

Minutes of the 850th Meeting
“Celebrating Over 60 Years of Continuous Environmental Excellence”
Alexandria Renew Enterprises
6:00 p.m., Tuesday, December 19, 2017

On Tuesday, December 19th, 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. Steve Schemmel, Chief Finance and Administration
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: Ms. Suzanne Salva
Office of Environmental Quality

Education Discussion: Mr. Justin Carl, Project Manager
Brown and Caldwell (Owner’s Advisor)

Call to Order

The Chairman called the meeting to order at 6:06 p.m.

Approval of the Agenda

Mr. Hill requested that members review the agenda and inquired if they had questions or changes. There being none, the Chairman requested a motion to approve the agenda. Mr. Dickinson moved approval and Mr. Johnson provided the second, and 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.

Board Strategic Roundtable Reports

Ms. Pallansch reported that Tab 4a of the December Board package contained information on the 2018 One Water Summit and noted an updated Home Owner’s Association (HOA) calendar of meetings for the first quarter 2018. She reported that the calendar is preliminary and that changes may occur.

Board Strategic Roundtable

Combined Sewer Stakeholder Meeting

Mr. Hill reported that the next meeting of the Stakeholder group is scheduled for Thursday, January 10th. The discussion will be a detailed review of the three options for the Alexandria's CSO program. He encouraged members to attend CSS Stakeholders meetings when possible. Ms. Pallansch reported that the next meeting would be held at AlexRenew.

Community Updates

Mr. Hill reported that he attended the Rosemont Home Owners Association meeting. The Virginia Secretary of Natural Resources was one of the speakers.

Mr. Beall reported that he attended the Del Ray Citizens Association meeting. Mr. Jesse Maines from the City of Alexandria attended. The topic was the recently implemented stormwater utility fee. Mr. Dickinson inquired about the City's outreach to the nonprofit community on this issue. Ms. Salva reported that a mailing had been sent to non-profits and a second mailing was due in January. She additionally reported that the City's e-newsletter had a link to Alexandria's Stormwater Utility Fee finder which provides estimates on residence's assessment by location.

Chamber of Commerce

Ms. Pallansch reported on a handout from the December 5th Alexandria Chamber of Commerce Annual Meeting, which listed sponsors and Chamber Board members. Ms. Turner reported that the Chairman's Reception was being held at AlexRenew on Thursday, January 18th. The new chair is Gin Kinneman. Ms. Turner offered tickets to members who wish to attend.

Citizens Advisory Group

Mr. Dickinson reported on the Citizen Advisory Group Executive Committee meeting held in Washington, D.C. at the Arboretum. In attendance were representatives from DC Water and the EPA. He reported that while the Bay is improving, livestock and poultry waste run off is still an issue.

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 that the Governance Committee met on Thursday, December 7th. They reviewed and discussed AlexRenew current policies with a focus to use the policies to better support the organization in the future. They will bring recommendations to the full Board at a later date.

There were no additional questions or comments, and the Chairman moved to the Education Discussion.

Education Discussion

The Chairman recognized Mr. Justin Carl from Brown and Caldwell serving as AlexRenew's Owner's Advisor for the wet weather program. Mr. Carl provided an overview of the potential delivery options for the wet weather program. Mr. Hill requested that Mr. Carl discuss each of the delivery options relative to risk.

Construction Manager At-Risk

Method used to construct the NMF. The contractor and designer have separate contracts with the owner but work together. Design is performed in parallel with construction planning and estimating. Construction begins after GMP (guaranteed maximum price) is agreed upon. Risk for this applies to the construction manager not getting the job and needing to rebid the project.

Progressive Design-Build

The owner, along with the owner's advisor team, delivers both design and construction elements with a single contract. Design and construction elements are developed progressively. Construction begins when a price for work is mutually agreed upon. Contractors are selected by qualifications.

Fixed Price Design-Build

Owner and owner advisor team deliver both design and construction via a single contract. Design detail and construction estimates are provided as part of a fixed price proposal. Construction begins soon after selection. Selection based on best value and technical score, not lowest price.

Members discussed risks associated with each delivery option. Ms. Salva inquired about price changes. Issues such as unexpected field conditions are an example of some of the risks associated with all delivery options. Mr. Carl reported that clauses are incorporated into each project method for such conditions. Dispute resolutions would require a committee with members agreed upon by all parties to negotiate.

- There were no additional questions or comments. The Chairman thanked Mr. Carl for his presentation.

Review and Approve Update to Design Build Procurement Policy

Mr. Rak provided a brief history on the procurement rules which are delivered through the Virginia Public Private Partnership Act (VPPA). He reported that in 1996 this was adopted for construction projects. The AlexRenew Board adopted the Procedures in June 2012. Revisions to the regulations require that AlexRenew update its Design/Build Procurement Policy.

Mr. Dickinson inquired about the evaluation committees relative to the Design Build procurement. Ms. Pallansch reported that evaluation committees are comprised of AlexRenew staff and that outside committees do not participate.

There being no additional discussion, the Chairman requested a motion from the Governance Committee. Ms. Turner moved approval and Mr. Dickinson provided the second. The Board unanimously approved revisions to AlexRenew's Procedures for Procurement of Construction Management and Design Build projects.

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

CEO's Reports and Recommendations

A. Consideration November 2017 Financial Report

Mr. Schemmel provided a handout summary of actuals to budget for 2017 for Board review. He reported on a difference in joint capital projects due to the CSO legislation and the delay in the biosolids program to accommodate that. Members discussed decreases in Organizational Competency relative to payroll, health care costs and lower VRS (Virginia Retirement System) costs and provided feedback on changes in the financial reporting. Ms. Pallansch welcomed the feedback and Mr. Schemmel reported that Finance is working on a different reporting structure.

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

CEO Monthly Report (November)

Ms. Pallansch noted her written report and inquired if members had questions or comments. Ms. Pallansch noted the new HOA calendar and requested that members send her or the Board secretary updates.

It was noted that the Commonwealth budget contained a line item for \$20 million in matching funds for the CSO project. Ms. Pallansch reported that the funds would be available in 2019.

Mr. Dickinson congratulated the CEO on AlexRenew's LEED Platinum certification for the Environmental Center. He inquired on the status of the Commonwealth Interceptor project. Ms. Pallansch reported that they were still waiting for documents from the City.

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 November Minutes of the November meeting. There being none, the Chairman requested a motion to approve the Minutes. Mr. Dickinson moved approval and Mr. Johnson provided the second. The Board unanimously approved the Consent Docket which contained:

A. Minutes of the November 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 for consultation with legal counsel.

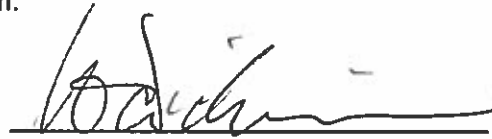
At 7:32 p.m., the Chairman requested a motion to enter a closed session for consultation with legal counsel requiring the provision of legal advice by such counsel and for discussion of public funds where bargaining is involved pursuant to Virginia Code Section 2.2-3711.A. (6). Mr. Hill moved and Mr. Johnson provided the second. The Board unanimously approved.

At 8:46 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. Beall and seconded by Mr. Dickinson. 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. Mr. Dickinson moved, and Mr. Beall provided the second. The Board unanimously approved. The meeting adjourned at 8:50 p.m.

APPROVED:



Secretary-Treasurer