

**JAMES RIVER WATER AUTHORITY
BOARD OF DIRECTORS
SPRING CREEK SPORTS CLUB
181 CLUBHOUSE WAY
ZION CROSSROADS, VIRGINIA
March 7, 2017
10:30 A.M.**

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

Others Present: Mr. Brendan Hefty, Legal Counsel (Hefty, Wiley, and Gore); Pete Morris (Faulconer Construction); Greg Krysiniak (Faulconer Construction); Mike Knight (MBP Engineering), Joe Modica (MBP Engineering); Doug Wiley (property owner); Wayne Stephens and Eric Dahl (Fluvanna County), and Joe Hines and David Saunders (Timmons Group)

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

APPROVAL OF MINUTES OF PRECEDING MEETINGS

On the motion of Mr. Watson, seconded by Mr. Nichols, which carried by a vote of 6-0, the Board approved the minutes of the February 7, 2017, meeting.

FINANCIAL REPORT

Mr. Chesser stated that the initial reimbursement to Louisa County was short by \$60 and asked if the Board would approve a payment to Louisa for the same. A \$100 fee for the Virginia Marine Resources Commission permit was also requested for payment. Bills included in the packet were also considered. On the motion of Mr. Nichols, seconded by Mr. Goodwin, which carried by a vote of 6-0, the Board approved these payments.

Mr. Chesser reported that the Authority's available balance was \$688,682.40.

DISCUSSION/INFORMATION ITEMS

Discussion – FY18 Budget

Mr. Dahl reviewed the proposed fiscal year 2018 budget which was included in the Board's packet, noting that it included debt service and costs associated with the Service Agreement. Mr. Dunning stated that it was advisable to evaluate long-term operational costs for inclusion in the five year forecast starting in FY19. Faulconer and Timmons representatives reminded the Board that personnel requirements should be less than a full-time position annually. Mr. Duke asked about existing project costs being in the budget, and Mr. stated that he would carry over those costs from the current fiscal year budget as they had been already approved. The Board asked Mr. Dahl to work with contractors to forecast these costs for the final proposed budget, which would be presented to the Board for adoption prior to the close of the current fiscal year.

Discussion – Update on Property Acquisition

Mr. Hefty stated that Authority contractors now have the right to access the properties as the certificates of take had been filed. These personnel require immediate access, which is being finalized by the Authority's property acquisition counsel. Mr. Hefty noted that mediation in the very near future is anticipated with the property owners, and that their counsel has not provided a counter offer. The Board discussed the mediation process itself, and legal counsel provided answers to a number of related questions.

Discussion – Army Corps of Engineers Permit Status

Mr. Hines stated that an onsite meeting was held on February 8th, and that Timmons recently submitted a required testing protocol for the Virginia Department of Historic Resources (VDHR) review. Testing will involve deep probes at the pump station, and excavations up to 7' deep at 50' intervals on the pipe route. This can take place in advance of Native American tribe burial permits, which are also in process. If items of historical significance are found prior to these permits, testing can be moved to another location until permits are finalized. Timmons is also working with CSX to finalize details on working within their right of way.

Mr. Hines noted that as soon as VDHR approves the testing scope (anticipated within a few days), a meeting can be set up with necessary state agencies and the Authority so that all parties have a clear understanding of any remaining issues will be resolved. When the scope is approved, Timmons can provide a budget for the testing process for the Authority's consideration. The testing process should take 2-4 weeks.

Mr. Nichols asked if these costs were part of the Guaranteed Maximum Price (GMP). Mr. Hines stated that they were not.

CLOSED SESSION

On the motion of Mr. Goodwin, seconded by Mr. Nichols, which carried by a vote of 6-0, the Board voted to enter Closed Session at 11:09 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.

RESUMPTION OF REGULAR SESSION

On the motion of Mr. Goodwin seconded by Mr. Nichols, which carried by a vote of 6-0, the Board voted to return to regular session at 11:41 a.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.

<u>NAME</u>	<u>VOTE</u>
Joe Chesser	Yes/Aye
D.D. Watson	Yes/Aye
Mark Dunning	Yes/Aye
Christian R. Goodwin	Yes/Aye
Steven M. Nichols	Yes/Aye
Goodman B. Duke	Yes/Aye

Other

Mr. Hefty and Mr. Nichols communicated paragraph e. on page 8 of the Comprehensive Agreement, which states that permit costs are within the GMP. Mr. Hines and Mr. Morris agreed to research the issue.

ADJOURNMENT

On the motion of Mr. Goodwin, seconded by Mr. Chesser, which carried by a vote of 6-0, the Board voted to adjourn the meeting at 11:43 a.m.

BY ORDER OF:

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

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