

Educational Discussion – National Legislation

The Chairman recognized Ms. Pallansch who introduced Mr. Adam Krantz, President of the National Association of Clean Water Agencies (NACWA). Mr. Krantz thanked Mr. Hill, Ms. Pallansch and Mr. Logue for their support of NACWA activities.

Mr. Krantz provided an overview of the NACWA organization, which is bi-partisan and represents approximately 300 municipal wastewater utilities across the country. Mr. Krantz reported on key issues facing NACWA and the water industry as the new Administration takes over. NACWA is focused on securing the funds needed to upgrade and replace the country's aging water infrastructure. At the request of the Trump transition team, NACWA issued a report on the needs and status of the country's current water infrastructure. He reported that the incoming administration has appointed Mr. Jim Procter from McWayne Industries as "Water Czar."

An additional focus includes how to continue with innovations and technology in the wastewater treatment process while maintaining affordability for low income citizens. The potential privatization of water utilities is another issue of concern. He reported that the Trump Administration is focused on streamlining the regulatory process and providing flexibility for utilities. They are also considering changes to the EPA's regional office structure. Mr. Krantz further invited the Board members and staff to participate in a fly-in and rally taking place on Capitol Hill in March. Mr. Krantz confirmed that the date of the rally is March 22.

Board members inquired about the status of regulations and changes in House and Senate committee assignments. Mr. Krantz reported that House and Senate Committee assignments are still pending. Mr. Hill inquired about federal programs to assist low income families. Mr. Krantz reported on a phased grant program administered through the EPA. In order for states to qualify, they would have to provide matching grants. The federal government would use current Supplemental Nutrition Assistance Program (SNAP) rolls in determining eligibility.

There being no additional questions or comment, the Chairman thanked Mr. Krantz and recognized Mr. L. Preston Bryant, of McGuireWoods Consulting.

Educational Discussion – 2017 Virginia General Assembly

Mr. Bryant provided an overview of the 2017 General Assembly. The House and Senate will consider approximately 3,000 bills in the 45-day session, running from January 11th through February 25th. He reported that 2017 is an election year with all 100 members of the House of Delegates, and the Governor and Lt. Governor positions up for re-election.

He reviewed the Commonwealth's budget challenges, including a \$1.5 billion shortfall due to a decrease in General Fund revenue of 1.7% from a projected 3.2% forecast. Appropriations to the Water Quality Improvement Fund (WQIF) and Stormwater Local Assistance Fund (SLAF) for 2018 are \$59 million and \$20 million, respectively.

McGuireWoods' bill tracking process reviews and analyzes 3,000 bills and resolutions covering a variety of legislative categories. Key legislative initiatives include: SB 898 to bring City Outfall 001 into compliance by 2020 or have the Commonwealth cut off Alexandria city funds for any and all purposes, and HB 1619 which reviews waste load allocations to determine success in nutrient reduction. Board members inquired about the status of SB 898. Mr. Bryant reported that the bill is currently on the House floor with an amendment offered to extend the date to 2030.

There being no further questions or comments, the Chairman thanked Mr. Krantz and Mr. Bryant for their participation.

At 7:30 p.m., the Chairman called a 10 minute recess.

At 7:40 p.m., the Chairman called the meeting back to order and moved to Board reports.

Board Reports

A. Chairman's Report

Nothing to report.

B. Vice Chairman's Report

Nothing to report.

C. Finance Committee

Mr. Johnson reported that the Finance and Audit Committee met with the auditors on January 9th. He provided an overview of the current audit process, and Grant Thornton recommendations. After the next update, he will provide a progress report for the full Board. He reported that management comments are improved from last year's audit and that responses have been more accurate and timely.

D. Governance Committee

Nothing to report.

The Chairman moved to the CEO Reports and Recommendations.

CEO's Reports and Recommendations

A. Consideration of December 2016 Financial Report

Mr. Hill observed that the financials were positive for the month. Ms. Pallansch noted that expenses were tracking along with the budget as expected and there were no issues.

B. CEO Monthly Report (December)

Ms. Pallansch noted her CEO report and asked if members had questions or comments. There being none, she discussed a report received from Jason Tercha on the history of the Alexandria sewer system. Mr. Dickinson reported on how this project was initiated. The report is posted on BoardEffect and the Alexandria Renew website.

Ms. Pallansch reported on a fire that broke out in Building L due to a jammed pump. There were no injuries and the area was evacuated. Insurance adjusters are evaluating and there was no interference or impact on processes.

Ms. Pallansch reported that the February Educational Session will be an investment briefing from our

consultant, PFM, and that March's session will be with Mr. Karl Moritz, Planning Director for the City of Alexandria. The topic will be the City's 10 – 20 year plan.

The Board Retreat is scheduled for Saturday, April 1st, from 8:30 a.m. – 3:30 p.m. Ms. Pallansch explained the Retreat process beginning on Friday, March 31st, with a dinner with the Board and speakers and the Retreat the following day.

Mr. Hill requested that the CEO report bring back a table reflecting the nutrient and historical precipitation trends from prior reports. Members inquired about the nitrogen removal numbers, the Beijing Drainage group that visited the plant, and the status of the multi-purpose field. Ms. Pallansch reported that the nitrogen removal numbers reflect the usage of the new technology and that construction is now complete. The field turn-over is scheduled for end of January. The Beijing Drainage group was by referred to AlexRenew by water partners NACWA and WERF. The group toured many treatment sites while they were in the country.

Mr. Dickinson noted that Ms. Pallansch presented at the American Water Conference and requested her feedback. Ms. Pallansch reported that major issues included the privatization of utilities and smart meter technology.

There were no additional questions or comments. The Chairman moved to the Consent Docket.

Consent Docket

Mr. Hill inquired whether members had any questions or comments on the Minutes of the December meeting. The Board reviewed the Minutes and had no questions or comments. Mr. Johnson moved approval of the Minutes and Mr. Beall provided the second. The Board unanimously approved the Consent Agenda which contained:

A. Minutes of the December Board Meeting

There being no further questions, the Chairman moved to Unfinished Business.

Unfinished Business

A. None

There being no Unfinished Business, the Chairman moved to New Business.

New Business

A. Closed Session

The Chairman convened a closed session for "Consultation with legal counsel and briefings by staff members or consultants pertaining to actual or probable litigation and consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel." pursuant to 2.2-3711(A)3 of the Virginia Freedom of Information Act. Upon motion by Mr. Beall and seconded by Mr. Dickinson, the Board voted unanimously to enter in to a closed session.

The meeting returned to open session and the following certification was unanimously adopted by the members: "Pursuant to 2.2-3712(D) of the Virginia Freedom of Information Act, it is hereby certified that

to the best of each Member's knowledge, (1) only public business matters lawfully exempted from the open meeting requirements of the Act, and (2) only public business matters identified in the motion by which this closed meeting was convened were heard, discussed or considered by the Alexandria Renew Enterprises." Motion was made by Mr. Johnson and seconded by Mr. Beall. All Members present voted via roll call:

Mr. Hill	Aye
Mr. Johnson	Aye
Mr. Dickinson	Aye
Mr. Beall	Aye

There being no additional questions or comments, the Chairman requested a motion to adjourn. Mr. Johnson moved and Mr. Beall provided the second. The Board unanimously approved. The meeting adjourned at 8:57 p.m.

APPROVED:



Secretary-Treasurer