

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
MARCH 30, 2016
3:00 P.M.**

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

Others Present: Brendan Hefty, Hefty & Wiley, P.C. (Legal Counsel); Steve Johnson, Troutman Sanders (Bond Counsel); Sean Ekiert, Raymond James (Financial Advisor)

CALL TO ORDER

Chairman Duke called the meeting of the James River Water Authority (JRWA) Board of Directors to order at 3:00 p.m. Mr. Nichols led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Watson, seconded by Mr. Dunning, which carried by a vote of 6-0, the Board approved the agenda.

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

No minutes were presented for approval.

FINANCIAL REPORT

Two bills were submitted for payment: \$103 from Valley Publishing (public notices); and \$34,065.09 for Faulconer Construction Company. On the motion of Mr. Nichols seconded by Mr. Watson, which carried by a vote of 6-0, the Board voted unanimously to approve payment.

DISCUSSION/INFORMATION ITEMS

Discussion – Debt Issuance Consideration

Mr. Steve Johnson briefed the Board on the documents included in the Board packet for consideration. Mr. Johnson stated that the anticipated rate for issuance should be between 3.25-3.5%, and that May 3 is the final date for pricing. The debt reserve fund will need to be fully funded (approximately \$500,000) by sale closing on May 25. The issuance is structured such that the Board would cash fund the reserve, but if sufficient funds exist in the issuance for the project and the reserve fund, the Board may elect to debt-fund the reserve fund. Mr. Watson asked about penalties for early repayment. Mr. Ekiert responded that the Virginia Resources Authority (VRA) would still retain full administrative fees, and that most entities considering early repayment do not do so until about 10 years into the issuance for

financial feasibility reasons. Mr. Watson and Mr. Dunning questioned the sufficiency of the amount in the issuance documents, and Mr. Nichols responded that projected costs were based on the GMP when the initial parcel was used. Mr. Goodwin stated that Timmons and Faulconer believe the soils and conditions should be materially comparable. Mr. Nichols stated that efforts to gain access to the property were ongoing and compliant with legal requirements. Mr. Hefty advised that the Board discuss the property acquisition in closed session.

CLOSED MEETING

On the motion of Mr. Watson seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to enter Closed Session at 3:30 p.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 pump station parcel.

RESUMPTION OF REGULAR SESSION

On the motion of Mr. Goodwin seconded by Mr. Watson, which carried by a vote of 6-0, the Board voted to return to regular session at 4:14 p.m.

RESOLUTION - CERTIFICATION OF CLOSED SESSION

On the motion of Mr. Goodwin, seconded by Mr. Nichols, 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.

NAME

Joe Chesser
D.D. Watson

VOTE

Yes/Aye
Yes/Aye

Mark Dunning
Christian R. Goodwin
Steven M. Nichols
Goodman B. Duke

Yes/Aye
Yes/Aye
Yes/Aye
Yes/Aye

ACTION ITEMS

Bond Resolution

Mr. Nichols motioned to approve the bond resolution and the motion was seconded by Mr. Chesser. Mr. Chesser asked where the funds are retained and how the JRWA would be able to access them. Mr. Ekiert responded that funds were requisitioned as pay applications were received. General discussion of project funds ensued. The Chairman called for a vote, and the motion passed 6-0.

OTHER ITEMS

Mr. Watson motioned to allow Mr. Nichols to negotiate with affected property owners for access to perform engineering, testing, and surveying on the pump station and initial routing parcels. Mr. Dunning seconded the motion, which passed 6-0. Mr. Hefty agreed to draft updated letters to parcel owners.

ADJOURNMENT

On the motion of Mr. Goodwin, seconded by Mr. Watson, which carried by a vote of 6-0, the Board voted to adjourn the meeting at 4:30 p.m.

BY ORDER OF:

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