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The Council Connection

your connection to City Council by Mayor Justin M. Wilson

April 1, 2022 <u>View this newsletter in your web browser</u>

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A year ago, Alexandrians donated over \$2.5 million to non-profit organizations addressing need in our community, all in one day!

On April 27th, Spring2ACTion returns for the 12th straight year, with a goal to blow through last year's record and help sustain the important work being done in our City. Join me in supporting Alexandria's non-profit community on this special day.

You can also help our region support the millions of Ukrainians who have been displaced from their homes due to Russia's invasion. Clothing and blanket

Alexandria Health Department
Restaurant Inspections
Report Potholes
Schedule Child Safety Seat
Inspection
Smoke Detector Installation
Request
Real Estate Tax Receipt Calculator
License Your Dog or Cat
Report a Street Light Outage
Report a Traffic Signal Outage

donations are being accepted at City Hall and Beatley Library.

Tomorrow, Alexandrians have an opportunity to support other important community work while bringing your dog out on a walk along our waterfront. The first ever ALX Dog Walk begins at 8 AM tomorrow!

All month long, Alexandria is celebrating Earth Day. Check out the many events scheduled to affirm our commitment to our precious natural resources.

On Tuesday evening, please join the Alexandria community in Market Square at 5 PM. We will be honoring J. David Bailey, a resident of our City for nearly a half-century and a veteran of the Battle of the Bulge, who recently celebrated his 100th birthday! We will be honoring Mr. Bailey for his service to our nation during World War 2.

There have been new developments in our efforts to address COVID-19.

Alexandria's case numbers, testing positivity rate, hospitalizations and deaths have remained low over the past month.

In February, the <u>Centers for Disease</u>
<u>Control and Prevention (CDC) released a new tool to gauge a community's COVID risk</u> and assess the need for mitigation strategies going forward.

Based on this new tool, Alexandria's risk is "low." While this does not mean that COVID is behind us, it does mean that for most residents, we can return to normal life, while taking reasonable precautions for high-risk individuals.

We will continue to work to vaccinate every resident in our City. ANYONE who is aged 5 or older is eligible to be vaccinated and we have a dose waiting for you.

If you are 16 or older and received the second dose of Pfizer or Moderna or the single dose of Johnson & Johnson you are eligible for a booster dose.

For those 50 or older, or immunocompromised, you are now

eligible for a second booster if you are more than 4 months since your last one.

Additionally, if you received the Johnson & Johnson vaccine and booster over 4 months ago, you may now received a booster of either Moderna or Pfizer.

For more information or to sign-up for a booster dose, <u>please head to our vaccine</u> website.

For those who have already been vaccinated, you may now download your vaccination record from the Virginia Department of Health.

COVID testing is <u>widely available</u> <u>throughout our City</u>. Additionally, if you have not requested your 4 free at-home test kits from the Federal government, you can request it online today.

The Alexandria City Public Schools (ACPS) continues mitigations and efforts to prevent significant spread of the virus within our schools. <u>Parents can register for free in-school testing</u>.

The latest updates will continue to be posted regularly on the <u>City's</u> Coronavirus website.

The Virginia Department of Health posts data daily online regarding positive tests, hospitalizations and deaths.

I continue my monthly Virtual Town Hall meetings on the first Thursday of each month.

You can watch March's Town Hall online.

Join us Thursday the 7th at 8PM for my
April Town Hall.

<u>Contact me anytime</u>. Let me know how I can help.

Initiatives and Updates

Budget Process Continues

In February, the City Manager presented his proposed Operating Budget for Fiscal Year 2023 (July 1, 2022 - June 30, 2023) and his proposed Capital



Improvement Program (CIP) for Fiscal Year 2023 through Fiscal Year 2032. That was the beginning of City Council's annual budget process, which will culminate in the adoption of the budget on May 4th.

Last year, the City Council was able to adopt the first reduction in the real estate tax rate in 15 years, bringing the rate from \$1.13 to \$1.11. This year, the City Manager has proposed maintaining the current \$1.11 rate.

With the impacts of average assessment increases included, this means the average single-family homeowner would pay \$601 more in 2022 than in 2021. The average condo owner would pay \$120 more in 2022 versus 2021.

Shortly after the presentation of the budget, state law requires that the City Council adopt a ceiling for the real estate tax rate that might be considered during the budget process. Once that rate is "advertised," the Council cannot adopt a rate that is higher, but may go lower.

The Council voted to advertise a rate of \$1.115, leaving the possibility of a half-cent increase for consideration. Last year was the fifth straight year without a real estate tax rate increase in Alexandria. While there are significant budget pressures on the horizon, specifically the rising debt service associated with large infrastructure projects for the City and our schools, I do not believe a tax rate increase is necessary this year.

We would like your input on the proposed tax rate. On Saturday April 23rd, at our April Public Hearing, the City Council will accept testimony on the proposed tax rate. The public hearing will begin at 9:30 AM. If you wish to address the Council on the proposed budget, you can sign-up to speak online. You can address the Council in-person at City Hall or virtually on zoom.

You can watch the City Manager's presentation of the budget to the public, which was recorded shortly after the presentation to the City Council.

The most important decision the City Council makes each year is the adoption of the annual operating budget and capital improvement program. The operating budget generally funds the on-going costs of government (primarily personnel), while the capital budget funds one-time expenditures that provide the community with an asset (new schools, new roads, new playing fields, transit buses, etc).

The budget is being built around some of the healthiest revenue growth we have seen in over fifteen years (which has improved further, as discussed later in the newsletter), but also with numerous deferred investments awaiting tax dollars. In November, our previous City Manager presented his initial outlook for the upcoming budget at our annual Council retreat.

From 2002 until 2009 the City was enjoying the run-up in the residential real estate market. Our General Fund budget increased by an average of 6.5% per year. The work force in City Government grew from 2,229 Full Time Equivalents (FTE) to 2,660 FTEs during that period.

In Fiscal Year 2010, a little over a decade ago, the bottom fell out as the Great Recession took hold. The City adopted its first negative budget in at least 40 years, reducing spending from Fiscal Year 2009 to 2010 by over 2%. From 2010 to 2020, the General Fund budget increased by an average of 3.2% per year.

The budget that Council adopted two years ago, at the beginning of the COVID crisis, shrunk spending 1.6% from the previous year. Last year, as we began to return to normal, the budget we adopted grew spending by 2.3%.

The authorized work force in City Government is now at 2,700 FTEs, essentially what it was 13 years ago. That's in spite of the fact that our population has grown significantly during that period of time.

Sustaining an average budget growth of 3% per year with 4% annual student enrollment growth, employee healthcare costs increasing far above rates of inflation, long-deferred infrastructure needs, ever-escalating funding challenges from Metro and a hyper-competitive market for municipal employees is impossible.

It was in this context that the City Manager prepared and presented his budget. The City Manager's proposed General Fund Operating Budget is \$829.9 million. This represents a 7.7% increase in spending versus the current approved budget, yet only 3.7% over the original budget that was proposed by the City Manager two years ago, just before the pandemic began.

Every budget has a "story." The City Manager's proposed budget:

- Invests significant new money in employee compensation, with over \$22.8 million proposed to add to employee compensation and benefits
- Invests in new staffing capacity, with 52 new FTE (over half of which are in Public Safety agencies) proposed to be added to the City workforce
- Fully-funds the approved Operating and Capital budgets of the Alexandria City Public Schools,

totaling over \$12.7 million for an increased operating transfer and debt service for ACPS capital projects

 Commits new resources to support the infrastructure proposed as part of the Capital Improvement Program.

In addition, the City Manager has proposed no increase in the annual Residential Refuse Fee of \$484.22, which covers the costs of trash, recycling and yard waste collection (among other services). This fee is paid only by the 20,647 homeowners who receive City trash collection.

The stormwater utility fee is proposed to increase to address stormwater management and Chesapeake Bay clean-up mandates. This fee is paid by all property owners, including non-taxable properties. The new annual fee will be \$82.32 for condos, \$123.48 for townhomes, \$294 for small single-family homes and \$490.99 for large single-family homes.

In additional the budget documents linked above, <u>all</u> <u>questions asked by members of Council during the</u> <u>process are posted, along with answers, online for the public to review.</u> Any request to change the proposed budget must be initiated with a budget question, so it is a good window into the thoughts of your elected representatives.

There is no more important process than the adoption of our annual budget. The budget is a reflection of the values of our community and I look forward to working with our residents and my colleagues to craft a budget that is reflective of those collective values.

Let me know your thoughts!



Yellow Line Closure

Just about two and a half years ago, we were about to celebrate the reopening of Alexandria's Metro Rail stations after a difficult summer of platform improvement work cut Alexandria off from the rest of the system.

It was a challenging period for our City, its residents, our visitors, and our businesses and their employees.

With a year of planning and regional collaboration, we were able to throw nearly everything we had at the shutdown.

While riders settled into new, slower routines, there were still challenges that impacted our City. The shuttle buses had issues with capacity and traffic flow. Some Metro Bus and DASH routes had similar problems as

well. Traffic impacts exacerbated existing congestion. Some businesses saw reductions in revenue.

Unfortunately, <u>last month WMATA made</u> <u>announcements of large infrastructure work that</u> will again impact the transit connectivity of our City.

The first impact is one that we expected. In order to connect the newly-constructed Potomac Yard Metro Station, rail service south of the National Airport station will need to be shutdown for 6 weeks from September 10th until October 22nd.

The second impact was not anticipated. The rehabilitation of the Yellow Line bridge and the adjacent tunnels, will require a shutdown of the bridge for 8 months, also beginning on September 10th.

These closures will again cut Alexandria off from the rest of the system and significantly impact Alexandria transit riders at a time where the City and its regional partners will be working to bring our residents back to transit.

Fortunately, we know what works. In 2019, the City worked closely with WMATA, DASH and other regional partners to ensure that the shutdown did not become a disaster for our residents and our businesses. We must again do the same.

Last month, I wrote to WMATA General Manager Paul Wiedefeld urging a delay of any infrastructure work until the 7000-series cars are returned to service, as well as identification of numerous alternatives to protect riders in our City.

The work to restore Metro back to the level required to support this region continues. In the short-term, additional sacrifice will be required. As a regular Metro rider myself, I know the service challenges first-hand. I'm optimistic that these efforts will result in a more reliable system for Alexandria and the entire region.



New Broadband!

Last month, the City Council **voted unanimously to issue franchise agreements** to both Lumos Telephone
and Ting Fiber, Inc, to operate broadband networks in
the City. This is a major step in our multi-year effort to
bring broadband competition to Alexandria.

In January, the City announced that we had received four proposals from vendors seeking to offer competitive broadband services for our community.

The four bidders who responded to this solicitation were:

- Lumos Telephone LLC
- NATC Tower Company
- Shenandoah Cable Television, LLC (Shentel)
- Ting Fiber, Inc.

The City Council voted unanimously to accept all four proposals and our staff worked to negotiate franchise agreements with the two firms who ultimately were issued a franchise.

Separate from this process, <u>Verizon began</u>
<u>conversion of their existing copper infrastructure to</u>
<u>fiber optic cable in some areas of our City. With the</u>
<u>completion of this work, they will begin offering</u>
<u>Verizon FIOS internet service along with their</u>
<u>landline phone service.</u>

Last year, City Council gathered on Eisenhower Avenue to have a <u>formal groundbreaking for the build of our municipal fiber network</u>. Construction is <u>now</u> occurring at 5 different locations in the City.

Over 8 <u>years ago, I proposed that the City develop a</u> <u>broadband plan to help bring true competition to</u>
Alexandria's broadband market.

It has taken far too long, but the City is finally moving ahead on an effort to bring new broadband capacity to our community.

Over a year ago, the City issued a revised solicitation to select a vendor to construct a municipal fiber network to serve City and School facilities around our community. Earlier last year, a contract was awarded to Jones Utilities

Construction, Inc to perform this work.

Over 7 years ago, the City issued a Request for Information (RFI). This RFI solicited concepts from the private sector for partnership with the City in expanding broadband options, availability, and capabilities. We received 10 responses from potential private partners and those responses shaped the approach the City is now taking.

For years, Alexandria has sought new private investment in broadband infrastructure. For most of our residents, we have one company providing Internet connectivity and television. Regardless of the performance of incumbent providers, technological innovation and reliability thrives on competition.

This is an issue that impacts not only residents but also our businesses and the ability of our community to attract new investment.

Concurrent with the FY 2017 budget process, the City completed the <u>initial financial estimates for the first phase of the infrastructure build-out</u>. The plan is designed to replace the City's existing connectivity agreement for City facilities with a City-owned fiber network.

By <u>leveraging E-Rate funding from the FCC</u>, achieving operating savings from the costs of the existing agreement, and the potential for private leases of our infrastructure, the effort may be able to pay for itself.

One of the core components of the original proposal I made was that the City adopt a "Dig Once" policy. Essentially that's a policy that makes the City more efficient by leveraging existing underground infrastructure work to add conduit and other infrastructure at the same time. With hundreds of millions of dollars of sewer and transportation work scheduled over the next decade, we should sequence and combine that work to be the most efficient.

This is an exciting project and one that gives the City the best chance to leverage its assets to bring new broadband services to our residents and businesses.



Car Tax Relief

Alexandria's second-largest General Fund revenue is the vehicle personal property tax. As a local tax assessed on vehicle owners annually, based on an assessed value, there is perhaps no tax more hated in the Commonwealth of Virginia.

In 1998, the Virginia General Assembly adopted the Personal Property Tax Relief Act, which was to begin a process of phasing out the tax altogether, by providing an ever-growing appropriation of state money to local governments until the tax was eliminated.

When state revenues did not materialize in the way the Commonwealth had anticipated, the appropriations to local government were capped and the tax remained in place, albeit at a much lower level. Today, Alexandria receives an annual appropriation of \$23.5 million from the Commonwealth. In our Fiscal Year 2021, we collected \$36.5 million from vehicle owners, to provide for a total of \$60 million of total General Fund revenue.

Almost 15 years ago, during my first stint on the City Council, I proposed that the City consider eliminating the windshield decal used to enforce payment of the vehicle Personal Property Tax.

In 2019, the City Council voted unanimously to finally end the requirement to display the decal.

Later, the City Council eliminated the Vehicle Registration Fee (formerly the "decal fee"). That fee had been \$33 and brought in \$3.85 million of revenue to the City before it was eliminated.

Now, the City Council is grappling with a challenging aberration in this revenue source. Under normal circumstances, the valuations of vehicles do not increase. In 2018 and 2019, only about 1% of Alexandria's registered vehicles increased in value.

Yet, the pandemic has caused chaos in the used car market place. Last year, many Alexandrians saw increases in the value of their cars. This year, this phenomenon was projected to continue, as the City Manager's proposed budget assumed an 8.5% increase in revenues.

Since the City Manager proposed his budget, jurisdictions across the region, including Alexandria, are learning that this year's increase is expected to be much higher than anticipated, leading to an unexpected, one-time windfall. Current estimates are that vehicle values will increase by an average of 26% for 87% of vehicles in the City. This is extraordinary.

To protect taxpayers, the City Manager has brought to the Council a proposal for one-time relief for vehicle owners.

The City Manager's proposal would:

- Assess only 77% of the Fair Market Value of vehicles
- Provide no 2022 tax for vehicles assessed at \$5,000 or less, and lesser amounts of relief for cars valued higher.

This proposal provides all vehicle owners with tax relief, while reserving the greatest relief to vehicles with the lowest valuations.

It is hopeful that the used car market will get back to normal next year. Council will determine their approach to this proposal later this month.



Power Reliability

We rely on electricity. Our residents and businesses need electricity supply that is stable and predictable.

Unfortunately, for the past few years our residents and businesses have not received the type of service that we expect from Dominion Virginia Power. In the fall, I filed a petition with the Virginia State
Corporation Commission as part of Dominion's
Triennial Review. My petition requested that
Dominion's allowed profit be reduced to account for the
instability in Alexandria's electricity supply.

I have now written twice to the CEO of Dominion Energy expressing concerns on behalf of Alexandria's residents and businesses. While Dominion has been responsive, we have not seen the necessary action to resolve this instability. In fact, the information Dominion has provided has validated our concerns, in that the data shows that outages are increasing and capital investment has remained flat.

Our expectations of Dominion have been clear:

- A multi-year infrastructure investment plan to improve reliability of electricity service for the City of Alexandria, including appropriate exercise of all available authority under the <u>Grid</u> <u>Transformation and Security Act</u> to accelerate implementation
- 2. Improved transparency for customers relating to reliability data and recovery performance
- 3. An enhanced Service Level commitment for customer requests (street light repairs, property construction/renovation, municipal projects, etc)

The City has a long history of working with Dominion Virginia Power to improve reliability and it will be important to extend that partnership again.

Last month, <u>representatives of Dominion Virginia</u>

<u>Power returned to a meeting of City Council</u>. This time, for the first time, they have made commitments to expand investment in the critical electricity infrastructure in Alexandria.

While there remains to be quite a bit of work to translate these new commitments into actual infrastructure projects, this is a positive step forward.

Our residents and businesses expect reliable electricity. We will continue to work with Dominion and its regulators to make that reality.



Transparency In Government

Two months ago, nearly <u>all elected officials in the state</u> were required to submit an annual <u>Statement of Economic Interests</u>. While these documents are subject to public inspection in our Clerk's office, at my request, over five years ago, Alexandria <u>became the first local government in Virginia to post these</u>

<u>disclosures online</u>. We may still be the only jurisdiction that does so.

About 18 years ago, Alexandria became one of the earliest jurisdictions in Virginia to post local campaign finance reports online. Anyone can easily review who finances the campaigns of Alexandria's elected officials.

In 2009, I along with then-Councilman Smedberg and then-Councilman Krupicka, <u>successfully sought</u> <u>approval from Richmond</u> to impose new restrictions on land-use applicants. Specifically, the new laws we adopted <u>require land-use applicants to reveal any financial interests that they might have with policymakers.</u>

Nine years ago, we made improvements to the motions that the City Council makes and votes on to initiate executive sessions. These changes serve to provide our residents with more information about the closed sessions that Council conducts.

Nine years ago, we moved the Council's work sessions from the Council Work Room (off camera) into the Council chambers so that the public can more easily observe our discussions.

The City also began <u>posting online the reports of our Internal Auditor for public review</u>.

In January of 2016, the Council adopted a Transparency Resolution to consider ideas for improving transparency in City operations. The adopted resolution included language that I drafted requesting that our Clerk begin producing an annual report detailing the Council's use of executive session during the previous year. Executive session is a closed meeting of Council, neither televised nor witnessed by any members of the general public, for specific purposes.

The <u>Code of Virginia strictly limits the</u> <u>circumstances where the City Council can meet in</u> <u>executive session</u>. As a practical matter, the sessions are used primarily to address personnel issues, litigation strategy, and the acquisition or disposition of public property. In the case of the latter two examples, the executive sessions are used to protect the City's negotiating posture and thus protect the taxpayer dollar.

Before going into executive session, the Council must vote on the reason for the executive session. After the executive session concludes, the Council must return into public view and each member must certify that we complied with the law during the private session.

The <u>latest of these executive session reports is now posted and available for public consumption</u>. It shows that the Council met in executive session 8 times during the last Council term and each vote to go into executive session was unanimous.

I have always believed that, as Justice Louis Brandeis wrote in 1913, "sunlight is said to be the best of disinfectants." I do believe that government should continue to seek new ways to provide public accessibility to information about their government, to ensure ethical and accountable government.



Bridges to Arlington

Last month, <u>Arlington County announced the further</u> <u>deterioration of the West Glebe bridge</u>, which separates the Alexandria and Arlington. As a result, the bridge is now limited to a single north-bound lane.

Alexandria and Arlington have five bridges that connect vehicular traffic between the two jurisdictions, all along Four Mile Run:

- West Glebe Road bridge
- Arlington Ridge Road bridge
- Shirlington Road bridge
- Route 1 bridge
- Potomac Avenue bridge

In the case of the <u>West Glebe Road</u> and <u>Arlington Ridge Road</u> bridges, there are considerable needs. Both bridges were built in the mid-1950s and recent inspections by Arlington County showed that they have large deficiencies. Restrictions on their use are now in place.

At a meeting last month, <u>Arlington provided updates</u> <u>on both projects</u>.

Virginia Department of Transportation (VDOT) records show that the West Glebe, Arlington Ridge and Shirlington Road bridges are Arlington County's responsibility and the Route 1 and Potomac Avenue bridges are the City of Alexandria's.

Past bridge work has been split between the jurisdictions, but those agreements have never been formalized. With the West Glebe bridge requiring \$10 million - \$14 million of work and the Arlington Ridge bridge requiring \$23 million - \$28 million of work, these arrangements are not insignificant.

Through some negotiation between the two jurisdictions, we were able to enter into a new agreement providing for future cost-sharing of all 5 bridges, for maintenance and eventual replacement.

This new arrangement provides that the two jurisdictions will split the costs of the immediate work required to the West Glebe and Arlington Ridge bridges, 50-50.

Going forward, any work on bridges between the two jurisdictions will be split 67%/33%, with the jurisdiction recognized by VDOT as primarily responsible shouldering the larger portion.

This new arrangement ensures that these bridges will be kept in a state of good repair in the future, and clarifies the financial responsibility for doing so.

Flooding Update

Last month, the City Council <u>received the latest</u> <u>update on our efforts to make Alexandria more resilient to flooding in the face of a rapidly changing climate.</u>

The City Council has worked to accelerate efforts to address chronic flooding issues, this time due to more frequent and more intense rain events. These storms are causing our residents and businesses to suffer significant financial loss due to damage from flooding and sanitary sewer backflow.

Addressing this challenge requires immediate and sustained action in the following areas:

- Infrastructure Investment and Maintenance
- Financial and Technical Assistance to Residents
- Development Policy Reform

Last year, the City Council unanimously adopted an <u>an</u> <u>ordinance to double our Stormwater Utility Fee</u>. to significantly increase the resources available for investments in our storm sewer infrastructure.

The Stormwater Utility Fee revenue, paid by all property owners in the City (including non-taxable properties), will allow for an acceleration of major capacity projects and "spot improvements," an increase in channel maintenance, new "state-of-good repair" investments, property owner grants and new staffing in support of these projects and the system.

Recently enacted state legislation, sponsored by Senator Adam Ebbin at the City's request, gives the City the flexibility to use these resources to address all of the challenges facing our residents.

This increase will bring in an additional \$8.5 million annually and support a newly accelerated 10-year program of investments. While these funds



will address many smaller "spot improvement" projects, this funding will allow the City to undertake 11 of the top priority storm sewer capacity projects over the next decade:

- Commonwealth & Glebe: \$34 million
- Ashby & Glebe: \$16 million
- Hooffs Run Culvert Bypass: \$60 million
- Edison & Dale: \$13 million
- Dewitt Avenue: \$15 million
- East Mason Avenue: \$1 million
- Notabene & Old Dominion: \$4 million
- Mount Vernon, E. Glendale, E. Luray & E. Alexandria: \$10 million
- E. Monroe & Wavne: \$3 million
- Russell & W. Rosemont: \$6 million
- Russell & W. Rosemont (south): \$8 million

In addition to these locally-funded infrastructure initiatives, the City Council voted last July to allocate \$5.8 million of our American Rescue Plan funding to address maintenance and investment in our Storm Sewers.

Additionally, we have also successfully sought a Virginia Community Flood Preparedness Grant from the Department of Conservation and Recreation.

Last year, the City launched <u>our new "Flood</u> <u>Mitigation Pilot Grant Program</u>." This new program will provide matching reimbursement grants to property owners making flood resiliency improvements. This is one of the components of our comprehensive approach to addressing the flooding that has impacted our community for decades.

The newly constituted <u>Ad Hoc Stormwater Utility and</u> <u>Flood Mitigation Advisory Group</u> meets regularly to help advise the Council and our staff as we work to implement our flood mitigation plans.

Alexandria spends a significant amount of money on infrastructure designed to manage water. In February, the City Manager proposed a \$2.73 billion, ten-year Capital Improvement Program. Of that, over \$365.7 million is to address stormwater and sanitary sewer infrastructure. Alexandria Renew Enterprises, the City's sewer authority, plans another \$593 million of capital investments over the next decade, primarily the RiverRenew project to remediate the Combined Sewer (sanitary and stormwater) system that serves Old Town.

Together, nearly a billion dollars is planned for water investments. This spending dwarfs planned investments in schools, transportation and other major priorities. Only a decade ago, <u>planned investments in water infrastructure were less than 10% of this total</u>, but

addressing these challenges will require a sustained increase in that investment level of a long period of time.

The investments required in our Sanitary Sewer system are funded by maintenance fees paid by existing customers (on the Alexandria Renew Enterprises bills) and by connection fees paid by developers.

In 2016, the City conducted a comprehensive Storm Sewer Capacity Analysis. This exhaustive study looked at each of the City's eight watersheds (Backlick Run, Cameron Run, Four Mile Run, Holmes Run, Hooff's Run, Holmes Run, Potomac River, Strawberry Run and Taylor Run) and identified problem areas where current capacity does not meet our 10-year storm design standard.

The study identified 90 separate deficiencies in the system, and estimated \$61 million of construction costs required to address those deficiencies (construction costs are approximately half of expected budget costs). Over half of these deficiencies are concentrated in the Hooff's Run and Four Mile Run watersheds. The reports of flooding from our residents during these most recent events align closely to these deficiencies. It is that study that has informed the list of priority capacity projects listed earlier.

For development, whether large-scale, mixed-use development or a small residential addition, Alexandria's stringent stormwater requirements stipulate that conditions after development to be the same and oftentimes better than they were. As a consequence, the flooding we have experienced in the City is typically in established neighborhoods, areas of our City where we have not seen new development (aside from infill) in decades. Yet, there may be options to further strengthen these existing requirements. We have sought additional authority from the General Assembly for these expanded requirements.

A climate-resilient City requires investments and potentially new policies to ensure that residents of our City do not suffer devastating damage with such frequency.

Putting in place the infrastructure that can support a changing climate will be a significant undertaking for our community. It will involve a large commitment of new resources and possibly private property impacts. I am pleased that the City has made these new investments. Now we must explore every option to accelerate this work.

Water Rates



Alexandria remains one in a relatively small list of Virginia jurisdictions who have a private water utility. <u>Virginia American Water Company</u> (VAWC), a subsidiary of a large national company, provides the water supply to Alexandria's residents and businesses.

As a private utility, VAWC is subject to the authority of the <u>State Corporation Commission</u> (SCC) in Richmond. <u>In November of 2018, the utility filed</u> before the SCC for a rate increase.

In 2019, the City Council voted to intervene in this application before the SCC and oppose this rate increase.

At the end of 2020, the SCC concurred with the City's position and rejected most of VAWC's requested increase. As such, all Alexandria water rate-payers received a refund retroactive to May 1, 2019. VAWC had originally applied for up to a 15.84% increase. The SCC approved an increase of up to 2.9%.

In November of last year, <u>VAWC applied again for a rate increase</u>, this time seeking a 28% increase in rates and a variety of other charges and rate supplements. If approved, on average, Alexandria residential customers will see their bills increase by about 36%.

After analysis, our staff believes that this rate increase is excessive. On Tuesday evening, the City Council will be considering whether to again intervene with the State Corporation Commission to oppose this proposed rate increase.

I'm hopeful we can continue our efforts working with VAWC to improve our aging water infrastructure but respect our ratepayers and good processes at the same time.



Solarize Alexandria Returns

Are you interested in harnessing solar power for your home?

<u>Beginning today, you can sign up to participate in</u> Solarize Alexandria.

Solarize Alexandria is a partnership between the City, the <u>Northern Virginia Regional Commission</u>, and <u>LEAP</u>.

The goal is to increase the deployment of solar power generation in our residential communities. In addition to reducing emissions and reducing your power bill, the City of Alexandria provides a real estate tax exemption for qualifying solar installations.

The program begins with a free assessment from the program installer. Sign up today!

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