

**James River Water Authority
Board of Directors Meeting
181 Clubhouse Way
Zion Crossroads, Virginia
October 4, 2016
10:30 A.M.**

Regular Business Meeting of the James River Water Authority Board of Directors

- I. Call to Order**
- II. Adoption of Agenda**
- III. Items from the Public**
- IV. Approval of Minutes of Preceding Meeting**
 - a. September 6, 2016 – Regular Meeting
- V. Financial Report**
- VI. Discussion/Information Items**
 - a. Discussion - PPEA Contractor Updates (Pre-Con, Permits, Easement Acquisition, Access)
- VII. Action Items**
 - A. Consent Agenda**
 - B. Closed Meeting**
 - C. Adjournment**

The James River Water Authority Board of Directors reserves the right to amend and/or change the Agenda the day of the meeting.

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

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
SEPTEMBER 6, 2016
10:30 A.M.**

Present: Goodman B. Duke (Chairman), D.D. Watson (arrived 10:32 a.m.), Mark Dunning, Steven M. Nichols, and Christian R. Goodwin

Absent: Joe Chesser (Treasurer)

Others Present: Mr. Brendan Hefty, Legal Counsel (Hefty, Wiley, and Gore); Joe Hines (Timmons Group); Walter “Nat” Perkins (MBP); Pete Morris (Faulconer Construction); Wayne Stephens (Fluvanna County); Eric Dahl (Fluvanna County); Pam Baughman (Louisa Water Authority); Ed Stelter (Faulconer Construction); David Saunders (Timmons Group); and Steven Wunsch (Wunsch and Associates).

CALL TO ORDER

Chairman Duke called the meeting of the James River Water Authority (JRWA) Board of Directors to order at 10:30 a.m. Mr. Nichols led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

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

READING AND APPROVAL OF MINUTES OF PRECEDING MEETINGS

Two slight corrections were suggested by Mr. Nichols and Mr. Goodwin.

On the motion of Mr. Nichols, seconded by Mr. Dunning, which carried by a vote of 4-0, the Board approved the minutes of the August 2, 2016, meeting.

FINANCIAL REPORT

Mr. Nichols briefly summarized the Authority’s financial position. Bills were discussed, specifically for: Faulconer Construction (Payment Application 8), \$5,225; MBP (engineering consulting), \$1,822.50; and U.S. Bank (Debt interest payment), \$148,311.05.

On the motion of Mr. Watson, seconded by Mr. Nichols, which carried by a vote of 5-0, the Board approved the bills for the month of July.

DISCUSSION/INFORMATION ITEMS

FY16 Audit Review

Mr. Steven Wunsh provided a review of the draft fiscal year 2016 audit report, stating that the Authority's financial records fairly represented the entity's financial position. Mr. Wunsh reviewed items on the Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets.

On the motion of Mr. Goodwin, seconded by Mr. Nichols, which passed by a vote of 5-0, the Board accepted the audit report.

Mr. Wunsh noted that he also included a contract for the fiscal year 2017 audit for the Board's consideration. Brief discussion regarding the current service and compliance with procurement ensued, and Mr. Nichols noted that a solicitation to consider a new auditor might be in order after the fiscal year 2017 might be desirable to ensure rotation. On the motion of Mr. Nichols, seconded by Mr. Dunning, which passed by a vote of 5-0, the Board resolved to utilize Mr. Wunsh's services for the fiscal year 2017 audit.

Update - Pre-Construction Progress

Mr. Pete Saunders updated the Board on efforts to date, noting that a meeting would be held later today to consider final Comprehensive Contract issues, which should be finalized today. Plats for several properties are with Timmons Group for review. Mr. Joe Hines reviewed the plats in further detail, stating that CSX alignment needed to be updated, and that plats should be finalized today. Some survey work is still necessary in places. The Virginia Marine Resources Commission permit has been finalized for both the JRWA and the Louisa portions of the James River Water Project.

Update – DEQ Permit Modification

Mr. Joe Hines provided an update on the Department of Environmental Quality minor modification to the Authority's withdrawal permit. According to Mr. Hines, several of the concerns were addressed with DEQ last week and Timmons is preparing formal responses. Wetlands delineations from the Corps of Engineers were received last week, and this was critical to the permit modification. Mr. Nichols asked if the delineations agreed with existing data, and Mr. Hines said yes.

Update – Cultural Resources Survey

Mr. Hines noted that Timmons is waiting on affected areas from the Corps of Engineers. The JRWA archaeologists has reached out to the Virginia Department of Historic Resources, but that agency is also waiting on the aforementioned information from the Corps of Engineers.

Mr. Nichols asked if there were any significant issues with the DEQ permit. Mr. Hines said no; there had been personnel changes at DEQ and making sure everyone was up to speed required some extra time. Mr. Dunning asked about the timeline, and Mr. Hines responded that this would be dependent on the regulatory agencies.

Update – Access Issues

The Board elected to consider the issue in Closed Session.

ACTION ITEMS

JRWA Incumbancy Certificate

Mr. Dahl reported to the Board that this required document sets forth who is allowed to request reimbursements from the debt issuance for project expenditures. General discussion over timing and cash flows ensued. On the motion of Mr. Nichols, seconded by Mr. Goodwin, which passed by a vote of 5-0, the Board resolved to list Mr. Eric Dahl (JRWA Fiscal Agent finance director) and Mr. Joe Chesser (Authority Treasurer) on the certificate.

CLOSED SESSION

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 10:59 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 pipeline parcels.

RESUMPTION OF REGULAR SESSION

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

RESOLUTION - CERTIFICATION OF CLOSED SESSION

On the motion of Mr. Nichols, seconded by Mr. Goodwin, 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
Mark Dunning
Christian R. Goodwin
Steven M. Nichols
Goodman B. Duke

VOTE

(Absent)
Yes/Aye
Yes/Aye
Yes/Aye
Yes/Aye
Yes/Aye

ADJOURNMENT

On the motion of Mr. Watson, seconded by Mr. Dunning, which carried by a vote of 5-0, the Board voted to adjourn the meeting at 11:11 a.m.

BY ORDER OF:

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