



**RAPIDAN SERVICE AUTHORITY
BOARD OF MEMBERS AGENDA
16-Feb-23**

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1 CALL TO ORDER BY CHAIRMAN, LEE FRAME	
2 ROLL CALL - ESTABLISHMENT OF QUORUM	
3 PLEDGE OF ALLEGIANCE	
4 ADOPTION OF AGENDA	
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**NOTE: MEETING TO BE HELD AT THE MADISON COUNTY ADMINISTRATION BUILDING, AT 2:00 PM.
414 N. MAIN STREET, MADISON VA 22727**

A regular meeting of the Board of Members of Rapidan Service Authority was held on January 19, 2023 at the Orange County Airport.

The meeting was called to order at 2:00 PM. A quorum was established followed by the Pledge of Allegiance.

Present: Members: Bowman, Coppage, Crozier, Frame, Martin, Yowell
 Staff: GM Clemons, DO Jarrell, DA Gaskins

 Visitors: Clay Jackson, Greene Water Department, Media

The agenda for the meeting was adopted on a motion by Bowman, seconded by Crozier and approved unanimously on a voice vote.

On a motion made by Bowman, seconded by Coppage, the minutes of the December 15, 2022 Board meeting were approved unanimously by a voice vote.

The Board discussed a request which had been tabled at the last meeting from a Lake of the Woods' customer who asked for relief on a water bill. On a motion by Coppage, seconded by Yowell, the Board voted to abide by RSA's regular policy.

The Board also discussed a request for relief on a bill from a Ruckersville business customer who had a pipe burst during the cold weather. On a motion by Coppage, seconded by Crozier, the Board voted to abide by RSA's regular policy.

During a time of public comment, a May Lane customer brought to the Board's attention the fact that she and a number of her neighbors have experienced "brown" water and are continuing to do so. This area is supplied by two wells. GM Clemons indicated that RSA could flush the lines to see if that helps, but it appears that the problem is likely the result of naturally occurring iron or manganese in the water. Mr. Crozier suggested that the customer might want to try a charcoal filter. A possible long-term solution of connecting this area to the Town of Orange water system is being investigated, but it will be some time before that could possibly occur.

Mr. Bowman then gave an update on the Greene County withdrawal. Greg Lunsford is leaving his position as Greene County's Water & Sewer Director and Jim Frydl will be taking over his responsibilities. Greene County expects the withdrawal to progress as planned. Mr. Lunsford expressed his plans to be of help to the County, including a willingness to work partial days for the County on a short-term basis if needed.

There were no reports from the General Manager or the RSA attorney.

As there was no further business to be brought before the Board, Coppage made a motion, seconded by Bowman, that the meeting be adjourned. The motion passed on a unanimous voice vote at 2:12 PM.

Chairman

From: [David Morris](#)
To: [David Morris](#); [RSA Board](#)
Subject: Subject Matter : Water Bill
Date: Wednesday, February 1, 2023 9:54:29 AM

To:RSA Board of Directors
From: Current Customer for 16 Years
Re A most unbelievable Bill of \$600.97

It has been my experience in receiving water in my home which has been provided by RSA. To my amazement when I came into your office and learned that my bill was \$600.97. This is an unbelievable and shocking bill for water which is more than I would utilize for a 12 month period of time.

I have paid one-half of this bill which I know I did not use this amount of water in a full year of services. Therefore, I am pleading with the RSA Board to provide a wavier for the remainder of this horrible bill. I have checked all my faucets and I have determined that none of these were left on. You have checked my system, it is negative. I only live about 3 days a week in my home since I am working in Franklin, West, Virginia, for 4 days a week, and I stay there in a home provided by my two congregations. So, that means I spend four nights in West Va., and I could not have used this large amount of water.

So, please demonstrate some mercy to me

and do a wavier for the remainder of this high bill. I am an older American living on a limited income of social security, and a small pension with them four days a week. Therefore, it places an unbelievable burden on me to pay for water I never used.

I have always paid my water bill on time and I have never been in a negative manner with my water bill.

So, please and kindly help me regarding this bill.

Thank you for considering this matter for me.

Many thanks to you for providing water to my home.

Sincerely yours,

David J. Morris, ACSW
Current Customer

DJM:st
02-01-23

You are hereby advised that, pursuant to the Virginia Freedom of Information Act, written correspondence (including, but not limited to, letters, e-mails and faxes) from and to Rapidan Service Authority and its Board of Members and employees, and others acting on its behalf, may be subject to disclosure as a public record. This includes the e-mail address(es) and other contact and identifying information for parties involved in the correspondence.

Rapidan Service Authority
 11235 Spotswood Trail
 P.O. Box 148
 Ruckersville, VA 22968
 Phone 434-985-7811
 Fax 434-985-6075



Rapidan Service Authority
 3489 Germanna Highway
 P.O. Box 736
 Locust Grove, VA 22508
 Phone 540-972-2133
 Fax 540-972-7065

Rapidan Service Authority
 Billing History For DAVID J MORRIS, Account 00002209-05

Start Date	End Date	Start Read	End Read	Adj Consump	Read Code	ADC (gallons)	Number of Days in Period
01/03/23	02/01/23	11076	11076	0	Actual	0.00	30
12/02/22	01/03/23	10155	11076	921	Actual	27.91	33
11/02/22	12/02/22	10155	10155	0	Actual	0.00	31
10/05/22	11/02/22	10155	10155	0	Actual	0.00	29
09/02/22	10/05/22	10154	10155	1	Actual	0.03	34
08/02/22	09/02/22	10153	10154	1	Actual	0.03	32
07/05/22	08/02/22	10153	10153	0	Actual	0.00	29
06/02/22	07/05/22	10153	10153	0	Actual	0.00	34
05/03/22	06/02/22	10151	10153	2	Actual	0.07	31
04/04/22	05/03/22	10151	10151	0	Actual	0.00	30
03/02/22	04/04/22	10151	10151	0	Actual	0.00	34
02/01/22	03/02/22	10151	10151	0	Actual	0.00	30
01/03/22	02/01/22	10151	10151	0	Actual	0.00	30
12/06/21	01/03/22	10151	10151	0	Estimate	0.00	29
11/04/21	12/06/21	10150	10151	1	Actual	0.03	33
11/04/21	12/01/21	10150	10151	1	Actual	0.04	28
10/06/21	11/04/21	10149	10150	1	Actual	0.03	30
09/01/21	10/06/21	10146	10149	3	Actual	0.08	36
08/02/21	09/01/21	10146	10146	0	Actual	0.00	31
07/01/21	08/02/21	10146	10146	0	Actual	0.00	33
05/31/21	07/01/21	10145	10146	1	Actual	0.03	32
05/03/21	05/31/21	10145	10145	0	Actual	0.00	29
04/01/21	05/03/21	10145	10145	0	Actual	0.00	33
03/02/21	04/01/21	10145	10145	0	Actual	0.00	31
02/02/21	03/02/21	10145	10145	0	Actual	0.00	29
01/04/21	02/02/21	10144	10145	1	Actual	0.03	30
12/01/20	01/04/21	10144	10144	0	Actual	0.00	35
11/03/20	12/01/20	10144	10144	0	Actual	0.00	29
10/01/20	11/03/20	10144	10144	0	Actual	0.00	34
09/01/20	10/01/20	10143	10144	1	Actual	0.03	31
08/03/20	09/01/20	10143	10143	0	Actual	0.00	30
07/01/20	08/03/20	10143	10143	0	Actual	0.00	34
06/01/20	07/01/20	10143	10143	0	Actual	0.00	31
05/01/20	06/01/20	10143	10143	0	Actual	0.00	32
03/31/20	05/01/20	10143	10143	0	Actual	0.00	32
02/28/20	03/31/20	10143	10143	0	Actual	0.00	33
01/31/20	02/28/20	10143	10143	0	Actual	0.00	29
01/02/20	01/31/20	10143	10143	0	Actual	0.00	30
12/02/19	01/02/20	10138	10143	5	Actual	0.16	32
11/01/19	12/02/19	10138	10138	0	Actual	0.00	32
10/02/19	11/01/19	10138	10138	0	Actual	0.00	31
09/06/19	10/02/19	10137	10138	1	Actual	0.04	27
08/01/19	09/06/19	10133	10137	4	Actual	0.11	37
07/01/19	08/01/19	10133	10133	0	Actual	0.00	32
06/03/19	07/01/19	10133	10133	0	Actual	0.00	29
05/01/19	06/03/19	10132	10133	1	Actual	0.03	34
04/02/19	05/01/19	10131	10132	1	Actual	0.03	30
03/04/19	04/02/19	10128	10131	3	Actual	0.10	30
02/01/19	03/04/19	10124	10128	4	Actual	0.13	32
01/02/19	02/01/19	10124	10124	0	Actual	0.00	31
12/03/18	01/02/19	10123	10124	1	Actual	0.03	31
11/01/18	12/03/18	10120	10123	3	Actual	0.09	33
10/01/18	11/01/18	10118	10120	2	Actual	0.06	32
09/04/18	10/01/18	10116	10118	2	Actual	0.07	28
08/01/18	09/04/18	10111	10116	5	Actual	0.14	35
07/02/18	08/01/18	10109	10111	2	Actual	0.07	31
06/01/18	07/02/18	10106	10109	3	Actual	0.09	32
05/01/18	06/01/18	10104	10106	2	Actual	0.06	32
04/02/18	05/01/18	10101	10104	3	Actual	0.10	30
03/01/18	04/02/18	10083	10101	18	Actual	0.55	33
02/01/18	03/01/18	10081	10083	2	Actual	0.07	29

THIS CONSENT AGREEMENT, dated as of January 1, 2023 (this "Agreement"), is entered into by and among the VIRGINIA RESOURCES AUTHORITY, a public body corporate and a political subdivision of the Commonwealth of Virginia ("VRA"), the RAPIDAN SERVICE AUTHORITY, a public body politic and corporate and a political subdivision of the Commonwealth of Virginia ("RSA"), and the COUNTY OF GREENE, VIRGINIA, a political subdivision of the Commonwealth of Virginia ("Greene" and together with VRA and RSA, the "Parties").

RECITALS

A. RSA is an authority established and operating under the Virginia Water and Waste Authorities Act, Virginia Code § 15.2-5100 et seq. (the "Act"). Greene and the Counties of Orange and Madison ("Orange" and "Madison" respectively) are member localities of RSA pursuant to Va. Code § 15.2-5102 and by concurrent resolutions adopted in June, 1969;

B. Greene and RSA entered into the Rapidan Wastewater System Service Agreement, dated August 10, 2004 (the "2004 Sewer Agreement") which provides for the funding, design, construction and operation of sewer systems improvements serving RSA customers in Greene;

C. As part of the 2004 Sewer Agreement, Greene, RSA, and VRA entered into an Assumption Agreement, dated July 1, 2004 (the "2004 Assumption Agreement") by which Greene assumed \$2,080,000 in outstanding RSA water and sewer debt;

D. Greene and RSA entered into the Ruckersville Water System Ownership and Management Agreement, dated October 25, 2005 (the "2005 Water Agreement") to address certain water system improvements;

E. As part of the 2005 Water Agreement, Greene, RSA, and VRA entered into an Assumption Agreement dated December 1, 2005 (the "2005 Assumption Agreement") by which Greene assumed \$4,886,932 in outstanding RSA water and sewer debt;

F. On July 28, 2020, the Board of Supervisors of Greene adopted a Resolution calling for the Board of Supervisors of Orange and Madison to consent to Greene's withdrawal from RSA pursuant to Va. Code § 15.2-5112;

G. On April 5, 2021, the Greene Board of Supervisors adopted its Second Resolution calling for the Board of Supervisors of Orange and Madison to consent to Greene's withdrawal from RSA pursuant to Va. Code § 15.2-5112;

H. On April 13, 2021, the Orange Board of Supervisors and the Madison Board of Supervisors each adopted resolutions consenting to Greene's withdrawal from RSA pursuant to Va. Code § 15.2-5112;

I. In a letter dated October 29, 2021 and attached hereto as Exhibit A (the "VRA Letter"), VRA conditionally consented to the withdrawal of Greene from RSA under certain conditions set forth in the VRA Letter;

J. On May 25, 2021, Orange and Madison entered into a Memorandum of Agreement/Withdrawal of Greene County, Virginia from Rapidan Service Authority to provide for the governance and operation of RSA after Greene's withdrawal;

K. On June 14, 2022, Greene, Orange, Madison, and RSA entered into a Withdrawal and Transition Agreement (the "Withdrawal Agreement") setting forth the terms and conditions by which Greene will withdraw from RSA, including but not limited to the transfer of facilities and equipment from RSA to Greene and the transition of water and sewer services for the residents of Greene;

L. One of the conditions of the Withdrawal Agreement is that Greene will submit a request to VRA for final approval of Greene's withdrawal from RSA and Greene shall provide evidence reasonably satisfactory to confirm VRA's final approval of the withdrawal.

TERMS

In consideration of the premises and of the mutual agreements herein contained, the parties agree as follows:

ARTICLE I. CONDITIONAL APPROVAL AND CONSENT.

1.01 VRA represents that it has received evidence satisfactory to it that RSA and Greene have satisfied all of the conditions set forth in the VRA Letter except evidence of (i) the final transfer of related water and wastewater permits from RSA to Greene by the Virginia Department of Health and the Virginia Department of Environmental Quality, as necessary; (ii) the issuance of a Certificate of Withdrawal from the Virginia State Corporation Commission; (iii) the dismissal of all litigation between Greene and RSA regarding Greene's withdrawal and related utility matters; and (iv) the payment by Greene of VRA's legal fees associated with the documentation and review associated with the withdrawal from RSA (the "VRA Legal Fees").

1.02 RSA and Greene hereby request VRA's final approval of and consent to Greene's withdrawal from RSA, as required by Section 1.02(c) of the Withdrawal Agreement and Va. Code § 15.2-5112. VRA hereby approves of and consents to the withdrawal of Greene conditioned upon: (i) VRA's receipt of evidence satisfactory to VRA of final transfer of related water and wastewater permits from RSA to Greene by the Virginia Department of Health and the Virginia Department of Environmental Quality by no later than March 31, 2023; (ii) VRA's receipt of a copy of the Certificate of Withdrawal from the Virginia State Corporation Commission by no later than March 31, 2023; (iii) VRA's receipt of evidence of compliance with Section 6.04 of the Withdrawal Agreement by each of the parties to the Withdrawal Agreement by no later than March 31, 2023; and (iv) VRA's receipt by no later than January 31, 2023, from Greene of funds in the amount of \$88,500 to pay or reimburse VRA for its payment of the VRA Legal Fees.

It is agreed by the Parties that (i) through (iv) of the preceding paragraph are conditions subsequent and if any of the conditions are not met VRA's approval and consent shall be no longer effective. The Executive Director of VRA may amend, waive or extend the deadline to meet any of the conditions subsequent by letter addressed to Greene and RSA.

ARTICLE II. REPRESENTATIONS. RSA and Greene each represent and warrant to VRA that:

2.01 The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by existing board resolutions or other necessary corporate action and are not in contravention of any statute, law or regulation applicable to RSA or Greene, or of any material terms of any instrument, document, agreement or undertaking to which it is a party or by which it is bound.

2.02 This Agreement is the legal, valid and binding obligation of it, enforceable against it in accordance with the terms hereof, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.

2.03 After giving effect to the agreements contained herein, the representations and warranties contained in Article IV of the Withdrawal Agreement are true and correct in all material respects on and as of the date hereof with the same force and effect as if made on and as of the date hereof (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date, and that any representation or warranty which is subject to any materiality qualifier shall be required to be true and correct in all respects).

2.04 Immediately before and after giving effect to the consents, waivers and other agreements contained herein, no Default or Event of Default exists or has occurred and is continuing on the date hereof.

2.05 RSA represents that VRA is the only holder of RSA bonds pursuant to Va. Code § 15.2-5112A.

ARTICLE III. MISCELLANEOUS.

3.01 Except as expressly amended hereby, each of the parties to this Agreement agrees that the Withdrawal Agreement is ratified and confirmed and shall remain in full force and effect in accordance with their terms and that they are not aware of any set off, counterclaim, defense or other claim or dispute with respect to any of the foregoing. Nothing herein shall be deemed to entitle any party to this Agreement to any future consent to, or waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Withdrawal Agreement.

3.02 This Agreement may be signed upon any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

3.03 The governing law, jurisdiction, and waiver of jury trial provisions set forth in Sections 8.06, 8.07 and 8.08 of the Withdrawal Agreement are hereby incorporated by reference, *mutatis mutandis*.

3.04 If VRA is named the defendant in or becomes subject to any proceeding, action, suit, complaint, claim or counterclaim, whether judicial or administrative in nature, in any way connected to Greene's withdrawal from RSA (a "Legal Action"), Greene will, to the extent permitted by law and from legally available and appropriated funds, pay or provide for the payment of any and all of VRA's losses, damages, judgments, liabilities, amounts paid in settlement, fines, penalties, litigation costs, fees and expenses, including without limitation the reasonable fees and expenses of VRA's attorneys and financial advisors, of whatever kind or nature incurred in or arising from the Legal Action or defending itself in the Legal Action.

3.05 Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

VIRGINIA RESOURCES AUTHORITY

RAPIDAN SERVICE AUTHORITY

By: _____
Name: _____
Title: _____

COUNTY OF GREENE, VIRGINIA

By: Dale Herring
Name: Dale Herring
Title: Chair, Greene County Board of Supervisors

Receipt Acknowledged:

COUNTY OF MADISON, VIRGINIA

By: _____
Name: _____
Title: _____

COUNTY OF ORANGE, VIRGINIA

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE TO CONSENT AGREEMENT]

HI

VRA Letter

(attached)

October 29, 2021

Mr. Mark Taylor
County Administrator
Greene County
40 Celt Road
Stanardsville, Virginia 22973

RE: Greene County – Rapidan Service Authority

Dear Mr. Taylor:

VRA has completed the analysis associated with Greene County's request for consent to withdrawal from the Rapidan Service Authority (RSA). VRA is a strong proponent of regionalism due to the operational and economic efficiencies that often accompany the delivery of public services on a regional basis; however, it is understood that in certain extraordinary circumstances, regional cooperation may not always be possible. While VRA had hoped for an amicable and efficient resolution to the dispute between Greene and RSA, based on the strained relationship between the two localities and differing visions for the future delivery of water and sewer service to Greene customers, VRA has completed a review of the revenue generating capacity of Greene and RSA in a scenario where Greene is no longer a member jurisdiction of RSA.

Based on the review of Greene and RSA and their situation as we understand it today, VRA conditionally consents to the withdrawal of Greene from RSA under the following conditions:

- Completion of binding mediation as it relates to the terms and conditions of Greene's withdrawal from RSA;
- Successful negotiation and execution of a comprehensive withdrawal agreement among Greene, RSA, and the Counties of Orange and Madison;
- Evidence of Greene's ability to provide for the day-to-day operations of the utility facilities serving Greene customers; such evidence may include the executed third-party operator contract or evidence of hiring certified water and sewer plant operators by Greene;
- Evidence of a water and sewer rate schedule adopted by the Greene Board of Supervisors that establishes rates, fees, and charges (inclusive of any budgeted general fund transfers under existing support agreements) sufficient to provide for the operating and maintenance costs and debt service of the Greene water and sewer utility system, with the understanding that future rate increases may be necessary to provide for future capital improvements;
- Evidence of the establishment of a Greene water and sewer system enterprise fund within the County's accounting system;

- Final transfer of related water and wastewater permits from RSA to Greene by the Virginia Department of Health and the Virginia Department of Environmental Quality as necessary;
- Issuance of a Certificate of Withdrawal from the Virginia State Corporation Commission;
- Dismissal of all litigation between Greene County and RSA regarding Greene's withdrawal and related utility matters;
- Completion of satisfactory tax and other legal due diligence review by VRA's bond counsel as it relates to any private activity associated with the Greene water and sewer utility system; VRA reserves the right to require additional conditions that may be necessary based on the legal due diligence review to be completed by VRA's bond counsel, which could potentially include tax remediation measures if required under tax law;
- Greene's payment of VRA legal fees associated with the documentation and review associated with the withdrawal from RSA; and
- Any other items or action that VRA deems necessary based on any additional information received.

Notwithstanding the foregoing, if VRA is named the defendant in or becomes subject to any proceeding, action, suit, complaint, claim or counterclaim, whether judicial or administrative in nature, in any way connected with Greene's proposed withdrawal from RSA (a Legal Action), the conditional consent provided herein will be void and VRA will not be obligated to proceed in the withdrawal process or enter any appearance in such Legal Action unless VRA is satisfied that Greene has made provision for the payment by Greene of any and all of VRA's losses, damages, judgments, liabilities, amounts paid in settlement, fines, penalties, litigation costs, fees and expenses, including without limitation the fees and expenses of VRA's attorneys and financial advisors, of whatever kind or nature incurred in or arising from the Legal Action or defending itself in the Legal Action. The agreement by which VRA will evidence its final consent to Greene's withdrawal from RSA will contain a similar provision regarding Legal Actions arising after the withdrawal date.

As noted in prior correspondence, VRA is eager to assist Greene and RSA in bringing this matter to closure. Please contact Peter D'Alema of my staff at 804-616-3446 (pdalema@virginiaresources.org) if VRA can be of further assistance at this time.

Best regards,



Stephanie L. Hamlett
Executive Director

Cc: Arthur Anderson, McGuireWoods
Tim Clemons, Rapidan Service Authority

RAPIDAN SERVICE AUTHORITY
11235 SPOTSWOOD TRAIL
PO BOX 148
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LOCUST GROVE, VA 22508
TEL 540-972-2133
FAX 540-972-7065

Serving the Counties of Greene, Madison and Orange

MEMO TO FILE

DATE: 1/31/2023

TO: Tim Clemons, General Manager

FROM:  Lynn Clements, Director of Projects

RE: Four Seasons, Phase 2B

K. Hovnanian's Four Seasons at Charlottesville has completed the installation of a water main and a gravity sewer main on Four Seasons Drive, Mistland Trail, Stodghill Drive, Kendall Drive, and Mallory Drive in Four Seasons which will serve 54 residential lots. The construction has been inspected and approved. All of the transfer documents have been received and are in order.

Therefore, I recommend that RSA accept the new water main and new gravity sewer main into the RSA Greene County water and sewer systems.