

**James River Water Authority
Board of Directors Meeting
214 Commons Blvd.
Palmyra, VA 22963
May 12, 2021
9:00 A.M.**

Because of the continuing public health emergency related to COVID-19, the James River Water Authority (JRWA) Meeting is currently **closed to in-person attendance**.

Members of the public who wish to attend the meeting may do so remotely through Zoom.

Join with Zoom App (Computer, smartphone, tablet)

<https://us02web.zoom.us/j/88422346406?pwd=dlc0T2dlSmp6Tkw2MElDcmxRTlNzZz09>

Meeting ID: 884 2234 6406 /**Passcode:** 816174 /**Join by Phone:** (audio only) 1-301-715-8592

Regular 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. April 14, 2021 – Regular Meeting
- V. Financial Report**
 - a. Bills Approval
 - i. AquaLaw
 - ii. Hefty Wiley & Gore
 - iii. GAI Consultants
 - iv. Timmons Group
- VI. Discussion/Information Items**
 - a. Discussion – COE Permit
- VII. Action Items**
 - a. FY20 JRWA Final Audit
 - b. Timmons Group - Additional Professional Services
 - c. GAI/Gray and Pape Proposal
- VIII. Consent Agenda**
- IX. Closed Meeting**
- X. 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:
D.D. WATSON, CHAIRMAN
BOARD OF DIRECTORS
JAMES RIVER WATER AUTHORITY

**JAMES RIVER WATER AUTHORITY BOARD OF DIRECTORS
FLUVANNA COUNTY LIBRARY, 214 COMMONS BLVD.
PALMYRA, VIRGINIA**

**April 14, 2021
9:00 A.M.**

Due to the continuing impact of the COVID-19 pandemic, the meeting was held electronically via Zoom.

Present: D. D. Watson (Chairman), Mark Dunning (Vice Chairman), Joe Chesser (Treasurer), Eric Dahl, and Christian Goodwin

Absent: Troy Wade

CALL TO ORDER

Due to audio issues with the Chairman's connection, Vice-Chairman Dunning called the meeting of the James River Water Authority (JRWA) Board of Directors to order at 9:06 a.m., and led the Board in the Pledge of Allegiance.

ADOPTION OF AGENDA

On the motion of Mr. Goodwin seconded by Mr. Dahl, which carried by a vote of 4-0, the agenda was adopted.

ITEMS FROM THE PUBLIC

There were no comments made by the public.

APPROVAL OF MINUTES OF PRECEDING MEETING

On the motion of Mr. Goodwin, seconded by Mr. Dahl, which carried by a vote of 4-0, the Board approved the minutes of the February 10, 2021 meeting.

FINANCIAL REPORT

Mr. Chesser reviewed the bills as presented in the board's packet. On the motion of Mr. Watson (audio issues rectified), seconded by Mr. Dahl, which passed by a vote of 5-0, the report and bills were approved. Mr. Watson asked Mr. Dunning to continue to chair the meeting.

DISCUSSION/INFORMATION ITEMS

COE Permit Update

The Board received an update from Justin Curtis on the Corps of Engineers (COE) permit process. The bathymetric survey has been completed after initial delays due to high water levels in the

James River, and now that the preliminary location for the pump station at the Forsyth location has been determined, the footprint for the cultural resources study at that location and route is now being finalized by GAI and Gray and Pape. This involves relevant work at the pump station site, pipeline/right of way route, and other elements such as laydown areas, access, and utilities. GAI will complete its review and forward the results to Gray and Pape this week. Gray and Pape will then prepare a work plan and budget based on the actual survey requirements, which involve shovel testing in most areas and a few areas of deep testing near the rivers and pump station. If the budget exceeds the initial estimate presented to the Board, the Board will have the opportunity to review it before efforts proceed. The work plan will also be reviewed with the Monacan Indian Nation, the Corps of Engineers and the Department of Historic Resources (DHR) in accordance with the JRWA continued good faith and transparent efforts. A landowner permission form will also be circulated in order to perform tests and curate any artifacts which may be identified.

Mr. Goodwin asked about the timeline for the survey work, noted that the initial estimate had been 60 days before the delay in the bathymetric survey. Mr. Curtis stated that it should take 1-2 weeks for Gray and Pape to complete the work plan, 30 days to circulate that plan with the parties, and 30 days to complete the fieldwork. Mr. Hines provided additional details about the route surveys to date.

Mr. Dunning asked about required permits. Mr. Curtis stated that the JRWA's existing VMRC permit extends to 2023 and would require a modification. The Department of Environmental Quality (withdrawal) permit is good for 15 years; this may require either a modification or a resubmittal pending guidance from the agency. The COE application could require either a modification or a resubmittal.

Mr. Dahl asked about landowner approval timing, and Mr. Curtis responded that this could begin immediately with the exception of the deep testing areas, which should be delayed until the work plan is finalized.

Mr. Dunning noted that the JRWA might consider a public statement when survey efforts begin, and Mr. Curtis agreed.

Mr. Goodwin asked if an anticipatory burial permit was required. Mr. Curtis noted that it was not. The JRWA obtained one for testing in a good-faith effort at the existing pump station location in consultation with DHR. Based on input from the consulting parties, the Forsyth route had been chosen for several reasons, include their belief that there was a low probability of encountering buried remains. A burial permit could be required for construction pending the results of the cultural resources survey.

ACTION ITEMS

Fiscal Year 2022 Budget – Carryover from FY20

Mr. Dahl reported that the JRWA had expended roughly \$605K during FY20 for project costs, leaving an audited balance of \$6,344,613.43. These costs need to be carried over for ongoing use, and he stated that the JRWA had expended approximately \$100K to date in the current fiscal year. Mr. Goodwin motioned to carry the aforementioned balance forward. Mr. Chesser seconded the

motion, which passed by a vote of 5-0.

CONSENT AGENDA

(none)

CLOSED SESSION

(none)

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 meeting at 9:29 a.m.

BY ORDER OF:

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

AQUALAW

CHRISTOPHER D. POMEROY
CHRIS@AQUALAW.COM

PH: 804.716.9021
FX: 804.716.9022

April 19, 2021

Mr. Eric Dahl
Administrator
Fluvanna County
P.O. Box 540
Palmyra, VA 22963



Re: James River Water Authority

Dear Eric:

Enclosed is our invoice for services rendered during March.

We greatly appreciate the opportunity to work with you. Please let me know if you have any questions.

Best regards,



Christopher D. Pomeroy

Enclosure

cc: Brendan Hefty, Esq.

AQUALAW

April 19, 2021

James River Water Authority
P.O. Box 540
Palmyra, VA 22963

Attention: Eric Dahl
RE: General

Our File #: 0293-001
Inv #: 13407

DATE	WORK PERFORMED	HOURS	AMOUNT	LAWYER
Mar-02-21	Participate in virtual meeting with team re Alternative 1C survey and next steps	1.40	581.00	JWC
Mar-22-21	Virtual meeting with team to review status of Forsyth alternative study and next steps; prepare action item list and circulate to the team; teleconference with third party re status of relevant litigation	2.00	830.00	JWC
	Subtotal	<u>3.40</u>	<u>\$1,411.00</u>	

TOTAL AMOUNT THIS PERIOD

\$1,411.00

Previous Balance

\$3,195.50

Previous Payments

\$3,195.50

BALANCE DUE NOW

\$1,411.00

Payment Remit Address: AquaLaw PLC, 6 South 5th Street, Richmond, Virginia 23219

Thank you for choosing AQUALAW PLC. (Tax ID No. 45-0484029)

Please call (804) 716-9021 ext. 224 with invoice questions.

Payment is appreciated within 30 days.

HEFTY WILEY & GORE, P.C.

100 West Franklin Street, Suite 300 • Richmond, VA 23220

BILL TO

James River Water Authority
ATTN: Eric Dahl
P.O. Box 540
132 Main Street
Palmyra, VA 22963

**INVOICE # 11107****DATE 04/25/2021**

DATE	DESCRIPTION	QTY	RATE	AMOUNT
	Agreed monthly fee for serving as legal counsel to JRWA board for April, May, and June 2021	3	2,500.00	7,500.00
			BALANCE DUE	\$7,500.00



INVOICE

Pittsburgh
385 East Waterfront Drive
Homestead, PA 15120-5005

T 412.476.2000
F 412.476.2020



Eric Dahl
James River Water Authority
132 Main St
PO Box 540
Palmyra, VA 22963

February 22, 2021
Project No: C190908.00
Invoice No: 2159991

Project C190908.00 JRWA - cultural oversight - water supply project
Planning & Coordination with Council

Professional Services Through February 6, 2021

Task 001 Consultation and Document Review

Professional Personnel

	Hours	Rate	Amount
E08 ; Assistant Director Tidlow, Evelyn	3.00	175.00	525.00
E06 ; Cultural Resources Managers Glenn, Jonathan	5.00	128.00	640.00
Totals	8.00		1,165.00
Total Labor			1,165.00

Billing Limits

	Current	Prior	To-Date
Total Billings	1,165.00	107,781.89	108,946.89
Limit			342,465.59
Remaining			233,518.70

Total this Task \$1,165.00

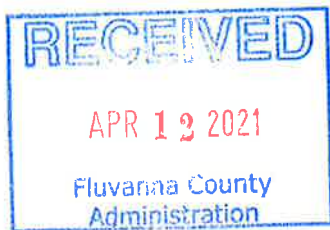
Total this Invoice \$1,165.00



INVOICE

Pittsburgh
385 East Waterfront Drive
Homestead, PA 15120-5005

T 412.476.2000
F 412.476.2020



Eric Dahl
James River Water Authority
132 Main St
PO Box 540
Palmyra, VA 22963

April 2, 2021
Project No: C190908.00
Invoice No: 2161166

Project C190908.00 JRWA - cultural oversight - water supply project
Planning & Coordination with Council

Professional Services Through March 20, 2021

Task 001 Consultation and Document Review

Professional Personnel

	Hours	Rate	Amount
E08 ; Assistant Director Tidlow, Evelyn	2.50	175.00	437.50
E06 ; Cultural Resources Managers Glenn, Jonathan	3.50	128.00	448.00
Totals	6.00		885.50
Total Labor			885.50

Billing Limits

	Current	Prior	To-Date
Total Billings	885.50	108,946.89	109,832.39
Limit			342,465.59
Remaining			232,633.20

Total this Task \$885.50

Total this Invoice \$885.50

Outstanding Invoices

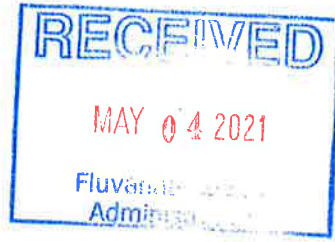
Number	Date	Balance
2159991	2/22/2021	1,165.00
Total		1,165.00



INVOICE

Pittsburgh
385 East Waterfront Drive
Homestead, PA 15120-5005

T 412.476.2000
F 412.476.2020



Eric Dahl
James River Water Authority
132 Main St
PO Box 540
Palmyra, VA 22963

April 30, 2021
Project No: C190908.00
Invoice No: 2162154

Project C190908.00 JRWA - cultural oversight - water supply project
Planning & Coordination with Council & possible subconsultant

Professional Services Through April 17, 2021

Task 001 Consultation and Document Review

Professional Personnel

	Hours	Rate	Amount
E08 ; Assistant Director Tidlow, Evelyn	9.50	175.00	1,662.50
E06 ; Cultural Resources Managers Glenn, Jonathan	6.00	128.00	768.00
Totals	15.50		2,430.50
Total Labor			2,430.50
		Total this Task	\$2,430.50

Billing Limits	Current	Prior	To-Date
Total Billings	2,430.50	109,832.39	112,262.89
Limit			342,465.59
Remaining			230,202.70

Total this Invoice \$2,430.50

Outstanding Invoices

Number	Date	Balance
2159991	2/22/2021	1,165.00
2161166	4/2/2021	885.50
Total		2,050.50



INVOICE

Eric Dahl
 James River Water Authority
 Fluvanna County Office Building
 132 Main Street
 PO Box 540
 Palmyra, VA 22963

March 9, 2021
 Project No: 39677.002
 Invoice No: 257620
 Due Date: April 8, 2021

Invoice Total 9,379.28

Project 39677.002 JRWA - Management/Coordination & Svcs

Professional Services through February 28, 2021

Phase U03 General Project Management Services

Professional Personnel

	Hours	Rate	Amount	
Sr. Principal	19.50	275.00	5,362.50	
Project Manager	5.00	145.00	725.00	
Sr. Environmental Scientist	19.75	110.00	2,172.50	
Environmental Scientist II	10.00	100.00	1,000.00	
Totals	54.25		9,260.00	
Total Labor				9,260.00

Billing Limits

	Current	Prior	To-Date	
Total Billings	9,260.00	8,102.50	17,362.50	
Limit			30,000.00	
Remaining			12,637.50	
				Total this Phase 9,260.00

Phase XPS Reimbursable Expenses

Reimbursable Expenses

Mileage			119.28	
Total Reimbursables			119.28	119.28
				Total this Phase 119.28

Total this Invoice 9,379.28

Please Remit to:
 1001 Boulders Pkwy, Suite 300
 Richmond, VA 23225
 804.200.6500

Federal Tax ID: 54-1301413

EFT Remittance:
 Towne Bank | Glen Allen, VA
 ABA #051408949 | A/C #0281001456
 ap@timmons.com



INVOICE

Eric Dahl
 James River Water Authority
 Fluvanna County Office Building
 132 Main Street
 PO Box 540
 Palmyra, VA 22963

April 6, 2021
 Project No: 39677.002
 Invoice No: 259373
 Due Date: May 6, 2021

Invoice Total 9,202.50

Project 39677.002 JRWA - Management/Coordination & Svcs

Professional Services through March 28, 2021

Phase U03 General Project Management Services

Professional Personnel

	Hours	Rate	Amount	
Sr. Principal	28.00	275.00	7,700.00	
Project Manager	6.00	145.00	870.00	
Sr. Environmental Scientist	5.75	110.00	632.50	
Totals	39.75		9,202.50	
Total Labor				9,202.50

Billing Limits

	Current	Prior	To-Date	
Total Billings	9,202.50	17,362.50	26,565.00	
Limit			30,000.00	
Remaining			3,435.00	
			Total this Phase	9,202.50

Total this Invoice 9,202.50

Outstanding Invoices

Number	Date	Balance
257620	3/9/2021	9,379.28
Total		9,379.28

Please Remit to:
 1001 Boulders Pkwy, Suite 300
 Richmond, VA 23225
 804.200.6500

Federal Tax ID: 54-1301413

EFT Remittance:
 Towne Bank | Glen Allen, VA
 ABA #051408949 | A/C #0281001456
 ap@timmons.com



INVOICE

Eric Dahl
 James River Water Authority
 Fluvanna County Office Building
 132 Main Street
 PO Box 540
 Palmyra, VA 22963

April 6, 2021
 Project No: 39677.003
 Invoice No: 260600
 Due Date: May 6, 2021

Invoice Total	5,305.00
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Project 39677.003 JRWA Additional Analysis for Alter 1C

Professional Services through March 28, 2021

Phase	U01	Bathymetric Survey / Riverbank Survey	
	Total	9,900.00	
	Percent Complete	100.00	
		Total Earned	9,900.00
		Previous Fee Billing	7,920.00
		Current Fee Billing	1,980.00
		Total	1,980.00
		Total this Phase	1,980.00

Phase	U02	Concept Design & Location of Intake & PS	
	Total	9,500.00	
	Percent Complete	100.00	
		Total Earned	9,500.00
		Previous Fee Billing	6,175.00
		Current Fee Billing	3,325.00
		Total	3,325.00
		Total this Phase	3,325.00

Phase	U03	Develop Potential LOD for Alternative 1C	
	Total	9,500.00	
	Percent Complete	100.00	
		Total Earned	9,500.00
		Previous Fee Billing	9,500.00
		Current Fee Billing	0.00
		Total	0.00

Please Remit to:
 1001 Boulders Pkwy, Suite 300
 Richmond, VA 23225
 804.200.6500

Federal Tax ID: 54-1301413

EFT Remittance:
 Towne Bank | Glen Allen, VA
 ABA #051408949 | A/C #0281001456
 ap@timmons.com

Project	39677.003	JRWA Additional Analysis for Alter 1C	Invoice	260600
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Total this Phase -

Total this Invoice 5,305.00

Please Remit to:
1001 Boulders Pkwy, Suite 300
Richmond, VA 23225
804.200.6500

Federal Tax ID: 54-1301413

EFT Remittance:
Towne Bank | Glen Allen, VA
ABA #051408949 | A/C #0281001456
ap@timmons.com



April 12, 2021

Mr. Eric Dahl
James River Water Authority
Fluvanna County Office Building
132 Main Street
PO Box 540
Palmyra, VA 22963

Re: JRWA – Additional Professional Services for Project Management / Coordination and Additional Analysis of Alternative 1C: Invoices for Professional Service through February 28, 2021 and March 28, 2021

Dear Mr. Dahl:

Attached is the invoice for additional time & material services for the professional services completed through February 28, 2021 and March 29, 2021 by Timmons Group related to general project management / coordination and associated meetings as well as the invoice for Additional Analysis of Alternative 1C.

Following is a summary of the work completed associated with the above referenced invoices:

Project Management / Coordination

- Coordination and preparation of materials for JRWA, GAI & AquaLaw review.
- Preparation for and attendance of the February JRWA Board Meeting
- Coordination related to developing potential limits of disturbance (LOD) for Alternative 1C such that GAI can acquire pricing for cultural resources work. Discussion of construction related items and logistics for downstream Alternative 1C and PS location (across from Cobbs Creek PS site).
- Preliminary Wetland Assessment and GIS mapping of same within the potential footprints of the Alt 1C PS locations, pipeline routing, access road and construction staging areas. Environmental team conducted this initial field investigation under the Project Management / Coordination tasks.
- Phone and email communications with above parties throughout the invoice period.
- Key personnel related to above activities included Eli Wright, Brandon Chappelle, Benjamin Sagara, David Saunders & Joe Hines.

Task 1 - Bathymetric Survey / Riverbank Survey

- Original Scope 100% Complete.

Task 2 - Concept Design & Location of Intake and Pump Station

- Original Scope 100% Complete.

Task 3 - Develop potential Limits of Disturbance for Alternative 1C

- Original Scope 100% Complete.

Task 4 – Coordination with GAI

- Included in the Project Management / Coordination Invoice.

Request for Additional Services above and beyond the tasks in the Additional Analysis for Alternative 1C dated November 17, 2020 approved by the JRWA (attached):

Please be advised that Timmons Group has expended close to the \$30,000 limit under the contract dated November 17, 2020 and are requesting authorization from the JRWA Board to continue **Project Management / Coordination Services for an additional \$30,000, to set the limit to \$60,000 total.**

Professional Services Thru	Invoice Amount
November 29, 2020	\$5,984.95
December 31, 2020	\$677.50
January 31, 2021	\$1,512.50
February 28, 2021	\$9,379.28
March 28, 2021	\$9,202.50
Total	\$26,756.73

Task 1 – Bathymetric Survey / Riverbank Survey

Upon completion of the original field investigation and bathymetric survey, it was determined after consultation with the Project Team, the Alt 1C Pump Station needed to be located further downstream due to viewshed concerns for the originally proposed location. As such, Timmons Group performed additional Bathymetric / Riverbank Survey and completed cross-section topographical work for the proposed pipeline routing above and beyond the original scope. Given the high level river conditions, the second bathymetric work took longer than anticipated.

We are requesting an additional \$2,500 for the expanded scope, for a total fee of \$12,400.

Task 2 – Concept Design & Location of Intake and Pump Station

Timmons Group had completed approximately 65% of the concept design for the Intake and Pump Station prior to the decision by the Project Team to relocate the Alt 1C Pump Station further downstream. In addition, our field investigation revealed an extensive stream crossing between the railroad line and the new proposed PS location in addition to a challenging railroad crossing. As such, in order to determine the potential cultural resources deep testing limits, Timmons Group had to develop concept level design for the excavation limits for the stream crossing and railroad crossing in addition to developing a second PS concept design and location of intake at the proposed location.

We are requesting an additional \$10,000 for the expanded scope, for a total fee of \$19,500.

Task 3 – Develop Potential Limits of Disturbance for Alternative 1C

Due to the relocation of the Alt 1C pump station location and the concept level design required for the stream crossing and the railroad crossing, Timmons Group had to adjust the LOD for Alt 1C beyond what was anticipated for the original scope of services.

We are requesting an additional \$3,500 for the expanded scope, for a total fee of \$13,000.

Task 5 - Field Survey in support of Cultural Resources Work

Based upon survey work completed for the PS Alternative 1C, it was determined that GPS units utilized for survey work had limited coverage. As such, Timmons Group needed to implement field control for the survey work to be completed to an acceptable accuracy.

JRWA – Additional Professional Services Invoices

April 2021

Page 3 of 4

Given that the accurate location of the Cultural Resources is paramount to a comprehensive design and permitting of the project as well as any future cultural resource mitigation, Timmons Group will provide field location survey in support of GAI Consultants and Gray & Pape, Inc.

Timmons Group proposes to provide these services on a time & material (T&M) basis based upon our 2021 Billing Rates. We anticipate at the minimum marking the proposed PS and Intake anticipated site limits of construction (the potential impact area) with a 100' grid staked out in the field such that GAI and Gray & Pape can accurately identify locations for shovel testing and deep test trenching.

In addition, we anticipate field location of the deep test trenches at the PS and Intake site, stream crossing, railroad crossing and the Rivanna River crossing.

We are requesting a recommended T&M budget of \$25,000 to complete this work in support and at the direction of GAI / Gray & Pape.

Thanks for your consideration of the above request and the opportunity to be of continued service to the JRWA on this important project. Please feel free to contact us with any questions regarding this invoice or our team's services.

Respectfully submitted,



Joseph C. Hines, PE, MBA
Senior Principal



David J. Saunders, PE, DBIA
Senior Principal



Chris Dodson, JD
Senior Principal – Environmental

Attachments:

Invoices for Professional Services through February 28, 2021 and March 28, 2021
November 17, 2020 Proposal for Additional Analysis of Alternative 1C
Schematics for Revised Alt 1C PS Location

Accepted by: **James River Water Authority**

Signature

Date

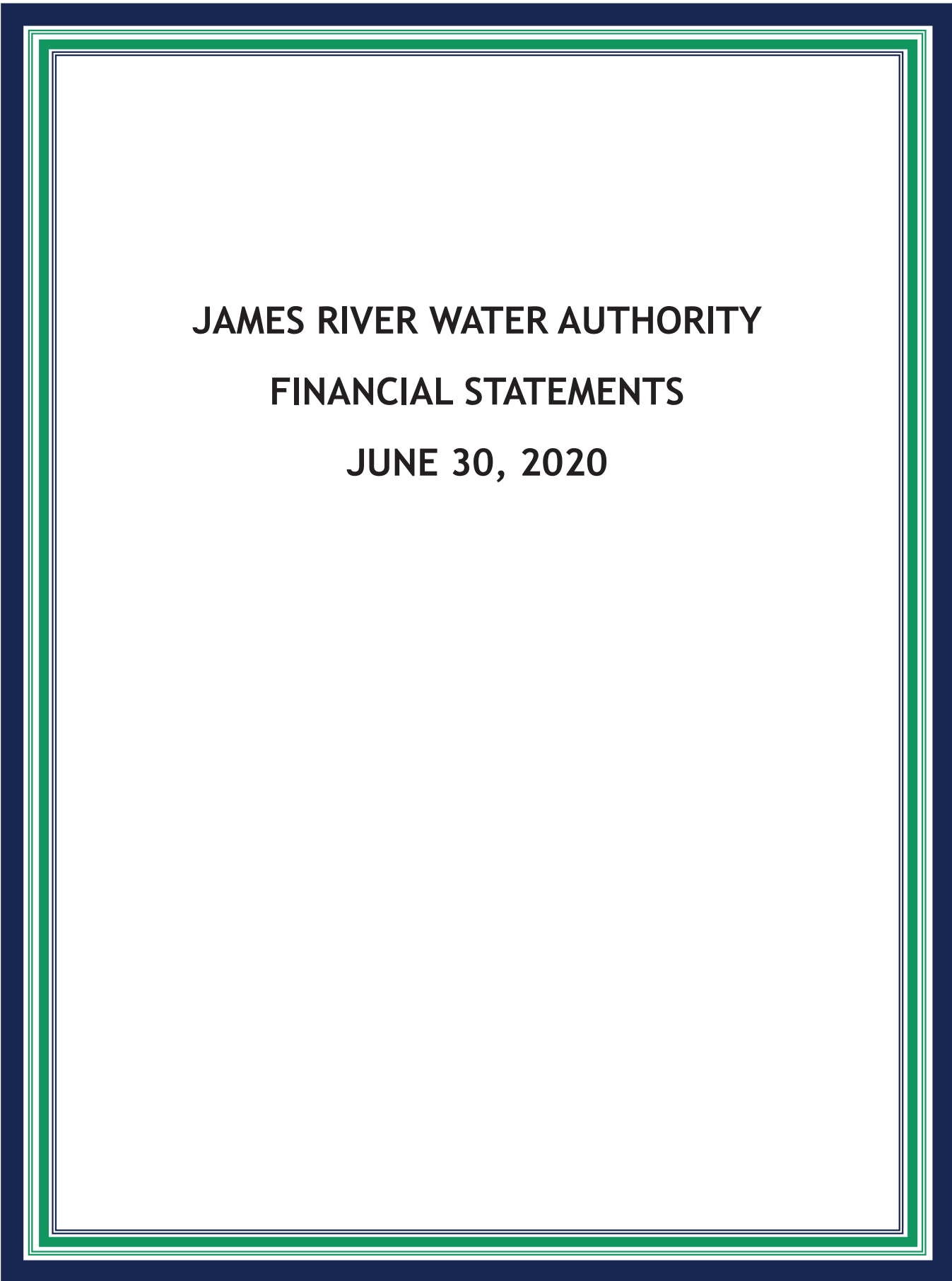
Printed Name

Title

Timmons Group 2021 BILLING RATES

Rates in effect for 1/1/2021 to 12/31/2021

TEAM MEMBER	Hourly Rate	TEAM MEMBER	Hourly Rate
<u>Engineering</u>		<u>Environmental</u>	
Engineer Technician	\$80.00	Environmental Technician	\$70.00
Construction Administrator	\$85.00	Environmental Scientist	\$90.00
Project Engineer I	\$90.00	Environmental Scientist II	\$100.00
Project Engineer II / Designer	\$100.00	Sr. Environmental Scientist	\$110.00
Project Engineer III / Sr. Designer	\$110.00	Environmental Project Manager	\$145.00
Project Manager / Sr. Project Engineer	\$145.00		
Sr. Project Manager	\$180.00	<u>Survey</u>	
Principal	\$225.00	Survey Technician	\$85.00
Senior Principal	\$275.00	Sr. Survey Technician	\$95.00
		Survey Project Manager	\$110.00
<u>Construction Services</u>		Licensed Land Surveyor	\$145.00
Laboratory Manager	\$80.00	1 Man Crew w/ Robot	\$125.00
Materials Technician	\$55.00	2 Man Crew	\$145.00
Sr. Field Technician	\$65.00	3 Man Crew	\$205.00
Construction Inspector	\$75.00		
Sr. Construction Inspector	\$85.00	<u>Right of Way</u>	
Const. Material Testing Manager	\$110.00	Right of Way Manager	\$120.00
		Right of Way Specialist	\$105.00
<u>Landscape Architecture</u>		Document Specialist	\$70.00
Landscape Technician	\$80.00		
Landscape Architect/Land Planner	\$100.00	<u>GIS</u>	
Visualization Manager	\$110.00	GIS Field Technician	\$60.00
Sr. Landscape Architect	\$120.00	GIS Technician	\$75.00
LA/LP Project Manager	\$145.00	GIS Analyst	\$105.00
LA/LP Sr. Manager	\$160.00	GIS Programmer/Analyst	\$135.00
		Project Manager	\$145.00
<u>Support Staff</u>		Software Engineer	\$150.00
Field Intern	\$40.00	Sr. Software Engineer	\$170.00
Engineering Intern	\$55.00	Sr. Project Manager	\$180.00
Clerical	\$75.00	Program Manager	\$200.00
REIMBURSABLE EXPENSES:			
1. Any expenses, such as, printing, courier, telephone and outside consultants not listed in the Services above will be invoiced as "Time and Material"			
2. Mileage will be billed at the IRS approved rate at the time services are provided.			
NOTES:			
1. Hourly rates will be utilized for Time & Materials services performed on behalf of the JRWA.			
2. Timmons Group will provide rates for specific Construction Materials field equipment & lab tests upon request.			
3. Timmons Group can provide "lump sum, fixed-fee" quotes for specific work tasks in order for the JRWA to better control costs.			
4. Rates will be subject to change at the beginning of each calendar year.			



JAMES RIVER WATER AUTHORITY
FINANCIAL STATEMENTS
JUNE 30, 2020

JAMES RIVER WATER AUTHORITY

**Financial Statements
June 30, 2020**

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Independent Auditors' Report

**To the Honorable Members of
James River Water Authority
Louisa, Virginia**

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of James River Water Authority, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of James River Water Authority, as of June 30, 2020, and the changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021, on our consideration of James River Water Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of James River Water Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering James River Water Authority's internal control over financial reporting and compliance.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia
January 29, 2021

Financial Statements

JAMES RIVER WATER AUTHORITY

Statement of Net Position
June 30, 2020

Assets

Current Assets

Cash and cash equivalents	\$ 608,679
Accounts receivable	4,308
Due from other governments	36,564
Restricted Assets:	
Cash and cash equivalents	<u>7,024,114</u>
Total Current Assets	<u>\$ 7,673,665</u>

Noncurrent Assets

Capital Assets:

Construction in progress	<u>\$ 3,239,821</u>
Total Assets	<u>\$ 10,913,486</u>

Liabilities

Current Liabilities

Accounts payable	\$ 355,467
Retainage payable	25,174
Accrued interest payable	79,989
Bond payable, net of bond premium, current portion	<u>206,208</u>
Total Current Liabilities	<u>\$ 666,838</u>

Noncurrent Liabilities

Bond payable, net of bond premium, noncurrent portion	<u>\$ 8,242,638</u>
Total Noncurrent Liabilities	<u>\$ 8,242,638</u>
Total Liabilities	<u>\$ 8,909,476</u>

Net Position

Net investment in capital assets	\$ 972,728
Restricted for debt service	471,152
Unrestricted	<u>560,130</u>
Total Net Position	<u>\$ 2,004,010</u>

The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Statement of Revenues, Expenses and Changes in Net Position
Year Ended June 30, 2020

Operating Expenses

Professional fees	\$ 34,800
Bank fees	117
Insurance	<u>1,647</u>
Total Operating Expenses	<u>\$ 36,564</u>

Net Operating Income (Loss) \$ (36,564)

Nonoperating Revenues (Expenses)

Interest income	\$ 121,626
Interest expense	<u>(267,775)</u>
Total Nonoperating Revenues (Expenses)	<u>\$ (146,149)</u>

Income (loss) before capital contributions \$ (182,713)

Capital contributions \$ 490,832

Change in net position \$ 308,119

Net position, beginning of year 1,695,891

Net position, end of year \$ 2,004,010

The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Statement of Cash Flows
Year Ended June 30, 2020

Cash flows from operating activities:

Payments to suppliers and vendors	\$ <u>(29,924)</u>
Net cash provided by (used for) operating activities	\$ <u>(29,924)</u>

Cash flows from capital and related financing activities:

Draws on restricted cash	\$ 287,600
Acquisition of plant and equipment	(259,173)
Capital contributions	488,983
Principal paid on bonds	(140,000)
Interest paid on bonds	<u>(326,912)</u>

Net cash provided by (used for) capital and related financing activities	\$ <u>50,498</u>
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Net increase (decrease) in cash and cash equivalents	\$ <u>20,574</u>
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Cash and cash equivalents at beginning of year	\$ <u>588,105</u>
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Cash and cash equivalents at end of year	\$ <u><u>608,679</u></u>
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Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:

Operating income (loss)	\$ (36,564)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	2,536
Increase (decrease) in accounts payable	<u>4,104</u>

Net cash provided by (used for) operating activities	\$ <u><u>(29,924)</u></u>
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Schedule of non-cash activities:

Capital asset additions financed by accounts payable	\$ <u><u>346,035</u></u>
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The accompanying notes to financial statements are an integral part of this statement.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements June 30, 2020

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Organization and Purpose

The James River Water Authority (The Authority) was created by Louisa County, Virginia and Fluvanna County, Virginia on April 20, 2009 in order to cooperatively provide a reliable public water supply to county citizens. The counties wanted to delineate their respective rights and duties regarding a water pipeline and associated structures to be planned, designed, constructed and financed.

The Authority may fund a portion of the cost of these activities by issuing bonds, through direct contributions and from the counties, or charging connection fees or charges to the counties.

B. Basic Financial Statements

Management's Discussion and Analysis: Government Accounting Standards Board requires the Financial Statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "management's discussion and analysis" (MD&A). Management has elected to omit the management's discussion and analysis in these financial statements.

Statement of Net Position: The Statement of Net Position is designed to report to the financial position of the Authority. Governments report all capital assets in the Statement of Net Position and report depreciation expense the cost of "expensing" capital assets in the Statement of Revenues, Expenses, and Changes in Net Position. The net position of the government will be broken down into three categories: 1) net investment in capital assets, net of related debt; 2) restricted; and 3) unrestricted.

Statement of Revenues, Expenses and Changes in Net Position: This statement is designed to report the results of operations during the fiscal year.

C. Basis of Accounting

James River Water Authority operates as an enterprise activity and its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash. The Authority accrues revenue for services rendered but not yet billed at the end of the fiscal year. The Authority's financial statements conform to generally accepted accounting principles (GAAP) applicable to governmental units promulgated by the Governmental Accounting Standards Board. The Authority distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the Authority's principal ongoing operations.

D. Cash Equivalents

The Authority has defined cash and cash equivalents to include cash on hand, demand deposits, certificates of deposit and money market funds.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

E. Capital Assets and Depreciation

Purchased and constructed capital assets in service are recorded at historical cost. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Capital assets acquired by the Authority through contributions, such as from developers, are capitalized and recorded in the accounts at acquisition value on the date accepted. The Authority provides for depreciation of capital assets in service on the straight-line method at amounts estimated to depreciate the cost of assets over their estimated useful lives, as follows:

Structures and Improvements	20 to 50 years
Equipment	5 to 10 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the current or previous fiscal year.

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual amounts could differ from those amounts.

G. Net Position

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investments in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets.

H. Net Position Flow Assumption

Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the financials statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted - net position to have been depleted before unrestricted - net position is applied.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2020 (Continued)

NOTE 2—DEPOSITS AND INVESTMENTS:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the “Act”) Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize local governments and other public bodies to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, “prime quality” commercial paper that has received at least two of the following ratings: P-1 by Moody’s Investors Service, Inc.; A-1 by Standard and Poor’s; or F1 by Fitch Ratings, Inc. (Section 2.2-4502), banker’s acceptances, repurchase agreements, and the State Treasurer’s Local Government Investment Pool (LGIP).

Credit Risk of Debt Securities

The Authority does not have a policy related to credit risk of debt securities.

The Authority’s rated debt investments as of June 30, 2020 were rated by Standard & Poor’s and the ratings are presented below using Standard & Poor’s rating scale.

Rated Debt Investments' Values		
Rated Debt Investments	Fair Quality Ratings	
	AAAm	
SNAP	\$ <u>7,024,114</u>	
Total	\$ <u><u>7,024,114</u></u>	
Investment maturities in years:		
Investment Type	Fair Value	Less Than 1 Year
SNAP	\$ <u>7,024,114</u>	\$ <u>7,024,114</u>
Total	\$ <u><u>7,024,114</u></u>	\$ <u><u>7,024,114</u></u>

External Investment Pool:

The value of the positions in the external investment pool (State Non-arbitrage Pool) is the same as the value of the pool shares. As SNAP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. SNAP is an amortized cost basis portfolio. There are no withdrawal limitations or restrictions imposed on participants.

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2020 (Continued)

NOTE 3—RELATED PARTY TRANSACTIONS:

Significant transactions between the James River Water Authority and the Counties of Louisa and Fluvanna are summarized below:

Capital contribution from Fluvanna	\$	245,416
Capital contribution from Louisa		<u>245,416</u>
Total	\$	<u><u>490,832</u></u>

NOTE 4—CONTINGENCIES:

The Authority knew of no potential or actual material claims for damages by any party against the Authority as of June 30, 2020.

NOTE 5—CONTRACTS AND COMMITMENTS:

On December 23, 2013, the Authority entered into a legal agreement with Hefty & Wiley, PC to provide General Counsel Legal Services for a fee of \$2,500 per month.

On July 1, 2014, the Authority entered into an agreement with Raymond James & Associates, Inc. to provide Financial Advisory Services regarding construction proposals, financial terms and long-term financial projections. Fees are to be paid based on hourly rates.

On July 17, 2014, the Authority entered in an engineering consulting contract with McDonough Bolyard Peck, Inc. (MBP), to provide consulting services regarding the pipeline project.

On January 3, 2017, the Authority contracted with Falcouner Construction Company Inc. in the amount of \$7,965,491 for design and construction of raw water intake and pump station and raw water pipeline. The amount remaining on the contract is \$7,487,181 at June 30, 2020.

NOTE 6—CAPITAL ASSETS:

Capital asset activity for the year was as follows:

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>
Capital assets, not being depreciated:				
Construction in Progress	\$ 2,634,613	\$ 605,208	\$ -	\$ 3,239,821
Total capital assets not being depreciated	<u>\$ 2,634,613</u>	<u>\$ 605,208</u>	<u>\$ -</u>	<u>\$ 3,239,821</u>

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2020 (Continued)

NOTE 7—LONG-TERM LIABILITIES:

The change in long-term liabilities during the year is as follows.

	<u>Balance July 1, 2019</u>	<u>Issuances/ Increases</u>	<u>Retirements/ Decreases</u>	<u>Balance June 30, 2020</u>	<u>Amounts Due Within One Year</u>
Direct Borrowings and Direct Placements:					
VRA Revenue Bond	\$ 7,700,000	\$ -	\$ 140,000	\$ 7,560,000	\$ 150,000
Premium on bonds	946,321	-	57,475	888,846	56,208
Total	<u>\$ 8,646,321</u>	<u>\$ -</u>	<u>\$ 197,475</u>	<u>\$ 8,448,846</u>	<u>\$ 206,208</u>

Debt service requirements are as follows:

Year Ending June 30,	<u>Direct Borrowings and Direct Placements</u>	
	<u>VRA Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2021	\$ 150,000	\$ 319,706
2022	155,000	311,891
2023	165,000	303,691
2024	170,000	295,106
2025	180,000	286,137
2026	190,000	276,956
2027	200,000	267,563
2028	210,000	258,006
2029	220,000	248,688
2030	230,000	239,256
2031	240,000	229,012
2032	250,000	217,956
2033	260,000	207,338
2034	270,000	197,231
2035	280,000	186,738
2036	290,000	175,856
2037	305,000	164,534
2038	315,000	152,747
2039	325,000	140,547
2040	340,000	127,856
2041	355,000	114,622
2042	365,000	100,922
2043	380,000	85,431
2044	400,000	67,944
2045	420,000	49,581
2046	435,000	30,372
2047	460,000	10,288
Total	<u>\$ 7,560,000</u>	<u>\$ 5,065,975</u>

JAMES RIVER WATER AUTHORITY

Notes to Financial Statements
June 30, 2020 (Continued)

NOTE 7—LONG-TERM LIABILITIES: (CONTINUED)

Details of long-term liabilities are as follows:

	<u>Amount Outstanding</u>	<u>Due Within One Year</u>
<u>VRA Revenue Bonds:</u>		
<u>Direct Borrowings and Direct Placements:</u>		
\$7,695,000 VRA Revenue Bonds Series 2016 issued May 25, 2016 payable in various semi-annual payments through October 1, 2046, interest payable semi-annually at rates from 3.797% to 5.325%	\$ 7,560,000	\$ 150,000
Premium on bonds	<u>888,846</u>	<u>56,208</u>
Total	<u>\$ 8,448,846</u>	<u>\$ 206,208</u>

The Authority is required to separately maintain a reserve to cure any deficiencies in payment by the Authority. The current reserve is \$471,152.

NOTE 8—DUE FROM OTHER GOVERNMENTS:

The due from other governments receivable at June 30, 2020 is summarized below:

Fluvanna County	\$ 18,282
Louisa County	<u>18,282</u>
Total	<u>\$ 36,564</u>



**Independent Auditors' Report on Internal Control over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

To the Honorable Members of
James River Water Authority
Louisa, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Authorities, Boards, and Commissions*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the business-type activities of James River Water Authority as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise James River Water Authority's basic financial statements and have issued our report thereon dated January 29, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered James River Water Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of James River Water Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of James River Water Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether James River Water Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Robinson, Farnell, Cox Associates

Charlottesville, Virginia
January 29, 2021