

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
FEBRUARY 3, 2015
10:30 A.M.**

Present: Goodman B. Duke, Joe Chesser, Steven M. Nichols, Erick Gomez, 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 Sean Ekiert, Raymond James

CALL TO ORDER

Chairman Duke called the February 3, 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. Goodwin, seconded by Mr. Nichols, which carried by a vote of 6-0, the Board approved the February 3, 2015, agenda.

ITEMS FROM THE PUBLIC

Mr. Prakash Thatte, Louisa County citizen, asked questions in regards to the James River Water Project, specifically concerning debt financing, project arrangement between the two (2) counties and the JRWA, parcel selected for the treatment plant, and the pipeline route, which were addressed by Mr. Nichols and Mr. Goodwin.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

January 6, 2015

Mr. Nichols said during the last meeting, the JRWA voted to engage Mr. Steve Wunsh with Wunsh & Wunsh Accounting for periodic accounting assistance for the JRWA's QuickBooks online accounting system and he hoped that action did not preclude the use of other consultants for training and support. After discussion, the JRWA agreed that it would not.

On the motion of Mr. Chesser, seconded by Mr. Nichols, which carried by a vote of 6-0, with Messrs Goodwin and Watson abstaining because of their absence from the meeting, the Board approved the minutes of the January 6, 2015, 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 \$1,430; and
- Hefty & Wiley, P.C. for the quarterly payment in the amount of \$7,500.

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

- MBP - \$1,430; and
- Hefty & Wiley, P.C. - \$7,500.

Mr. Chesser indicated that the JRWA had previously requested financial reports and provided several options for consideration. Discussion ensued among the Board regarding the various reports and after discussion the JRWA agreed that they would like to receive a year-to-date expenditure report with a balance sheet, along with a reconciliation report.

Mr. Chesser questioned when the JRWA would be submitting a budget request to the Counties and after a brief discussion, the JRWA decided that the timeline for expenditures needed to be understood prior to requesting additional funds.

Mr. Chesser mentioned that he had created categories for the initial account setup and said he would like to compare other account structures of bodies with similar operations as the JRWA. It was suggested that Mr. Chesser look at the account structure to that of the Louisa County Water Authority's (LCWA) and provide a recommendation back to the JRWA for consideration.

ACTION ITEMS

Update – Permit Relocation

Mr. Joe Hines, representative with Timmons Group, said he provided the JRWA with an email he received from the Department of Environmental Quality (DEQ) pertaining to the permit process for both Louisa and Fluvanna. Mr. Hines added that DEQ was still working on the modeling of the river with regards to issuing the draft permit, which they anticipated would occur in February and the final permit should be issued sometime near the end of April or beginning of May. Mr. Hines further noted that Timmons would be meeting with DEQ for a site visit to discuss the location and final design of the intake structure.

Discussion ensued among the Board regarding the bathometric and topographic survey. Mr. Hines stated that Timmons was currently working on the survey and he anticipated the information would be available for review by the middle of February.

Mr. Nichols requested confirmation that the projected timeline for final permit issuance still corresponded with the Virginia Resource Authority's (VRA) spring financing pool requirements, which was provided by Mr. Ekiert.

Discussion/Approval – Service Agreement

Mr. Goodwin provided the JRWA with the final version of the service agreement and Mr. Hefty summarized its purpose. Members of the Board discussed the provisions of the document, specifically concerning the allocations of the permit and ownership of the capacity. Several Board members offered revisions to Section 3.1 (a) and after discussion, the Board decided to amend the language as follows:

The Counties, subject to subsection (c) or a permit modification, shall each have an allocation of 50% of the permitted raw water withdrawal capacity. In the event that the permitted raw water capacity is modified by DEQ as a result of one County's action or inaction, then that County's allocation shall be modified accordingly.

On the motion of Mr. Chesser, seconded by Mr. Gomez, which carried by a vote of 6-0, the Board approved the service agreement, as amended.

Discussion/Approval – PPEA Interim Agreement

Mr. Hefty provided a brief update on the PPEA interim agreement and noted that he would send the draft agreement to both Counties for review and comment once finalized.

ADJOURNMENT

On the motion of Mr. Goodwin, seconded by Mr. Nichols, which carried by a vote of 6-0, the Board voted to adjourn the February 3, 2015, meeting at approximately 11:55 p.m.

BY ORDER OF:

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