

**FLUVANNA COUNTY CITIZEN WATER COMMITTEE
MEETING MINUTES**

June 24, 2010

MEMBERS PRESENT:

John Robins, Public Works Director
Darren Coffey, Planning Director
Alan Batson, Chairman FUSD Advisory Board
Richard Schwarz, LMOA
Elizabeth Fortune, Planning Commission Representative
Scott Marshall, Economic Development Authority
Elizabeth Franklin, Chair of Fluvanna Taxpayers Association
Dennis Holder, Fluvanna Friends of Rural Preservation
Joe Chesser, Rivanna District Supervisor

ALSO PRESENT:

Frank Pleva, Interim County Administrator
Keith Smith
George O'Malley
Janis O'Malley
Ron Kraus
Bill Downer
Bill Hughes
Mozell Booker, Fork Union District Supervisor
Shaun Kenney, Columbia District Supervisor

CALL TO ORDER & WELCOME

Mr. John Robins, Public Works Director, called the meeting of June 24th, 2010 to order at 7:06 p.m. in the Historic Courthouse of Fluvanna County in Palmyra, Virginia. Mr. Robins welcomed the attendees and public.

PUBLIC COMMENT

Mr. Robins opened the Public Comments section of the meeting.

Mr. Bill Hughes recommended that votes be taken formally rather than general consensus. He suggested that a Chair also be elected by the committee to run the meetings. He recommended the committee recommend one plan at the conclusion of the process for recommendation to the Board.

Mrs. Janis O'Malley stated that she felt more than one recommendation should be presented to the Board. She stated that you can't spend money that you don't have and, even though she understands Fork Union's interest in the project, she wasn't in favor of a plan for the whole County.

The committee responded to Mr. Hughes comments by explaining how and why the committee is, and has been, operating.

A general discussion ensued about how to proceed from this point. What should be included in the committee's recommendation and what should not be included.

The committee decided to add two additional meetings to their schedule in order to properly complete this project for the Board - July 8th and July 13th. The committee also agreed to vote on upcoming actions including a recommended plan and, in "Supreme Court style", allow for dissenting opinions to be expressed in writing by committee members, and attached with the Committee's recommendation to the Board.

REVIEW AND ENDORSEMENT OF MINUTES

Mr. Robins asked if there were any changes to the May 13th or June 3rd minutes.

Mr. Batson suggested formally renaming the “County is Broke” plan to the “Do Nothing” plan. After a brief discussion Mr. Batson formally motioned to change the name. Mr. Schwarz seconded the motion. After further discussion, the motion failed 3-4 (Chesser, Franklin, Holder, Fortune).

Both sets of minutes were endorsed by the committee as amended.

DISCUSSION OF TOWN HALL MEETING

The Committee discussed the town hall meeting and stated that two primary issues were presented – both the need, or lack of a need, for economic development, and a water line up Rt. 15 with treated water from the James River to serve Fork Union, Palmyra, and Zion Crossroads.

The committee agreed that a new analysis would need to be completed on a Rt. 15 option.

Ms. Franklin inquired to the feasibility of performing such an analysis in the time remaining.

Mr. Marshall questioned why the citizens didn’t come forth with the Rt. 15 plan sooner.

The committee agreed that was the nature and purpose of the town hall meeting, and citizen input in general.

Another issue that was brought up at the town hall meeting was public/private partnership and how that might work if its desired.

Mr. Chesser asked what the impact of the “Do Nothing” option will have on the county. Mr. Schwartz agreed that type of analysis should be done. The committee discussed how this might be done and could not agree on how that could be accomplished with the data/expertise on the committee at this time.

Mr. Marshall cited a real estate report that focused on growth in the country and where it will occur and the Charlottesville area (which includes Fluvanna County) is at the top of the list.

Mr. Robins gave an overview of the alternatives presented at the town hall meeting.

Mr. Holder reminded the committee that the various alternatives should be footnoted as previously agreed. Mr. Robins agreed that they would be.

Mr. Coffey suggested that all alternatives also be clearly weighed against the objectives established by the committee, and to not lose sight of those objectives with the cost and revenue numbers. He also recommended a comprehensive plan amendment to reflect whatever alternative (including doing nothing) is adopted by the Board.

The committee agreed to distribute the financial model information for individual study.

The committee asked for Mr. Coffey to elaborate on the Community Development Authority (CDA) model in more detail.

Mr. Coffey stated that the county would work to establish a CDA or TIF (tax increment financing district) area over a subsection of the 15/250 area of either Fluvanna or both counties. The revenues are generated from a special assessment only within the designated area and only after development is built. Revenues pay off the revenue bond to build the infrastructure. Existing land owners and taxes would be unaffected

initially other than an increase in the land value that would be realized immediately and picked up at the next assessment (market pressure to sell for higher and better uses). The best local examples are Short Pump and New Kent, but there are others throughout the state.

As part of the CDA Fluvanna would create a Master Plan for the designated area and could rezone to a Planned Unit Development (PUD) in one or both counties. Economic Development staff would then be able to effectively market the area to developers, businesses, other interested parties.

Mr. Marshall also clarified how the area could be designated to gain a majority of property owner approval for the creation of a CDA.

Mr. Holder inquired how such a partnership would be structured financially.

Mr. Coffey responded that it should be proportional to the projected use. For example, if Louisa County is to use 2/3 of the water initially, then it should pay 2/3 of the initial costs. Ultimately, it would be a 50/50 split on cost and use. In a partnership project, the costs should be split fairly and proportionally according to immediate use and projected need. Also, Fluvanna needs to convey to Louisa that it bears a disproportionate amount of externalities for the waterline project (e.g., political, environmental, impact to property owners, etc.).

Ultimately, the raw water line (modified "Free Enterprise" option) could provide up to 3 million gallons of untreated water to each county, with each county paying their half by the end of the project's life (the raw water line's buildout).

This arrangement would necessitate the need for Louisa and Fluvanna to modify the existing Memorandum of Understanding (MOU) and/or whatever other agreements may exist. This agreement would address the provision of wholesale water only, and Fluvanna can have complete control over retail water supply via a County department, appointing another authority, or contracting with a private company. The retail infrastructure would be paid for by the CDA bond and would not further impact Fluvanna taxpayers outside of the Zion Crossroads CDA area.

Mr. Robins asked the committee members about the revised Aqua plan. They generally agreed that they needed more time to absorb the plan since it wasn't received until this afternoon.

Mr. Smith clarified that Aqua will sell bulk water (up to a million gallons) in any scenario. They will also buy the Fork Union Sanitary District (FUSD) if the county is willing to sell the system. The other parts of the latest plan are Mr. Smith's and not any other entity.

PUBLIC COMMENT

Mr. Robins opened the floor for public comment.

Mr. George O'Malley reiterated that the county is broke and it would be a detriment to this county if it ever joined an authority with Louisa County.

Asked by Mr. Marshall to further elaborate on why a partnership would be a detriment, Mr. O'Malley stated that it would benefit Louisa County significantly more than Fluvanna County.

ADJOURN

There being no further business, Mr. Robins adjourned the Citizen Water Committee meeting of June 24th, 2010 at 9:27 p.m.

Minutes recorded by Darren Coffey.