

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
DECEMBER 2, 2014
10:30 A.M.**

Present: Goodman B. Duke, Joe Chesser, Christian R. Goodwin, Steven M. Nichols, and D.D. Watson

Absent: Erick Gomez

Others Present: Brendan Hefty, Hefty & Wiley, P.C., Legal Counsel; Joe Hines, Timmons Group; David Saunders, Timmons Group; Bobby Popowicz, Community Development Director, Fluvanna County; Wayne Stephens Public Works Director and County Engineer, Fluvanna County; Pam Baughman, General Manager, Louisa County Water Authority; Doug Smith, Louisa County Water Authority; Andy Wade, Economic Development Director, Louisa County; and Sean Ekiert, Raymond James

CALL TO ORDER

Chairman Duke called the December 2, 2014, regular meeting of the James River Water Authority (JRWA) Board of Directors to order at 10:30 a.m., which was followed by the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Chesser, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Board approved the December 2, 2014, agenda.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

November 4, 2014

On the motion of Mr. Nichols, seconded by Mr. Chesser, which carried by a vote of 5-0, the Board approved the minutes of the November 4, 2014, meeting.

FINANCIAL REPORT

Approval of Bills

Mr. Nichols said the following bills had been received for payment:

- Wunsh & Wunsh for audit services in the amount of \$1,750;

- McDonough Bolyard Peck, Inc. (MBP) for analysis of PPEA proposals in the amount of \$6,650; and
- Valley Publishing for advertising services in the amount of \$61.

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Board approved payment for the following bills:

- Wunsh & Wunsh - \$1,750;
- MBP - \$6,650; and
- Valley Publishing - \$61.

ACTION ITEMS

Update – Permit Relocation

Mr. Hines indicated that Timmons Group had received additional correspondence from the Department of Environmental Quality (DEQ) and planned to address some items and provide a response within the next few days. Mr. Hines mentioned that DEQ had begun the modeling for the River and Timmons was in the process of updating some of the numbers to be included in that. Mr. Hines reported that in the meantime, DEQ needed final impacts for the intake design and that Timmons would be working with the Corp of Engineers and the Virginia Marine Resources Commission (VMRC) to get the draft permit in place, which they expected in February. Mr. Hines further noted that Timmons may schedule a conference call with the Virginia Resources Authority (VRA), DEQ, and other reviewing agencies as the JRWA came closer to putting the financing package together in order to understand any potential risks that VRA may be concerned about with permit issuance.

Questions were asked and addressed by Mr. Hines and Mr. Sean Ekiert with Raymond James in regards to the effect of a draft permit on bonds, the JRWA's eligibility for bridge financing through VRA without a final permit, alternative financing options without a final permit, the timeframe for final permit issuance, and expected withdrawal amounts on the permit.

Discussion – Cost proposal from MBP for Detail Phase

Mr. Nichols reported that MBP was originally selected to analyze the PPEA proposals and were recently asked by the JRWA to provide a proposal to work with them through the detail phase towards an interim or comprehensive agreement. Mr. Nichols said the negotiated rate received by MBP was a not to exceed price of \$32,000 and they also provided a cost of \$10,000 for a constructability review as an optional additional service. Discussion ensued amongst the JRWA in regards to the need for a constructability review and after discussion, the Board decided it was not necessary at this time.

On the motion of Mr. Nichols, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Board voted to accept and approve the proposal submitted by MBP to work with the JRWA to achieve an interim or comprehensive agreement with the offeror for a not to exceed cost of \$32,000.

Update – Service Agreement

Mr. Nichols indicated that himself, Mr. Goodwin, JRWA counsel, and staff had been reviewing and updating the service agreement. Mr. Nichols and Mr. Goodwin provided a summary of the provisions of the draft service agreement as well as the interjurisdictional agreement and further discussed with the JRWA and counsel the feasibility of combining both agreements into a single document. Mr. Nichols stated that he would forward an electronic copy of both agreements to each member of the JRWA for review and comments.

OTHER ITEMS FROM BOARD OR STAFF NOT ON THE AGENDA

Mr. Goodwin indicated that he had received a copy of the Fiscal Year (FY) 2014 JRWA audit report read the opinion statement. The JRWA decided to formally accept the report, but requested that Mr. Wunsh attend the next meeting to present it.

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Board voted to accept the FY 2014 audit report.

ADJOURNMENT

On the motion of Mr. Goodwin, seconded by Mr. Chesser, which carried by a vote of 5-0, the Board voted to adjourn the December 2, 2014, meeting at approximately 11:45 a.m.

BY ORDER OF:

GOODMAN B. DUKE, CHAIRMAN
BOARD OF DIRECTORS
JAMES RIVER WATER AUTHORITY