



Legislation Details (With Text)

File #: 18-7734 **Name:** Amended and Restated Service Agreement with AlexRenew
Type: Written Report **Status:** Agenda Ready
File created: 5/14/2018 **In control:** City Council Legislative Meeting
On agenda: 6/26/2018 **Final action:**
Title: Consideration of an Amended and Restated Service Agreement with City of Alexandria, Virginia Sanitation Authority (d/b/a Alexandria Renew Enterprises) for it to Continue to Accept, Collect, and Treat Sewage Entering the Authority's System from the City's Separate and Combined Sewage Collection Systems.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 18-7734_Amended and Restated Service Agreement

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 20, 2018
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL
FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of an Amended and Restated Service Agreement with City of Alexandria, Virginia Sanitation Authority (d/b/a Alexandria Renew Enterprises) for it to Continue to Accept, Collect, and Treat Sewage Entering the Authority's System from the City's Separate and Combined Sewage Collection Systems.

ISSUE: Consideration of an Amended and Restated Service Agreement with Alexandria Renew Enterprises for it to continue to accept, collect, and treat sewage entering the Authority's System from the City's separate sanitary and combined sewage collection systems

RECOMMENDATION: That City Council:

1. Approve the proposed Amended and Restated Service Agreement (Service Agreement) with the City

of Alexandria, Virginia Sanitation Authority d/b/a Alexandria Renew Enterprises (Alexandria Renew); and

2. Authorize the City Manager to enter into the proposed Service Agreement consistent with the terms and conditions of the Service Agreement.

BACKGROUND: The City and Alexandria Renew's original Service Agreement was entered into in 1954 and a Supplemental Agreement was signed in 1974. Significant development and redevelopment has occurred in the City along with changes to the City's collection system over past decades. Further, significant changes have taken place with respect to the regulatory environment governing wastewater collection and treatment, including management of Combined Sewers and Outfalls, necessitating updating of the Service Agreement.

DISCUSSION: On May 1, 2018 Combined Sewer Outfall Transfer Agreement was executed between the City and Alexandria Renew. As provided for in the Outfall Transfer Agreement, the proposed Service Agreement is one of the follow-up steps required to complete the transfer of ownership of the outfalls. The proposed Service Agreement defines the respective obligations of the City and Alexandria Renew and very importantly provides processes for cooperation in meeting environmental regulations and accommodating growth. Some of the highlights of the proposed Service Agreement are:

1. City's capacity at the Sewage Treatment Plant is increased from 18.55 million gallons per day (MGD) to 21.6 MGD, which reflects the current reality, and leaves for future negotiations the discussion of additional capacity for the City to meet future long term needs.
2. The City and Alexandria Renew will annually review and update future growth in wastewater flows, allowing both parties to plan ahead for needed infrastructure improvements.
3. The City and Alexandria Renew agree to maximum design flows from the City collection system to each interceptor and pump station and total design loads for phosphorus, nitrogen, suspended solids and biochemical oxygen demand at the Sewage Treatment Plant. The Service Agreement sets forth a process to determine remedial steps should actual flows approach or exceed Agreement conditions.
4. Alexandria Renew will give the City a right of first offer prior to each future transaction selling or trading Pollutant Credits generated by the Sewage Treatment Plant to help City meet Chesapeake Bay pollutant reduction requirements or for other purposes (if needed). These credits are in addition to residual credits from Combined Sewer allocation as previously agreed in Outfall Transfer Agreement.
5. Outdated terms and requirements from 1954 have been eliminated and replaced with references to current regulatory requirements.
6. The Agreement attaches four exhibits:
 - a. Exhibit A showing the boundaries between the City Collection System and Alexandria Renew owned system
 - b. Exhibit B showing the maximum design flows for interceptors and pump stations
 - c. Exhibit C showing the Treatment Plant Load Design Capacity
 - d. and Exhibit D defining the allocation of CSO compliance responsibilities

These Exhibits have been incorporated in a manner that allows periodic technical updates without amending the Service Agreement.

FISCAL IMPACT: There is no direct fiscal impact. However, through this agreement the City commits to already authorized and budgeted City programs related to sewer system management such as Capacity Management, Operations and Maintenance (CMOM), and Fats, Oils and Grease (FOG) programs. It also commits to the update of the City's Sanitary Sewer Master Plan which is already scheduled for FY 2019 and FY 2020.

ATTACHMENT: Amended and Restated Service Agreement

STAFF:

Joanna Anderson, Deputy City Attorney

Emily A. Baker, Deputy City Manager

Yon Lambert, Director, TES

William Skrabak, Deputy Director, TES

Lalit Sharma, Division Chief, TES