

At the Annual meeting of the Nelson County Service Authority held on July 19, 2018 at the Nelson County Service Authority, Administrative Building thereof:

Present: David Hight, Chairman
Gary L. Sherwood, Vice-Chairman
Ernie Reed
Jesse Rutherford
Justin Shimp
George Miller, Executive Director
Jennifer Fitzgerald, Secretary/Treasurer
Jim Bowling, Attorney

AGENDA ITEM 1. ORGANIZATIONAL MATTERS

Mr. Hight called the meeting to order and transferred the meeting to Mr. Miller.

On a motion duly made by Mr. Sherwood, seconded by Mr. Rutherford, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby appoint Mr. Hight as the Chairman and Mr. Sherwood as the Vice-Chairman for fiscal year 2018-2019 and set its regular scheduled meeting date the 3rd Thursday of each month at 6:00 pm at the Nelson County Service Authority Administration Building.

Mr. Miller then transferred the meeting back to Mr. Hight, Chairman.

AGENDA ITEM 2. PUBLIC COMMENTS

Mr. Peter Agelasto, 511 Rockfish Valley Hwy, Nellysford, VA. Read and submitted in writing the following. We oppose any contractual agreement with Dominion for use of Wintergreen sourced water. Dominion is not a defined customer and this proposal has not been ruled proper by any court. This impacts me and my family: I own a farm at Beech Grove with an incredible well-maybe more than 60 gallons per minute. My son and his wife have their farm next door with some of the best water in the country. The trout input from Montebello Fish Hatchery occurs opposite our land into the S Rockfish. How will all this be impacted? How does it get studied before construction? What would a sediment release from an ACP construction error do to this section of the river? NCSA could be responsible. I live at Elk Hill and also own the former Wintergreen Country Store where Rockfish Valley Foundation is located. My wife and I founded that in 2005. The Mission of Rockfish Valley Foundation is challenged by misuse of our water resources. There have

been many studies over the last decade and more. RVF and Friends of Rockfish Watershed websites are excellent resources to learn more about these studies: Friends of Rockfish Watershed FORWatershed.org; Rockfish Valley Foundation rockfishvalley.org; also the VA DEQ/TJS&WCD TMDL study for the Rockfish Valley.

The Waterways impacted by ACP where we own property are Spruce Creek, south fork of the Rockfish River, Reids Creek; and several unnamed creeks one of which is called Stillhouse Branch. It's all part of the Rockfish Watershed. You can go to Headwaters Lane in Wintergreen to see where the river starts. We are also property owners in Wintergreen. The Monacan water will put all these at risk.

A few questions to help determine the impact of your decision if it is to allow sale of water to non wintergreen company: Have you consulted with local well drillers such as David McGann for the impact? What do you know about our aquifers?

How does this proposal fit with the TMDL plan adopted for the Rockfish Valley after the extensive TJS&WCD studies? I can only think the silt risk alone would blow out of the water the good things the community has done to protect its water. Sediment from this project is a real threat. We are part of the Chesapeake Bay Watershed and its rules. Have there been any recent professional opinions concerning the resort needs and priorities for water? What legal or common law duty does Wintergreen have to the surrounding communities for use of its collected water? Is this contract a breach of that duty.

What other uses are planned by Dominion for the water in ACP construction? Does ACP intend to use our water beyond HDD drilling which we understand in 11 million gallons by itself. I refer to such as hydrostatic pressure testing? That could require another 3.6 million gallons of water.

What is the Age of our water-why is this important to know? The older our drinking water the longer it takes for surface water to reach aquifers. And the more risk there is in using it up whether surface or aquifer, or other underground fissures! I would think that much of Monacan replenishes this but how fast. No underground water removal occurred except thru springs until after the Indians so what is our risk, what is the risk to those businesses consuming great quantities of our water resource thru wells. This should be studied before decisions made.

Recapture of water-what is the risk as to percentage loss rather than 100% recapture thru HDD mistakes. Will they lose 20% or a whole lot more. This risk is an NCSA risk. If you are supplying the water are you involved in the damages. What damage will this cause. We don't want that mitigated. We want that avoided.

Major Beech Grove aquifers require study before any agreement; Rt. 151 aquifers deserve study. What are the risks we can not even imagine? If the water comes from the James, what study should be required of that? Raise rates if you need to but don't put our water resources at risk. I would suggest at the worst, I would suggest you vote against it, but if you don't think that's that right approach, I would defer until State water control board decisions and state rulings and impacts are known. Delay until DEQ decisions are made as to stream crossings-impact.

If you sell the water you are accountable for the consequences.

Ms. Vicki Wheaton, 744 Rainbow Ridge Road, Faber, VA. My comments are an extension of my comments last time. I hope you have had a chance to look at the water study that was done, I don't have it with me, but you can look it up in the minutes in 2010. The study shows that Nelson County will have a water shortage in the future and it also looks into all the specific services that our public water resources for the county. I think you need to look at that because it applies to Wintergreen. So, based on that I don't think that we need to be risking our water because when that study looked at where they can go to get more water there wasn't anywhere to go. That was the bottom line. I know that Mr. Miller equated that this was no different than making snow. I beg to differ with that and I am sure there are people that would argue that and professional people. The other thing I agree with Peter that this needs to be deferred because they have FERC approval they don't have the county's approval. They still have yet to get flood plain permits. That requires them to have 11 variances across special flood hazard areas which are now FEMA has asked the counties to consider throughout the country adopting higher standards to prevent critical facilities and hazardous materials from being in these special flood hazard areas. With the risk of Camille and future flooding I think you need to wait to see if that's approved. This is very, very premature. They are asking for something and they don't even know if they will have the permits to build it here yet. So, wait to see what decision is made on that and the DEQ as well. I just think this is, even if they end up and it all goes through don't make it easy for them. It's just not the right thing and everybody knows that. Yeah you might be forced into it or they may go somewhere else and somebody else is going to make the money, but at least your conscious will be clean for future generations of everybody here. My children, my grandchildren, your children, your grandchildren. Please consider all this in your decision. Thank you!

Mr. Robert McSwain, Dutch Creek, Shipman, I know you all already know that I am against the idea of this for a number of reasons environmental, legal, public relations. But the one thing I wanted to mention is that I have heard listening to the comments last time that a lot of people have some general misunderstandings of how the Service Authority works and I think we got an education thing that we need to do here. I was pleased to check the website and I think Jennifer and George have kind of upgraded a lot, there is a lot more stuff on there than it used to. I wanted to encourage the board members to kind of look at our public persona in the county and see if we can improve on that. The second part of it is when ever we have decision we should try and make it as transparent as possible. It's a very bad idea to have people thinking we are trying to hide anything cause were not. So, most all the stuff you talk about is public. So, I just encourage you to keep the process as transparent as possible. That's all, thank you!

AGENDA ITEM 3. ACP RATE STRUCTURE

Mr. Sherwood read the motion that was presented last month. I move that the Nelson County Service Authority deny the special bulk water rate proposed for Atlantic Coast Pipeline, LLC, namely \$500,000 for a three-inch water connection fee and a \$.104625 per gallon charge for water used, pursuant to the terms of a draft agreement between the Nelson County Service Authority and Atlantic Coast Pipeline, LLC.

Mr. Reed discussed his concerns about the environmental impact the ACP proposal will cause to Nelson County. Mr. Shimp discussed that he didn't feel the Service Authority would have any other users to this extent to warrant a rate structure. Mr. Rutherford discussed his concerns about the contract and being legally liable. Mr. Sherwood discussed that he wants to approve this rate structure because it would be helpful financially, but he is nervous about the complications. Mr. Hight presented that a lot has been revealed since last month.

On a motion duly made by Mr. Reed, seconded by Mr. Shimp, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby deny the special bulk rate structure proposed for Atlantic Coast Pipeline, LLC.

On a motion duly made by Mr. Rutherford, seconded by Mr. Shimp, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby approve from this day forward any applicant that wishes to use more than 100,000 gallons per month that they have to come before this board so that we can make a vote on it and approval of it.

AGENDA ITEM 4. APPROVAL OF MINUTES

On a motion duly made by Mr. Sherwood, seconded by Mr. Reed, with Mr. Shimp abstaining, Mr. Rutherford abstaining, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby approve the minutes of the June 21, 2018 regular meeting.

AGENDA ITEM 5. OFFICE MANAGER'S REPORT

Mrs. Fitzgerald presented the Financial Report for June 2018.

Mrs. Fitzgerald prepared three Resolutions of Appreciation to Mr. Russell Otis, Mr. Tommy Harvey and Mr. Robert McSwain for their outstanding contribution in representing their district on the Nelson County Service Authority Board of Directors.

On a motion duly made by Mr. Sherwood, seconded by Mr. Reed, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby approve Resolution 07-19-18A recognizing Mr. Russell B. Otis for his service on the Nelson County Service Authority Board of Directors; Resolution 07-19-18B recognizing Mr. Tommy Harvey for his service on the Nelson County Service Authority Board of Directors; Resolution 07-19-18C recognizing Mr. Robert McSwain for his service on the Nelson County Service Authority Board of Directors.

Mrs. Fitzgerald stated the Debt Board has been updated with figures as of June 30, 2018.

Mrs. Fitzgerald stated the Executive Director's evaluation is due in August and normally a committee of two board members complete the evaluation. Mr. Hight and Mr. Sherwood accepted the task of completing the evaluation of Mr. Miller.

AGENDA ITEM 6. EXECUTIVE DIRECTOR'S REPORT

Mr. Miller presented information about the Tye River Water System agreement from 2006. Mr. Rutherford requested that we do our due diligence and postpone a motion to discontinue the contract. Mr. Rutherford recommended that Mr. Miller contact Mr. Steve Carter with the County of Nelson to let him know the intentions of the water authority and make plans to appear before the Board of Supervisors.

On a motion duly made by Mr. Sherwood, seconded by Mr. Shimp, with Mr. Shimp voting yes, Mr. Rutherford abstaining, Mr. Reed abstaining, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby approve to give notice to the County of Nelson for the Tye River contract to end and that they are willing to negotiate a new agreement which needs to specifically include capital improvements, which was not included in the previous agreement.

Mr. Miller reported that the Schuyler WWTP has a 10" influent pipe that is approximately 2100 feet long and is in need of repair or replacement. 3 companies have viewed the project but both refused to offer a bid. Soon we will enter into a Consent Order with DEQ because of violations related to the problems with this influent pipe. This influent pipe was installed in the 1920's or 1930's.

Mr. Miller reported the Gladstone Certificate to Operate has been filed. The sewage treatment plant received improvements at the lagoon with 2nd aerator and improvements to the chlorine contact tank.

Mr. Miller reported the Wintergreen WTP chlorine change over project is just about complete. A ratio controller is needed to fine tune the AP6 membrane so that when there is a feed rate change with flow the liquid chlorine will either increase or decrease.

Mr. Miller stated the Wintergreen WWTP replacement project PER is due the end of this month from CHA Consulting. The cost of that project maybe \$14-\$15 million dollars. The Service Authority is facing a Consent Order with DEQ for this location because of violation due to I&I.

AGENDA ITEM 7. DIRECTOR'S COMMENTS

Mr. Reed asked to set up tours of the systems to know what they are dealing with.

Mr. Sherwood thanked Mr. Harvey, Mr. McSwain and Mr. Otis for their service on the Board of Directors.

AGENDA ITEM 8. PUBLIC COMMENTS

None

AGENDA ITEM 9. CLOSED SESSION

On a motion duly made by Mr. Sherwood, seconded by Mr. Rutherford, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby enter into Closed Session pursuant to the Virginia Code §2.2-3711 (A)(1), personnel matter involving other specific personnel matter; retiree benefits.

On a motion duly made by Mr. Rutherford, seconded by Mr. Shimp, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby return to regular session.

On a motion duly made by Mr. Sherwood, seconded by Mr. Reed, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby adopt the Retiree Benefit as presented and this policy will be entered into Section 9 of the Employee Handbook.

AGENDA ITEM 10. ADJOURNMENT

On a motion duly made by Mr. Rutherford, seconded by Mr. Shimp, with Mr. Shimp voting yes, Mr. Rutherford voting yes, Mr. Reed voting yes, Mr. Sherwood voting yes and Mr. Hight voting yes the following was resolved:

BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby adjourn this meeting until August 16, 2018.

Prepared by:



LEGAL MATTERS: Section 82.2-3711 (A)(1) of the State Code of Virginia

MOTION: RUTHERFORD

SECOND: SHERWOOD

DATE: JULY 19, 2018

CERTIFICATION OF EXECUTIVE MEETING

Whereas, the Nelson County Service Authority Board of Directors has convened an executive meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 82.2-3711(A)(1) of the Code of Virginia requires a certification by the Nelson County Service Authority Board of Directors that such executive meeting was conducted in conformity with Virginia law;

Now, THEREFORE, BE IT RESOLVED that the Nelson County Service Authority Board of Directors hereby certifies that, to the best of each member's knowledge (1) only business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the executive meeting to which this certification resolution applies, and (2) only such public business matters as were identified in the motion convening the executive meeting were heard, discussed, or considered by the Nelson County Service Authority Board of Directors.

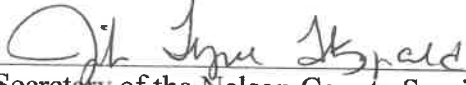
VOTE: 5

AYES: 5

NAYES: 0

ABSENT DURING VOTE: 0

ABSENT DURING MEETING: 0


Secretary of the Nelson County Service Authority Board of Directors

RESOLUTION 07-19-18A

WHEREAS, Mr. Russell B. Otis has served on the Nelson County Service Authority Board of Directors from July 1, 2010-June 30, 2018; and

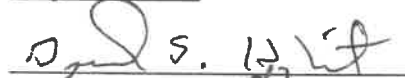
WHEREAS, Mr. Otis has served with distinction on the Board of Directors;


NOW THEREFORE, BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby extend its appreciation to Mr. Russell B. Otis for his outstanding contribution in representing the Central District of Nelson County on the Nelson County Service Authority Board of Directors and the County as a whole; and

BE IT FURTHER RESOLVED, That Mr. Otis is commended for the dedication exhibited during his tenure on the Nelson County Service Authority Board of Directors.

ADOPTED: July 19, 2018

SIGNED:

, Chairman

, Vice-Chairman

, Director

, Director

, Director

RESOLUTION 07-19-18B

WHEREAS, Mr. Tommy Harvey has served on the Nelson County Service Authority Board of Directors from July 1, 2010-June 30, 2018; and

WHEREAS, Mr. Harvey has served with distinction on the Board of Directors;

NOW THEREFORE, BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby extend its appreciation to Mr. Tommy Harvey for his outstanding contribution in representing the North District of Nelson County on the Nelson County Service Authority Board of Directors and the County as a whole; and

BE IT FURTHER RESOLVED, That Mr. Harvey is commended for the dedication exhibited during his tenure on the Nelson County Service Authority Board of Directors.

ADOPTED: July 19, 2018

SIGNED:

David S. Hilt, Chairman
Ray A. Shewell, Vice-Chairman
Ed Smith, Director
[Signature], Director
[Signature], Director

RESOLUTION 07-19-18C

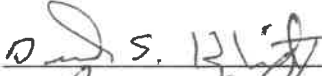
WHEREAS, Mr. Robert McSwain has served on the Nelson County Service Authority Board of Directors from July 1, 2014-June 30, 2018; and

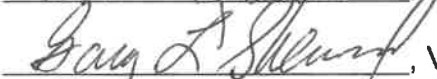
WHEREAS, Mr. McSwain has served with distinction on the Board of Directors;

NOW THEREFORE, BE IT RESOLVED, That the Nelson County Service Authority Board of Directors does hereby extend its appreciation to Mr. Robert McSwain for his outstanding contribution in representing the East District of Nelson County on the Nelson County Service Authority Board of Directors and the County as a whole; and

BE IT FURTHER RESOLVED, That Mr. McSwain is commended for the dedication exhibited during his tenure on the Nelson County Service Authority Board of Directors.

ADOPTED: July 19, 2018

SIGNED: , Chairman

, Vice-Chairman

, Director

, Director

, Director

SECTION 9 – RETIREE BENEFITS

9.1 Retiree Benefits

The Nelson County Service Authority provides a retiree benefit for retirees that continue with the Advantage 65 supplemental insurance coverage available through the County of Nelson insurance policy after retirement. No other insurance coverage will be accepted other than the County or Service Authority provided retiree policy.

Retirees that qualify for this benefit are as follows:

Retirees of the Nelson County Service Authority with a continuous fifteen (15) or more years of creditable Service Authority service.

Retirees who were previously employed with the County of Nelson Sanitary Districts before the Service Authority was formed will be allowed to combine those years of service with those employed by the Service Authority for a total of fifteen (15) or more years of continuous service.

Those that have retired on disability after five (5) or more years of creditable services.

The health insurance monthly credit of \$2.50 for each year of service up to thirty (30) years at a maximum of \$75.00 per month will be provided to the retiree to off-set premium cost. This credit will be mailed directly to the retiree. Should the Anthem policy change their process then the payee and/or billing process will change accordingly.

This benefit is available for the retiree only and terminates upon a retiree's death.

The Board reserves the right to discontinue or amend said program at the beginning of any fiscal year. Only retirees who have the required continuous years of creditable services as an employee of the Nelson County Service Authority are eligible to participate in said program. The Retiree Health Insurance Assistance Program is effective retroactive to July 1, 2018. It was approved by the Nelson County Service Authority Board of Directors on July 19, 2018.