

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

Present: Steven M. Nichols, Goodman B. Duke (Chairman), D. D. Watson (arrived 1045), Joe Chesser (Treasurer), and Christian R. Goodwin

Absent: Erick Gomez

Others Present: Brendan Hefty, Hefty & Wiley, P.C., Legal Counsel; Joe Modica, MBP Engineering; Joe Hines, Timmons Engineering; Pete Morris, Faulconer Construction; Ed Stelter, Faulconer Construction; Wayne Stephens, Fluvanna Engineer; Pam Baughman, Louisa County Water Authority; David Saunders, Timmons Engineering; Eric Dahl, Fluvanna County Finance Director

CALL TO ORDER

Chairman Duke called the October 5, 2015, regular meeting of the James River Water Authority (JRWA) Board of Directors to order at 10:33 a.m. Mr. Nichols led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Chesser seconded by Mr. Nichols, which carried by a vote of 4-0, the Board approved the October 5, 2015, agenda.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

On the motion of Mr. Goodwin seconded by Mr. Nichols, which carried by a vote of 4-0 the Board approved the minutes of the September 8, 2015, meeting (with a slight change suggested by Mr. Nichols to the Dominion preliminary engineering vote description).

FINANCIAL REPORT

Approval of Bills

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

- Faulconer Construction; construction planning draw #5; \$18,383.45
- MBP; engineering evaluation; \$2,242.50

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

Audit Engagement Approval

Mr. Nichols reviewed the fiscal year 2016 audit proposal from Wunsh & Wunsh for a total of \$2,800. On the motion of Mr. Goodwin seconded by Mr. Nichols, which carried by a vote of 5-0, the Board approved the agreement.

DISCUSSION/INFORMATION ITEMS

Update – Financing Schedule

Mr. Goodwin advised that the JRWA would not be participating in the Virginia Resources Authority's (VRA) fall pool due to timing constraints. This leaves a choice of either: the spring pool, with potentially higher interest rates and higher costs associated with construction delays (material and labor prices); or a special pool, which would require the JRWA to bear a higher proportion of the pool's fixed issuance costs since there would be fewer pool participants.

Update - Permit Relocation

Mr. Joe Hines, Timmons Group, advised that DEQ is suggesting two changes to the proposed permit:

1. An instantaneous withdrawal velocity restriction of 13,980 GPM, which would only be applied during drought conditions and which would equate to roughly 20.1 MGD. This would allow the JRWA to withdraw the permitted maximum regular amount of 8.57MGD in a period of roughly 10.2 hours.
2. An increase in required meter accuracy from 10% to 5%.

Mr. Nichols asked if the intake could still support this flow rate at the required screen flow velocity of 0.25fps. Mr. Saunders replied that the permitted amount could still be achieved in a 24 hour period with appropriate configuration. General discussion between engineering personnel regarding options and factors ensued. Mr. Watson asked about controls and reporting requirements, and Mr. Hines responded that DEQ did not have automatic system controls, but relied on reporting provided by the Authority.

Update – Guaranteed Maximum Price (GMP)

Mr. Modica advised that a GMP had been reached for the JRWA portion of the project after much negotiation and cost reduction measures. A list of questions regarding final engineering and specification issues is currently under review by Timmons and Faulconer.

ACTION ITEMS

None.

CLOSED MEETING

On the motion of Mr. Goodwin, seconded by Mr. Nichols, which carried by a vote of 5-0, the Board voted to enter Closed Session at 10:58 a.m. for the purpose of discussing the following:

1. In accordance with §2.2-3711.A.3 VA Code Ann., for the purpose of discussion of the acquisition of property, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body, specifically related to the location for the pump station.
2. In accordance with §2.2-3711.A.7 VA Code Ann., for the purpose of consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by counsel, specifically related to the permit structure.

RESUMPTION OF REGULAR SESSION

On the motion of Mr. Chesser, seconded by Mr. Watson, which carried by a vote of 5-0, the Board voted to return to regular session at 11:43 a.m.

RESOLUTION - CERTIFICATION OF CLOSED SESSION

On the motion of Mr. Goodwin, seconded by Mr. Nichols, which carried by a vote of 5-0, 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.

NAME

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

VOTE

Yes/Aye
Yes/Aye
Absent
Yes/Aye
Yes/Aye
Yes/Aye

OTHER ITEMS

Mr. Nichols reviewed the draft timeline for the project. It was agreed after general discussion that Mr. Hefty should reach out to the JRWA Financial Advisor and Bond Counsel to ascertain:

- If the required Support Agreements are specific to a specific VRA pool
- If there is sufficient time to consider a special pool as opposed to the VRA spring pool.

Mr. Modica agreed that all GMP-related issues should be finalized by Friday, October 9, 2015 in order that Support Agreements with accurate totals can be included in both Louisa and Fluvanna second October Board meeting packets if necessary pending answers from Mr. Hefty.

ADJOURNMENT

On the motion of Mr. Watson, seconded by Mr. Goodwin, which carried by a vote of 5-0, the Board voted to adjourn the October 6, 2015, meeting at 12:00 p.m.

BY ORDER OF:

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