

**JAMES RIVER WATER AUTHORITY BOARD OF DIRECTORS
FLUVANNA COUNTY LIBRARY
PALMYRA, VIRGINIA
July 13, 2022
9:00 A.M.**

Present: D. D. Watson (Chairman, left 10:04a.m.), Joe Chesser (Treasurer), Eric Anderson, Eric Dahl, and Eric Purcell

Absent: (none)

CALL TO ORDER

Chairman Watson called the meeting of the James River Water Authority (JRWA) Board of Directors to order at 9:00 a.m. and led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Anderson, seconded by Mr. Purcell, which carried by a vote of 6-0, the agenda was adopted.

ITEMS FROM THE PUBLIC

There were no comments from the public.

APPROVAL OF MINUTES OF PRECEDING MEETING

On the motion of Mr. Purcell, seconded by Mr. Anderson, which carried by a vote of 5-0, the Board approved the minutes of the April 13, 2022 meeting.

FINANCIAL REPORT

Mr. Chesser and Mr. Dahl briefed the Board on bills in the packet for consideration, noting the need for ratification of several bills due to the lack of a June meeting. On the motion of Mr. Purcell, seconded by Mr. Goodwin, the payments and ratifications were approved by a vote of 6-0.

PUBLIC INFORMATION AND DISCUSSION

Discussion – Corps of Engineers Permit

The Board received an update on the Corps of Engineers (COE) permit process from Mr. Justin Curtis of Aqualaw. Mr. Curtis noted that this was advertised twice in The Fluvanna Review as a public information meeting in accordance with requirements. According to Mr. Curtis, Timmons is wrapping up the joint permit application, which should be ready for submission in two weeks. The Virginia Marine Resources Commission (VRMC) will consider a new permit application for the intake in the James and the crossing at the Rivanna. The Corps will consider its permit under the nationwide 58 permit process, which is more streamlined than their individual permit process

which would have been required at the prior location. The Department of Environmental Quality's (DEQ) permit will be a modification of the existing permit which runs through 2030, although the JRWA could request a new permit which would be a new 15 year term. The process for each are similar. There is a roughly \$25-30K permit fee from DEQ, and the exact fee amount will be calculated when the application is received. Other consultation with agencies such as the Department of Historic Resources (DHR) and the U.S. Fish and Wildlife Service (USFWS) will take place as necessary.

Regarding the cultural review process, Mr. Curtis also reported that the phase 1 report has been finalized, allowing Gray and Pape to finish the phase 2 work plan, which is now out for feedback from consulting parties. GAI has nearly completed the request for proposal for the phase 2 work, which could change pending comments and proposal responses. GAI will review the responses and bring a recommendation for board approval in September. Mr. Curtis stated that the intent is to move the work at the pump station forward first, which requires the DEQ permit, which is estimated to take 180 days under DEQ's new effort to streamline their efforts. The intent, according to Mr. Curtis, would be to enter into a memorandum of agreement to complete the phase 3 work during construction.

Discussion – Project Cost Update for Construction / Engineering and Related Services

Mr. Greg Krystyniak with Faulconer Construction reviewed the updated cost summary in the board packet. He stated that Faulconer Construction worked with Timmons to update the costs under an assumption of construction in 2023, and noted that the estimate does not include owner representation, property acquisition, or contingency. Base project costs increased from \$23.5M to 31.8M according to the estimate. Mr. Purcell asked if the estimate contemplated supply chain issues, and Mr. Krystyniak said that it did. He noted that the benefit of Design/Build contracts was that initial estimates were typically higher, but that the process added the potential of value-engineering to control actual costs.

Mr. Krystyniak and Mr. Joe Hines (Timmons) discussed the need for an Interim Agreement to start advance efforts on long-lead items such as final design and material orders. Mr. Watson asked about onsite storage for materials, and Mr. Krystyniak noted that several options were available and that the team was flexible. Mr. Dahl noted the potential project grant from the Virginia Department of Health (VDH) and associated requirements such as Buy America and Davis Bacon. Mr. Hines responded that the project team was familiar with the requirements and that a cost/benefit evaluation may be necessary.

Discussion – VDH Grant Application for Construction Funds

Mr. Goodwin reviewed the recent application to VDH for project funds, noting an assumption of roughly 38M for total project costs based on consultation with the project team. The JRWA still has roughly \$5M million in funding from the initial debt issuance, and a VDH decision is expected in the fall. General discussion about the project costs and grant process ensued.

ACTION ITEMS

Timmons Group Project Management / Coordination Services Budget Request

Mr. Hines reported that Timmons was approaching full expenditure of budgeted funds and the request for \$60K to continue work on the joint permit application, design and support for cultural resources and related project work was included in the board packet. He noted that the funding should be sufficient at least through the end of 2022. On the motion of Mr. Chesser, seconded by Mr. Anderson, the request was approved by a vote of 6-0.

James River Water Authority Financial Statements for June 30, 2021

Mr. Dahl gave a brief overview of the audit report in the Board packet, noting that Fluvanna County serves as the fiscal agent for the JRWA. Mr. David Foley, audit manager for Robinson, Farmer Cox Associates, reviewed the audit process and findings. He noted that the JRWA received an unmodified, or clean, audit opinion, which is the best finding. Mr. Foley stated that he had no disagreements with managements and no audit adjustments, and said that this was a testimony to the capability of the JRWA’s fiscal agent. Mr. Anderson asked if the JRWA’s property was included in the balance sheet, and Mr. Dahl said it was. Mr. Dahl noted minor changes (including dates) between the draft and final report. Mr. Watson had to leave the meeting, and Mr. Anderson assumed the Chair role.

On the motion of Mr. Goodwin, seconded by Mr. Purcell, the audit was approved by a vote of 5-0.

FY21 to FY22 Capital Budget Carryover

Mr. Dahl reviewed the carryover request for unspent funds in FY21. On the motion of Mr. Purcell, seconded by Mr. Chesser, the carryover was approved by a vote of 5-0.

CONSENT AGENDA

(none)

CLOSED SESSION

(none)

ADJOURNMENT

On the motion of Mr. Chesser, seconded by Mr. Purcell, which carried by a vote of 5-0, the Board voted to adjourn the meeting at 10:12 a.m.

BY ORDER OF:

D.D. WATSON, CHAIRMAN
BOARD OF DIRECTORS
JAMES RIVER WATER AUTHORITY