

Minutes of the 846th Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, July 18, 2017

On Tuesday, July 18, at 6:00 p.m., the regular meeting of the Alexandria Renew Enterprises (AlexRenew) Board of Directors was held at Alexandria Renew Enterprises in the Ed Semonian Board Room at 1800 Limerick Street with the following present:

Members: Mr. John Hill, Chair
Mr. Bruce Johnson, Vice Chair
Mr. William Dickinson, Secretary-Treasurer
Mr. James Beall, Member
Ms. Patricia Turner, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
Mr. Stephen Schemmel, Chief of Finance and Administration
Ms. Lisa Van Riper, Director of Enterprise Communications
Ms. Lisa Reynolds, Director of Engineering and Planning
Ms. Lorna Huff, Secretary to the Board

Counsel: Mr. Jonathan Rak
McGuireWoods, LLP

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

City Representative: Mr. Lalit Sharma
Office of Environmental Quality

Education Discussion: Mr. John Hill, Chairman, Alexandria Renew Enterprises Board of Directors

Call to Order

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

Approval of the Agenda

The Chairman requested that the Board review the agenda and inquired if they had any changes. Mr. Rak reported that there was no new information for the scheduled Closed Session and suggested cancelling it. The Board concurred. Mr. Beall moved approval, and Mr. Dickinson seconded. The Board unanimously approved the agenda as amended.

Public Comment

There were no members of the public in attendance, and the Chairman closed the public comment period.

The Chairman then moved to the Education Discussion.

Educational Discussion – One Water Summit

Mr. Hill reported that he, Ms. Pallansch, Mr. Dickinson, and Mr. Rak attended the One Water Summit in New Orleans, Louisiana. The One Water Summit is an annual event sponsored by the U.S. Water Alliance where water leaders from across the country meet to discuss a sustainable water future. Mr. Hill reported that it was important to view AlexRenew work from a broader perspective of issues affecting other water entities. A main theme was the importance of citizen engagement and using terminology that enhances public understanding of the issues.

Mr. Hill reported on the Leadership Roundtable that he attended with Mr. Dickinson where governing boards met to brainstorm on issues affecting their districts. There were discussions on how water quality and rates impact lower income citizens. He also noted the differences between urban and rural perspectives. Mr. Dickinson reported that unity was important and that staff should seek opportunities to partner with local entities like DC Water. Ms. Pallansch mentioned that where opportunities and goals aligned that partnering could take place.

Ms. Pallansch reported that the 2018 One Water Summit would be in Minneapolis. There being no additional questions or comments, the Chairman thanked the CEO for the opportunity.

There being no additional comments or questions, the Chairman moved to the Board Reports.

Board Reports

A. Chairman's Report

Mr. Hill reported that he had reached out to one of his HOA assignments but had not received a response, noting that many HOAs do not meet during the summer months.

B. Vice Chairman's

Nothing to report.

C. Finance and Audit Committee Report

Nothing to report.

There were no additional questions or comments, and the Chairman moved to the Governance Committee report.

D. Governance Committee

Nothing to report.

The Chairman moved to the CEO Reports and Recommendations.

CEO's Reports and Recommendations

A. Consideration of June 2017 Financial Report

Board members reviewed the June financial statement and noted that operations and maintenance costs

were down. Ms. Pallansch reported that staff had done a good job adjusting mainstream anammox. Bringing the Nutrient Management Facility (NMF) online also helped lower methanol usage.

There were no additional questions or comments and the Chairman moved to the CEO Monthly Report.

B. CEO Monthly Report (June)

Ms. Pallansch reported on her written CEO Report and inquired if members had questions or comments. Ms. Pallansch noted on an error in footnote #1 for the Operations and Maintenance Chart under "Operational Excellence." She reported that it would be corrected at the next meeting.

Mr. Hill inquired about upcoming work on the Commonwealth Interceptor and AlexRenew's efforts to alert the community on potential impacts. Work on the Commonwealth Interceptor is scheduled to begin in fall 2017. AlexRenew and the City of Alexandria staffs meet to discuss the impacts associated with the work. City staff then reports the outcomes from the meeting to City Council. AlexRenew uses its social media platforms (Facebook and twitter), door hangers, and neighborhood HOA meetings to communicate on the work. Ms. Pallansch reported on a public meeting currently taking place at the Cora Kelly Recreation Center.

Mr. Dickinson inquired about a formal roll out for the Four Mile Run Pump Station educational fence and 6th floor community spaces. Ms. Pallansch reported that the building dedication was held earlier in the year. AlexRenew's Water Discovery Day had workshops and events that shared the 6th floor spaces with the community. There was also a bike tour of the Four Mile Run Pump Station at Water Discovery Day that highlighted the Pump Station and educational fence completion.

Board members had additional questions about the Environmental Center's LEED certification status, methane recapturing, pending legislation on non-flushable wipes, and the status of the Council of Governments (COG) Chesapeake Bay mid-point assessment. Ms. Pallansch reported that she would have to check the status of AlexRenew's LEED certification. AlexRenew currently captures methane and uses it to provide heat to campus buildings. Ms. Pallansch was not aware of any pending non-flushable legislation in this session. She would advise the Board on the results of the mid-point assessment when the information becomes available.

Ms. Pallansch noted an article on Combined Sewer Outfall (CSO) tunnels that the Board would find informative.

There being no additional questions or comments, the Chairman moved to the Consent Docket.

Consent Docket

Mr. Hill asked if members had questions or comments on the Minutes of the June meeting. Mr. Beall noted two typos for correction. The first under new business, item A, the second in the closed session motion. There being no additional questions or comments, the Chairman requested a motion to approve the Minutes as amended. Mr. Johnson moved approval and Mr. Dickinson provided the second. The Board unanimously approved the Consent Docket which contained:

A. Minutes of the June Board Meeting

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

Unfinished Business

A. Review and Discuss FY2018 Preliminary Draft Budget

Ms. Pallansch presented the FY18 Preliminary Draft Budget for Board review and discussion prior to them approving for public hearing and public notice. She reported that a notice requesting public comments on the FY18 budget would appear in the local newspaper in the last week in July and the first week in September. The notice does not appear in August due to many citizens being on vacation.

Mr. Johnson reported that the alternate budget has been removed from consideration. The preliminary budget numbers are consistent with a proposed cost share agreement. The rate increase for next year will not be affected. He further noted that there were no significant changes on the operations side of things. Mr. Hill noted that linking expenditures to strategic outcomes is good.

Board members inquired about the budget hearing process, and the City of Alexandria's and Alexandria Renew's increases, and social media strategy. Ms. Pallansch explained the budget listing and approval process. She noted that the City of Alexandria's rate increase had already been instituted and AlexRenew's would become effective October 1, 2017. The increase would show up on the monthly bill at the end of the month.

There were no additional questions or comments. The Chairman requested a motion to approve the FY2018 Preliminary Operating and Capital Budget for public notice and set the public hearing for September 19th. Mr. Johnson moved and Mr. Dickinson provided the second. The Board unanimously approved.

There being no additional questions or comments, the Chairman moved to New Business.

New Business

A. Ad Hoc Combined Sewer System Plan Stakeholder Group – Request for Nomination

Discussion

The Chairman presented a letter from the City Manager's office requesting that Alexandria Renew Enterprises nominate a Board member to serve on the Ad Hoc Combined Sewer System Plan Stakeholder Group.

The Stakeholder Group will be comprised of 14 members appointed by the City Manager. The group will hold its first meeting in September 2017 and meet on an ad hoc basis, anticipated to be monthly. Meetings will continue through spring 2018. The purpose of the stakeholder group is to assist City staff with modifying the Long Term Control Plan Update and providing recommendations for how a primary combined sewer system control strategy can accomplish the City's environmental goals and meet permit requirements.

Mr. Hill self-nominated. He further requested that Board members attend meetings when possible. The Chairman requested a motion to approve. Mr. Dickinson moved and Ms. Turner provided the second. The Board unanimously approved.

B. Review and Endorsement of Alexandria Renew, City of Alexandria, and Fairfax West Side Wet Weather Management Project Cost Share Agreement

Discussion

AlexRenew, Fairfax County and the City of Alexandria need to establish a cost share framework for distribution of costs associated with a major sewer project.

This Agreement offers a shared solution that addresses CSO's, separate sewer overflows and reduces the risk of sewer backups in Del Ray. The facilities as currently conceived would include a 10 foot wide, half-mile long storage tunnel for CSOs 003/004 overflows and associated pumps, diversion structures and odor control systems. Mr. Rak noted that the Cost Share Agreement framework has been approved in concept by City Council and the agreement has been submitted to the Fairfax County Board of Supervisors for review and approval.

This Cost Share Agreement is a good way to solve the sanitary sewer and CSO issues. Ms. Pallansch noted that the budget numbers listed in the agreement are preliminary and just best estimates.

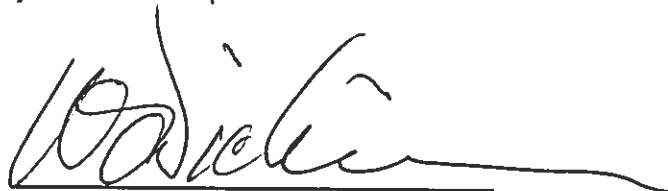
Members had questions about AlexRenew's commitment and if any issues were of concern in the framework. Ms. Pallansch noted that the bacterial limits on total maximum daily loads (TMDLs) must also comply with DEQ's limits. Mr. Rak noted that the agreement endorses allocation of cost share but not whether AlexRenew will pay.

Mr. Sharma noted that the tunnel construction is estimated to reduce the frequency of overflows. Mr. Johnson reported that the earliest approval of the cost share agreement by Fairfax County could be in September.

There being no additional questions or comments, the Chairman requested a motion to approve. Mr. Johnson moved approval of the cost share agreement with delegation of authority to Ms. Pallansch to execute on behalf of the Board and to make minor edits in response to Fairfax County, and Mr. Beall seconded. The Board unanimously approved.

The Chairman inquired if members or staff had additional questions or comments. There being none, he requested a motion to adjourn. Ms. Turner moved and Mr. Dickinson seconded. The Board unanimously approved. The meeting adjourned at 7:15 p.m.

APPROVED:



Secretary-Treasurer