

Minutes of the 849th Meeting
"Celebrating Over 60 Years of Continuous Environmental Excellence"
Alexandria Renew Enterprises
6:00 p.m., Tuesday, November 21, 2017

On Tuesday, November 21st, 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, Chairman
Mr. Bruce Johnson, Vice Chairman
Mr. William Dickinson, Secretary-Treasurer
Mr. James Beall, Member
Ms. Patricia Turner, Member

Staff: Ms. Karen Pallansch, Chief Executive Officer
Mr. Charlie Logue, Chief of Production
Ms. Lisa Reynolds, Director of Engineering and Planning
Ms. Lisa Van Riper, Director of Enterprise Communications
Ms. Liliana Maldonado, Director, Wet Weather Programs
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. Rich Batiuk, Assoc. Director for Science Analysis and Implementation
Chesapeake Bay Program Office, U.S. EPA

Consultants: Mr. Jeff Theerman, Project Principal
Brown & Caldwell

Mr. Justin Carl, Project Manager
Brown & Caldwell

Visitors: Mr. David Lipson, Savills
Mr. Art Greenberg, Savills

Call to Order

The Chairman called the meeting to order at 6:05 p.m.

Approval of the Agenda

Mr. Hill requested that members review the revised agenda and inquired if they had questions or changes. There being no questions or changes, the Chairman requested a motion to approve the agenda. Mr. Johnson moved approval and Ms. Turner provided the second, the Board unanimously approved the revised agenda.

Public Discussion Period

There being no members of the public in attendance and wishing to speak, the Chairman closed the public comment period.

Education Discussion – Chesapeake Bay Update

The Chairman recognized Mr. Batiuk who provided an update on the Chesapeake Bay Program. Each of the six states that comprise the Chesapeake Bay watershed has requirements to meet to improve water quality in the Chesapeake Bay. He reported that Chesapeake Bay municipal and industrial wastewater treatment facilities had achieved the 2025 goals for nitrogen 10 years sooner.

Mr. Batiuk further reported that many of the reductions in the TMDL were from reductions from the agriculture and wastewater sectors. The Clean Air Act regulations enacted in 1985 also helped reduce Chesapeake Bay watershed nitrogen by approximately 76 million loads. Goals for further reductions for 2025 include an additional 50 million loads. The additional load reduction will come from urban stormwater, septic systems and over 70% from agriculture. He reported on reductions in phosphorus and sediments loads as well as increased acreage of underwater grasses to approximately 10,000 acres.

Challenges to improving the watershed are warmer temperatures and the ability of localities to comply with EPA regulations. He reported that the EPA takes “carrot and stick” approach. Next steps include additional engagement with the stakeholders and local, regional and federal partners.

Mr. Batiuk reported that it is important to educate and engage the public on clean water. There being no additional questions or comments, the Chairman thanked Mr. Batiuk for his presentation.

At 7:05 p.m., the Chairman requested a 5 minutes recess.

At 7:10 p.m., the Board reconvened and moved to the Board Strategic Roundtable reports and discussion.

Board Strategic Roundtable Reports

Combined Sewer Overflow Stakeholder Meeting

Mr. Hill reported on the second Combined Sewer Overflow (CSO) Stakeholder Meeting. There were approximately 50 people in attendance as well as members of the Board. Three options were presented to the stakeholder group for solving the CSO issue. The first was a 2-tunnel solution, the second utilizes a single continuous tunnel solution; and the third was a combination tunnel and tank solution. The public discussion focused on the impacts to homes in the construction zone and usage of green infrastructure on the project. The next steps include evaluating the options against a set of criteria and determining community and City priorities.

Ms. Turner inquired whether meeting participants had discussed the project cost. Mr. Hill reported that the cost of the project was not discussed but there was an understanding that the project is moving forward and will cost millions of dollars.

Community Updates

Members are working to find meeting dates for their HOA assignments.

Chamber of Commerce

Ms. Turner reported that the Chamber was holding a summit on local and regional transportation issues.

Citizens Advisory Group

Mr. Dickinson reported on the Citizen Advisory Group Executive Committee meeting scheduled for November 28 and 29th in Washington, D.C. at the Arboretum.

Finance and Audit Committee

Mr. Johnson reported that the Finance and Audit Committee will be meeting with the auditors on Monday, January 8th, 2018 to review preliminary information.

Governance Committee

Ms. Turner reported on a Governance Committee meeting scheduled for Thursday, December 7th, at 6:00 p.m. The Committee will review AlexRenew's Charter and begin a detailed review of AlexRenew documents and policies.

There were no additional questions or comments, and the Chairman moved to the CEO Reports and Recommendations.

CEO's Reports and Recommendations

A. Consideration October 2017 Financial Report

Cash reserves remain steady and positive. Ms. Pallansch reported that AlexRenew is making good progress towards recovering delinquent accounts and setting up payment plans with rate payers who require assistance.

Mr. Johnson requested an end of year budget reconciliation from staff. This will be available before the next board meeting.

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

CEO Monthly Report (October)

Ms. Pallansch reported on increased community interest in the 6th floor community spaces. In November, City Council held their retreat on the 6th floor and reported positively about the event and meeting space.

Ms. Pallansch reported that AlexRenew's LEED Platinum certification for the Environmental Center is expected in mid-December.

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 revised Minutes of the October meeting. Mr. Dickinson requested that on page 3 the verbiage be changed from "on" to "and." There were no additional questions or comments and the Chairman requested a motion to approve the Minutes as revised. Mr. Johnson moved approval and Mr. Dickinson provided the second. The Board unanimously approved the Consent Docket which contained:

A. Minutes of the October 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. Review and Approve a Contract Award for Owner's Advisor Professional Services for West Side Wet Weather Program (Joint Use)

AlexRenew is implementing a program to mitigate excess wet weather flow arriving at the WRRF from the jurisdictions it serves. The Wet Weather Program as currently conceived incorporates an originally developed conceptual plan to address wet weather infiltration and inflow from AlexRenew's two service jurisdictions with the City of Alexandria's requirement to control combined sewer overflows (CSOs) located on Hooff's Run (known as CSO 003 and CSO 004). Recent legislation from the Virginia General Assembly requires the City of Alexandria to control all four of its CSO's by July 1, 2025. The City has reached out to AlexRenew as its partner in order to better leverage rate payer monies to address this mandate. To positively support the City in achieving the legislative mandate while best protecting and leveraging the AlexRenew treatment facilities, AlexRenew pursued the selection of an Owner's Advisor to assist with the now fast tracked aspects of this program.

On August 11, 2017, AlexRenew issued a Request for Proposals to seek the professional services of a highly qualified owner's advisor with collaborative delivery knowledge and expertise to support implementation of the overall AlexRenew wet weather program. On September 22, 2017, AlexRenew received four (4) proposals and on October 20, 2017, each of the firms provided a presentation and answered questions about its approach. Based on the content of the proposals and the presentations, Brown and Caldwell was identified as having the most meritorious qualifications and proposal.

The anticipated scope of work for the first year is focused on project planning and initial conceptual design. This scope includes: program management (planning, scheduling, controls, and quality management); stakeholder outreach and engagement; construction procurement strategy development; program and treatment risk identification; support for the update of the City of Alexandria Long Term Control Plan including evaluation of wet weather treatment alternatives; regulatory support including environmental assessment and VDEQ negotiations for new permitting requirements for wet weather flow and treatment; planning for easement, right-of-way and land acquisition; site investigations including geotechnical exploration; and, hydraulic modeling.

The scope of work for the second year will be influenced by the delivery method selected and the project planning phase will be replaced by project execution. Anticipated tasks include development of procurement documents to support the selected delivery method (e.g., schematic design, commercial requirements) and execution of the procurement strategy. The execution phase will continue in the third year. Details of the scope will depend on the procurement strategy selected. A schematic of the anticipated progress progression is shown below:

The initial contract term is three (3) years. The contract amount being requested for authorization represents anticipated tasks to be completed in the first year. Because of the legislative deadline, work that would be completed over a three to four year period is being fast tracked to be completed in one year to meet the schedule mandates. Due to the evolving nature of the wet weather program, work scope and costs for the second and third years will be determined toward the conclusion of the first and second years, respectively.

Ms. Pallansch reported that the City participated in the owner/advisor selection process and that legislative requirements are driving this process. Ms. Pallansch introduced the project team from Brown & Caldwell; Mr. Jeff Theerman, Project Principal and Mr. Justin Carl, Project Manager. She additionally introduced Ms. Liliana Maldonado, AlexRenew's Director, Wet Weather Program.

Board members inquired about risks associated with the project, whether AlexRenew had used an owner's advisor role for SANUP, and the number of FTEs associated with the project. Ms. Pallansch reported that the risks at this point include weather and the performance of the local economy. AlexRenew used CH2M in an owner's advisor type role for the SANUP and 13 FTEs are for this project.

Mr. Johnson inquired about the qualifications of the other vendors. Ms. Pallansch reported that of the RFP responses received for the project, Brown & Caldwell demonstrated the knowledge of this owner's advisor role.

There being no additional questions or comments, the Chairman requested a motion to approve the contract award to Brown & Caldwell. Mr. Johnson moved and Mr. Beall provided the second. The Board unanimously approved.

Be It Resolved That: the Board authorizes the CEO to execute a contract with Brown& Caldwell in an amount not to exceed \$6.5 million for owner's advisor professional services.

There being no additional questions or comments, the Chairman requested a motion to enter a closed session to discuss a real estate transaction for joint use property. Mr. Johnson moved and Mr. Beall provided the second. The Board unanimously approved.

At 9:05 p.m., 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 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
Ms. Turner	Aye

There being no additional questions or comments, the Chairman requested a motion to adjourn. Ms. Beall moved, and Mr. Johnson provided the second. The Board unanimously approved. The meeting

adjourned at 9:07 p.m.

APPROVED:

A handwritten signature in black ink, appearing to be "B. J. ...", written over a solid horizontal line.

Secretary-Treasurer