

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
JANUARY 6, 2015
10:30 A.M.**

Present: Goodman B. Duke, Joe Chesser, Steven M. Nichols, and, Erick Gomez

Absent: Christian R. Goodwin and D.D. Watson

Others Present: Brendan Hefty, Hefty & Wiley, P.C., Legal Counsel; David Saunders, Timmons Group; Bobby Popowicz, Community Development Director, Fluvanna County; Pam Baughman, General Manager, Louisa County Water Authority; Andy Wade, Economic Development Director, Louisa County; and April Lowe, Executive Assistant/Deputy Clerk, Louisa County

CALL TO ORDER

Chairman Duke called the January 6, 2015, 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. Chesser, which carried by a vote of 4-0, the Board approved the January 6, 2015, agenda.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

December 2, 2014

On the motion of Mr. Chesser, seconded by Mr. Gomez, which carried by a vote of 4-0, the Board approved the minutes of the December 2, 2014, meeting.

FINANCIAL REPORT

Approval of Bills

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

- McDonough Bolyard Peck, Inc. (MBP) for ongoing services in the amount of \$1,970; and
- Reimbursement to Louisa County for color copies in the amount of \$46.20.

On the motion of Mr. Gomez, seconded by Mr. Chesser, which carried by a vote of 4-0, the Board approved payment for the following bills:

- MBP - \$1,970; and
- Louisa County - \$46.20.

ACTION ITEMS

Presentation – 2014 Audit Report

Mr. Steve Wunsh, representative from Wunsh & Wunsh Accounting, provided an overview of the audit report for fiscal year ending June 30, 2014, and indicated that no discrepancies were found. Mr. Wunsh further reviewed the system of internal controls and suggested recommendations for consideration.

Questions and comments were presented by the BBA in regards to the report and whether or not Mr. Wunsh could provide support for the JRWA's account on QuickBooks, which were addressed by Mr. Wunsh.

In conclusion, Mr. Wunsh indicated that he would like to present a formal audit proposal to the JRWA for next year and he would be in contact within the coming months.

On the motion of Mr. Nichols, seconded by Mr. Gomez, which carried by a vote of 4-0, the Board voted to accept the fiscal year 2014 audit report.

On the motion of Mr. Nichols, seconded by Mr. Chesser, which carried by a vote of 4-0, the Board voted to engage Mr. Wunsh for periodic assistance for the JRWA's QuickBooks online accounting system.

On the motion of Mr. Nichols, seconded by Mr. Gomez, which carried by a vote of 4-0, the Board requested that Mr. Wunsh provide a formal proposal in March 2015, for fiscal year 2015 audit services.

Update – Permit Relocation

Mr. David Saunders, representative with Timmons Group, indicated that Timmons Group recently replied to several outstanding comments from the Department of Environmental Quality (DEQ) pertaining to the demands requested through the permit process for both Louisa and Fluvanna, along with the relevant peaking factors that would go into the permit. Mr. Saunders added that DEQ was going to advance the modeling of the river with regards to issuing the draft permit, which they anticipated would occur in February. Mr. Saunders further mentioned that Timmons Group had several comments due back to the Corp of Engineers and the Virginia Marine Resources Commission (VMRC), which pertained to the final design of the intake and the property owner's signature on the permit.

Mr. Saunders indicated that Timmons Group needed authorization soon to proceed with the bathometric survey for a profile of the river bottom and the topographic survey immediately in the vicinity of the intake in order to confirm the final design and location of the intake.

Mr. Gomez said there had been many concerns about the potential location and questioned if Mr. Saunders could confirm that the official location had not yet been identified. Mr. Saunders said as the permit indicated, they intended to locate the intake extending from the Point of Fork Farm property; however, the profile of the river bottom needed to be confirmed first.

Mr. Frank Hardy asked if any additional information was available relating to potential alternative sites. Mr. Saunders reiterated that a bathometric survey was needed prior to identifying the final intake location. Mr. Hardy said he would like to have a better understanding of the type of signage that would be placed in the river or on the riverbank to protect the structure. Mr. Saunders said a particular design had not yet been developed.

A citizen questioned who would be performing the topographic survey. Mr. Saunders said the topographic survey would be prepared either by Timmons Group or another contracted firm. Mr. Saunders added that a current bathometric and topographic survey would be performed to interface together to show the profile of the area.

Update – Service Agreement

Mr. Nichols said he would forward the JRWA the most recent draft of the service agreement dated December 23, 2014. Mr. Nichols added that the JRWA needed to consider it at the February meeting, and if approved, forward it to the Fluvanna and Louisa Board of Supervisors for consideration at the second February meeting because the document was needed for financing. Mr. Hefty commented that he thought one more meeting was needed between the county administrators, finance directors, himself, and JRWA's bond counsel to develop the final draft. Mr. Nichols agreed and indicated that the final draft would be forwarded to the JRWA, as well as the Virginia Resources Authority's (VRA) counsel for review and comments prior to the JRWA's February meeting.

Discussion – Procurement Standard Terms and Conditions

Mr. Hefty said the Virginia State Code and Virginia Public Procurement Act (VPPA) require that localities include certain provisions in contracts. Mr. Hefty noted that Louisa had adopted standard terms and conditions that generally applied to all of their contracts and suggested that the JRWA do the same. Mr. Hefty indicated that he had reviewed the document and made a couple minor changes.

On the motion of Mr. Nichols, seconded by Mr. Chesser, which carried by a vote of 4-0, the Board voted to approve the JRWA's Standard Terms and Conditions, as presented.

Discussion – PPEA Interim Agreement Process

Mr. Nichols commented that a sample agreement was provided by Faulconer Construction and MBP had reviewed it and made some comments. Mr. Nichols added that the document would be sent out to the JRWA and counsel for review.

Concerns were presented in regards to timing and deadlines for financing and whether or not a public hearing was required before the JRWA could enter into an interim agreement. After discussion, Mr. Hefty said he would confirm and provide clarification.

ADJOURNMENT

On the motion of Mr. Chesser, seconded by Mr. Gomez, which carried by a vote of 4-0, the Board voted to adjourn the January 6, 2015, meeting at 11:16 a.m.

BY ORDER OF:

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