexRenew's headworks for treatment.

## Building for the Future of Alexandria's Waterways

To learn more, visit [www.RiverRenew.com](http://www.RiverRenew.com)

