

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
SEPTEMBER 9, 2014
10:30 A.M.**

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

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

CALL TO ORDER

Chairman Duke called the September 9, 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. Nichols, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board approved the September 9, 2014, agenda.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

August 5, 2014

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board approved the minutes of the August 5, 2014, meeting.

FINANCIAL REPORT

Approval of Bills

Mr. Nichols stated that he had previously mentioned that the QuickBooks charge in the amount of \$137.95 had been billed to his County credit card and that statement was now available for payment and a bill had been received from MBP in the amount of \$2,982.50 for staff time in reviewing the PPEA proposals.

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board approved payment for the following bills:

- County of Fluvanna (QuickBooks) - \$137.95
- MBP - \$2,982.50

Recommendation – Audit for JRWA Funds

Mr. Goodwin said the County of Louisa's auditor stated that the JRWA would need to receive audit services once expenditures exceeded \$25,000, which had been done. Mr. Goodwin noted that the services would need to be procured in accordance with JRWA's procurement policy. After discussion, the JRWA directed Louisa County to proceed with the procurement policy in obtaining three (3) quotes for the services and present the information to the JRWA once received.

ACTION ITEMS

Update – Permit Relocation

Mr. Joes Hines, Timmons Group, provided the JRWA with the draft response to the Department of Environmental Quality (DEQ) as a follow up to their July 8, 2014, meeting. Mr. Hines thoroughly reviewed the document and attachments with the Board and noted that as far as the water demands were concerned, the numbers were still being composed based on DEQ's comments about economic development and suggested that representatives from both Counties participate in a conference call on Thursday, September 11, 2014, to ensure that everyone was comfortable with the final numbers.

The Board presented questions and comments related to information included in the draft response, which were addressed by Mr. Hines.

Mr. Hines said the JRWA discussed visiting the Bear Island pump station and intake structure in Ashland, Virginia during the October meeting; however, he understood that PPEA proposal interviews had been scheduled for that day. Mr. Nichols confirmed and requested that the next JRWA meeting be changed from October 7, 2014, to October 14, 2014, and the site visit be scheduled for that same day. The Board agreed.

On the motion of Mr. Goodwin, seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to reschedule the next meeting to Tuesday, October 14, 2014, beginning at 9:00 a.m. at the Bear Island pump station and intake structure site in Ashland, Virginia, and continue the meeting at the Town of Ashland Council Chambers to discuss regular business of the Authority.

Update – PPEA Engineer Consultant

Mr. Nichols reviewed MBP's PPEA proposal review timeline and noted that interviews with both offerors were scheduled for October 7, 2014. Mr. Nichols indicated that MBP would then summarize the information and provide a final report and selection recommendation, if

requested, to the JRWA. Mr. Nichols stated that the additional questions asked of each of the offerors could be presented to the JRWA during closed session.

Recommendation – Consideration of Bylaws regarding Agenda Structure

Mr. Hefty said at the last meeting, the JRWA discussed streamlining the agenda structure to the current format. Mr. Hefty commented that if the JRWA was comfortable with the changes, the bylaws could be amended to reflect the present layout.

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board voted to amend the bylaws to reflect the presented agenda structure.

Discussion – Land Acquisition

Mr. Goodwin said this item was included on the agenda to remind the JRWA that consideration of the potential costs associated with land acquisitions would be necessary in moving forward with the Project. Mr. Goodwin noted that Louisa County was currently looking at this issue as far as their side of the project was concerned and he thought it was important that it be considered for the JRWA portion as well because associated costs were not included in the PPEA proposals.

After discussion regarding the land acquisition process, the JRWA decided that the administrative aspect, including land evaluations and negotiations, could be discussed with the selected PPEA offeror during the detailed negotiation phase and possibly included in their contract.

Discussion – Service Agreement with Louisa and Fluvanna Counties

Mr. Hefty noted that he had been updating the service agreement and he planned to send the most recent draft to both Counties for review and comment. Mr. Hefty briefly reviewed the main points of the agreement and questions and comments were presented throughout by the JRWA, which were addressed by Mr. Hefty and Mr. Hines.

After discussion, the JRWA decided that the County Administrators would work with Mr. Hefty on some necessary amendments to the document and present it to the JRWA at an upcoming meeting.

Discussion – Bond Counsel Engagement Letter

Mr. Hefty said he reviewed the engagement letter from Troutman Sanders, LLP, which appeared to be acceptable, and the next step would be for the JRWA to sign it.

On the motion of Mr. Nichols, seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to accept the agreement with Troutman Sanders, LLP to serve as the bond counsel for the JRWA on an as needed basis.

Update – Financial Advisor and Discussion Regarding the Virginia Resources Authority (VRA) Financing Timeline

Mr. Goodwin said VRA had concerns with the JRWA meeting the fall issuance deadline based on the lack of specificities, but they did not have an issue with the JRWA moving forward with the spring pool. A couple of potential downfalls were noted as a result of this change, and Mr. Ekiert provided an updated timeline of the financing schedule. After discussion, the JRWA agreed for the County Administrator's to present the timeline to their respective Boards. The JRWA also requested that Mr. Ekiert contact VRA on behalf of the JRWA to inform them that they would not move forward with the fall pool, but would submit paperwork in due course for spring pool.

CLOSED MEETING

On the motion of Mr. Chesser, seconded by Mr. Watson, which carried by a vote of 6-0, the Board voted to enter Closed Session at 12:06 p.m. for the purpose of discussing the following:

1. Discussion of PPEA Proposals - In accordance with §2.2-3711.A.29 VA Code Ann., for the purpose of discussion of the award of a public contract involving the expenditure of public funds, including interviews of bidders or offerors, and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body.

RESUMPTION OF REGULAR SESSION

On the motion of Mr. Goodwin, seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to regular session at approximately 12:32 p.m.

RESOLUTION - CERTIFICATION OF CLOSED SESSION

On the motion of Mr. Goodwin, seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to adopt the following resolution:

WHEREAS, the James River Water Authority Board of Directors has convened a Closed Meeting pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, §2.2-3712.D of the Code of Virginia requires a certification by the James River Water Authority Board of Directors that such closed meeting was conducted in conformity with the Virginia Law.

NOW, THEREFORE BE IT RESOLVED that the James River Water Authority Board of Directors does hereby certify that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such

public business matters as were identified in the motion convening the closed meeting was heard, discussed or considered by the James River Water Authority Board of Directors.

<u>NAME</u>	<u>VOTE</u>
D.D. Watson	Yes/Aye
Joe Chesser	Yes/Aye
Erick Gomez	Yes/Aye
Christian R. Goodwin	Yes/Aye
Steven M. Nichols	Yes/Aye
Goodman B. Duke	Yes/Aye

OTHER ITEMS FROM BOARD OR STAFF NOT ON THE AGENDA

Mr. Goodwin stated an economic disclosure and his action to prevent a conflict of interest.

ADJOURNMENT

On the motion of Mr. Chesser, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board voted to adjourn the September 9, 2014, meeting at approximately 12:33 p.m.

BY ORDER OF:

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