

RWSA BOARD OF DIRECTORS
Minutes of Special Public Meeting
on the Proposed Mitigation Plan for Community Water Supply Plan
November 2, 2006

A special meeting of the Rivanna Water & Sewer Authority (RWSA) Board of Directors was held on Thursday, November 2, 2006, at 6:00 p.m. in the Monticello High School Forum, 1400 Independence Way, Charlottesville, Virginia. The purpose of the meeting was to hold a public outreach discussion on the proposed Mitigation Plan for the Community Water Supply plan, provide a general update on the progress of current activities of the project, and continue to invite public input.

Board Members Present: Mr. Gary Fern, Mr. Michael Gaffney – Presiding, Mr. Gary O’Connell, and Mr. Robert Tucker.

Board Member Absent: Ms. Judith Mueller.

Authority Staff Present: Mr. John Brandt, Mr. Richard Defibaugh, Mr. Bruce Edmonds, Mr. Tom Frederick, Mr. Chuck Kent, Ms. Mary Knowles, Mr. Glen Recknagel, Ms. Michelle Simpson, Ms. Andrea Terry, Ms. Jennifer Whitaker, Dr. Robert Wichser, and Mr. Lonnie Wood.

Also Present: Mr. Aaron Keno – Gannett Fleming Vice President and Project Principal; Mr. Kurt Krueger – RWSA Attorney; Mr. Neville Reynolds – VHB Project Team Member; City and County Government Officials; Albemarle County Service Authority, City, and County Staff; Members of the public; and media representatives.

1.0 Call To Order

The special meeting of the RWSA Board of Directors was called to order by Mr. Michael Gaffney on Thursday, November 2, 2006 at 6:04 p.m., and he noted that a quorum was present. He explained that due to the presence of four Board members, legal requirements specified that this public gathering become an official Board meeting. No Board actions would be taken tonight. Minutes would be prepared and submitted for Board approval. He requested that during the public comment period of the meeting, questions and comments be directed into the microphone so that all the information could be recorded for the public record.

Mr. Gaffney welcomed and thanked the members of the public for their attendance at tonight’s meeting. He noted that many in the audience have not only followed the progress of this plan over the past three years but have also been active participants during this process. He expressed his appreciation as well as that of RWSA and the community as a whole for their continued interest in the Community Water Supply Plan as RWSA presented the proposed Mitigation Plan during tonight’s meeting. With the citizens’ active participation, he felt that this was the best Water Supply Plan for this community.

Mr. Gaffney next commented that he hoped everyone had the opportunity to sign the meeting register as they entered the Forum. If not, he issued the invitation to do so before leaving the meeting. The public was also invited to provide their e-mail address on the sign-up sheets, if they had not done so previously, in order to be included on RWSA's e-mail list for regular updates on the Community Water Supply Plan process.

Mr. Gaffney then provided some background information for the citizens who had not attended a previous Public Outreach Meeting. RWSA and this community had identified a need for increasing the available water supply to meet the future needs of this community. It had previously been determined that an additional 9.9 million gallons per day (MGD) of water supply would be needed over the next 50 years for the City of Charlottesville and Albemarle County. The past two years were spent maneuvering through a complex federal and state regulatory process that included multiple local public meetings, such as the one being held tonight. The result was the selection in April 2006 of the preferred alternative to expand the Ragged Mountain Reservoir (RMR) and to build a pipeline connecting the RMR with the South Fork Rivanna Reservoir (SFRR). An application for a permit to build these improvements was submitted in July 2006. Regulations required that RWSA account for the environmental impacts to existing streams and wetlands as a result of the expanded RMR and compensate those losses as equally as possible through a specific Mitigation Plan approved by the regulators. The purpose of tonight's meeting was to announce and present this proposed Mitigation Plan and invite the public's comments. It was required by the federal and state agencies involved in the approval process that the Mitigation Plan accompany the Community Water Supply Plan. The Mitigation Plan will be presented in the coming weeks to the City of Charlottesville, Albemarle County, and the Albemarle County Service Authority for their approvals.

Mr. Gaffney then commented that tonight's meeting was being videotaped by Charlottesville Public Access TV and would be broadcast in the coming days on local government cable television. The schedule of air times will be available sometime next week at www.rivanna.org or www.charlottesville.org.

Mr. Gaffney next introduced Mr. Tom Frederick, Executive Director of the Rivanna Water & Sewer Authority, who would be summarizing the proposed Mitigation Plan through a PowerPoint® presentation.

Mr. Frederick thanked Mr. Gaffney and extended his own appreciation to each citizen who took the time to attend this meeting. It was the intent of RWSA during this process to invite public comment from as many different perspectives as possible in order to better understand the public's reactions to the proposals submitted by the Authority in order to put forward the best plan that was possible for this community to the regulatory agencies. He recognized many in the audience that have been to most if not all of the public meetings that were held over the past two years, but he also noted some new faces in attendance. To ensure that everyone was starting from the same reference point, Mr. Frederick would be reviewing a couple points that were provided in Mr. Gaffney's brief synopsis on the Community Water Supply planning process to date.

Mr. Frederick first explained that the process began with the identification of the amount of water supply that would be needed for the 50-year plan. Up to 32 different alternatives were evaluated and narrowed down to four while working closely with this community and the regulatory agencies that had ultimate approval of the plan. In April 2006, the Authority announced that the expansion of the RMR was the preferred alternative. At this point, RWSA has quantified the specific impacts to streams and wetlands in the ecosystem that would be impacted when the larger reservoir is built. A specific plan on how this community planned to mitigate those environmental consequences by improving streams and wetlands within the Commonwealth of Virginia would need to be submitted before a regulatory permit could be issued. The Authority has chosen more specifically to not just look for ways to mitigate within the Commonwealth of Virginia but wanted to see that the mitigation plan benefited this local community. The Mitigation Plan about to be presented was a local plan that RWSA hoped served the best interests of this community.

Mr. Frederick began the presentation by reviewing the “Agenda” slide, which listed the following topics: *Impacts to be Mitigated, Stream Mitigation Plan, Wetland Mitigation Plan, Mitigation Costs, Schedule for Next Steps, and Public Comment.*

Mr. Frederick then reviewed the “Impacts to be Mitigated.” As previously mentioned, the preferred water supply alternative for this community was to expand the RMR. At previous meetings, RWSA had proposed raising the Ragged Mountain Dam by 45 feet. The table shown on this slide listed data concerning the height of the existing and proposed dam. The existing Lower Dam at Ragged Mountain was 67 feet tall from its base where 514 million gallons of usable water storage for the water supply was impounded. The new dam was proposed to be 45 feet taller for a total of 112 feet, would meet all current safety requirements, and would impound four times the amount of water than the current structure. As a comparison, the SFRR is the largest reservoir in Rivanna’s system, which stored 800 million gallons of usable water storage. When the new RMR is built, it would actually store more than twice the amount of water that was currently stored at the SFRR. The surface area or the footprint area was about three times the current size. This statistic becomes important when defining environmental impacts because it defines the streams and the wetlands that would be submerged when the surface area is enlarged. One other large public works project associated with the RMR Expansion alternative involved a 36-inch diameter pipeline 9.5 miles in length that was being proposed to refill the RMR from the SFRR.

Mr. Frederick next addressed the specific aspects to be mitigated related to streams. He referred to the picture on the current slide and stated that the blue area was the footprint of the existing RMR. The areas shaded in a lighter yellowish-green color along the edges of the existing RMR represented the size of the new reservoir when it is completely full. The fluorescent green shaded areas highlighted the streams that currently were functioning as flowing streams that would be inundated when the new reservoir is completed. He then pointed out the Upper Dam, which was the first dam built for the regional Charlottesville reservoir when the City of Charlottesville started a water system in the late 1800’s. The Lower Dam was added in the early 1900’s. Both dams now operated at the same water height. The new dam was proposed below the existing Lower Dam, where there was a small strip of stream that would be impacted between the existing dam and the new dam. For the benefit of those in the audience who had not attended

a previous meeting, he explained that the new dam was being built below the existing dam to allow the reservoir to continue to function and supply water for this community during the construction phase. The area in the fluorescent green represented 14,435 linear feet of streams that would be inundated after the new dam was built. He felt it was important to note that RWSA believed that the impact to the total ecosystem by submerging those streams was very small because much of the habitat within these streams today was physically cut off from the lower reaches of Moores Creek by the existing reservoir. There would still be a very similar pattern in terms of the environment when the new reservoir is constructed.

Mr. Frederick then discussed specific impacts to be mitigated related to wetlands. The picture on the current slide represented basically the same footprint as the previous slide but illustrated the wetland impacts. The orange-colored areas were the forested wetlands, which were the most mature wetlands. There was one small area in yellow that represented shrub-scrub wetlands, which was an intermediate level in the progressive development of wetlands from very small and emergent to totally forested areas. The forested wetlands provided the greatest filtration of water and the greatest environmental benefit. The US Army Corps of Engineers (US Army COE) required that the wetland areas be designated into these different categories. He felt it was important to mention that the total amount of wetland areas that would be impacted was less than 2 acres, which in a massive water supply project like this was an extremely small number. Most of the 32 alternatives that were evaluated during the process of selecting the preferred alternative would have impacted far greater quantities of wetlands. He pointed out that all the wetland areas illustrated on this slide were basically at the tail of the existing reservoir. Sedimentation has not been a big issue at this location because the property that was feeding this reservoir was forested and undeveloped. A small amount of sedimentation present had occurred over a long period of time and had settled in the head reaches of the reservoir when it was a larger reservoir, which was the basis upon which the wetlands had formed. Although it could be argued that the reservoirs themselves had created the wetlands that were now being mitigated, the regulatory process suggested that the inundated wetlands would need to be replaced regardless of the reason the wetlands were formed.

Mr. Frederick referenced the next slide that included an illustration of the proposed pipeline route between the SFRR and RMR. He noted that the jurisdictional area that Albemarle County identified for urban service was highlighted in yellow, and the white area represented the urban service area serviced by public water and sewer systems in the City of Charlottesville. The pipeline route is just outside of the urban area and actually in the upper tributary of the Ivy Creek watershed. There are no major stream crossings anywhere along this route, but there are a number of very small minor crossings that were represented by the red dots. The number of temporary impacts totaled about 668 linear feet of streams, which is a very small quantity considering the length of the pipeline. There is also only 0.04 acres of emergent wetlands that would be impacted. Because the pipeline would be underground and the top of the ground would be restored after the pipeline is constructed, all the impacts would be temporary in nature and there would be no special mitigation requirements for this particular project.

Mr. Frederick then moved to the next slide which addressed "Stream Mitigation." Last fall the Authority solicited a list of broad ideas from a number of governmental, community, and non-profit agencies. The Authority was appreciative of all the suggestions that were submitted, which

included ideas from staffs from the City of Charlottesville, Albemarle County, and the US Fish and Wildlife Service (US FWS). In order to develop a stream mitigation plan that was “right” for this community and also continued to follow the regulatory process related to the Community Water Supply Plan, the Authority involved the regulatory agencies to the extent possible during the process of reviewing the list of options. The list was narrowed down to a “Short List” of two key alternatives. The first option involved restoration and largely preservation of high-quality streams on the land that RWSA already owned along the Buck Mountain Creek and some of its tributaries. The second option related to multiple site stream restorations, which included Moores Creek, Maury Creek, Rivanna River, and Ivy Creek tributaries, and entailed reconstructing the streams to a natural flow pattern and reconstructing some of the banks where erosion was already occurring.

Mr. Frederick next commented that a meeting was held last spring with the regulatory agencies in order to obtain some feedback on the “Short List” of stream mitigation options. RWSA received some very specific comments, which was fairly unusual since the regulators more commonly wanted to keep their options open as long as possible and review a lot of detailed information. He felt their openness was due in part to RWSA’s efforts to involve the regulatory agencies throughout this process. The feedback offered by the regulatory agencies was paraphrased on this slide and included a specific statement by the US Army COE and the US FWS that they would want to see stream mitigation involve the replacement of what was lost through “function for function” criteria. For example, if a project was creating impacts to either rural upland streams or urban streams, the federal agencies would suggest that the Mitigation Plan as closely as functionally possible match similar conditions. In this particular case involving the highlands above the RMR in a totally undeveloped forested area, the federal regulatory agencies related that they found the option of preservation and buffer restoration in the Buck Mountain Creek area on land already owned by RWSA to be a very highly qualified “function for function” plan. The regulatory agencies also suggested that the second option involving more of an urban-type stream project was not of the same character. It was further suggested during the discussion that if RWSA were to propose the second option when there was already available land that could provide a more equivalent “function for function,” the ability to get the permit approved could be placed in jeopardy. After further investigations and a significant amount of study, RWSA was recommending tonight that a Mitigation Plan for streams be centered around the concept of Buck Mountain Creek and its tributaries, all of which was on land already publicly owned by RWSA.

Mr. Frederick then discussed statistics related to the proposed Buck Mountain Creek Stream Mitigation Plan. He noted that the following two slides had been slightly updated since the original version of the presentation was posted to RWSA’s website to reflect comments received after an on-site field visit between Authority staff and the Virginia Department of Environmental Quality (Virginia DEQ) this past Monday. Stream Mitigation was broken down into the following three elements: “Preservation,” “Enhancement,” and “Stream Bank Enhancement II.” He then addressed each of the elements as follows:

- **PRESERVATION** - The Buck Mountain streams were of high quality with well established vegetated buffers. Although the buffers were not protected legally from being disturbed, they currently existed. The primary component for the “Preservation” element was obtaining a permanent “Conservation Easement” for the 44,700 linear feet

of buffered areas, which was a legal instrument that protected those areas from land use disturbances impacting the vegetative forest. It was generally being suggested at this point that the buffered areas be about 200 feet wide on each side of the center of the stream. Some of the details of this plan might be subject to regulatory adjustments, as had been indicated during preliminary discussions with the regulators. Since the buffers were already established, there would be no need for “Buffer Tree Planting” and no “Stream Bank Improvement.”

- **ENHANCEMENT**, - This element would also involve the establishment of a permanent “Conservation Easement” in areas where 200-foot buffers on each side of the stream were not currently completely in place. There had been some past disturbance of the forested areas, which might have been used for some other land use purposes. The plan also involved the planting of vegetation on 197 acres of land along the streams.
- **STREAM BANK ENHANCEMENT II** - There has been a slight change in the numbers since this presentation was first posted to the RWSA website, based on the recent DEQ on-site visit. This element was very similar to the second element, but there were some improvements to the stream bank in selected areas where some erosion had occurred. RWSA was in agreement with the reviewing agencies that it would be helpful to re-slope those banks so that vegetation could properly grow and establish itself in a natural way to protect the integrity of the streams from erosion and sedimentation.

In summary, Mr. Frederick reported that RWSA intended to place into permanent “Conservation Easements” 75,500 linear feet of streams, which was a significant enhancement project, “Buffer Tree Planting” would occur on a total of 200 acres, and “Stream Bank Improvement” would occur on approximately 500 linear feet of streams.

Mr. Frederick further stated that both the Virginia DEQ and US Army COE have recently established different criteria that were used as a guide to establish if an applicant’s Mitigation Plan was significant enough to compensate for what each agency had quantified to be the environmental impacts of a public works project affecting streams and wetlands. The US Army COE developed criteria a few years ago with the acronym “SAMM,” which was a complex mathematical formula that he would not attempt to explain in detail at this time. The formula involved totaling the impacts, taking into consideration not just the linear feet of stream but also the quality of the stream and its importance to the environment, and formulating a value to the stream impacts. The Mitigation Plan would then be required to provide an equal value of benefits based on the same mathematical formula. Within the past year, the Virginia DEQ developed their own model which they called “SICAM,” which imposed tougher criteria than those of the federal government. The US Army COE also placed a higher value on “Preservation” in their model than the Virginia DEQ. Since the plan being proposed by RWSA involved a significant amount of “preservation,” the Virginia model would require more mitigation than the federal model. The Stream Mitigation Plan being proposed tonight fully satisfies the Virginia DEQ model and satisfies more than twice the US Army COE criteria.

Mr. Frederick next moved to the slide which contained a map that illustrated the “Proposed Stream Mitigation Project.” He pointed out the main stem of Buck Mountain Creek and also

noted that some distance below the bottom of the map was actually the confluence of Buck Mountain Creek with the South Fork Rivanna River. He then noted the position of the SFRR and also the point where the Moormans River and the Mechums River met. All the water in this particular watershed area flowed directly into the South Fork Rivanna River just a short distance above where the SFRR began. He also pointed out the locations of Piney Creek, Burruss Branch and Elk Run. There were other tributaries that to RWSA's knowledge were not named creeks. The area within the white boundary included only the land that RWSA owned in fee simple and not the easements that had been granted to the Authority. The greenish-yellow areas designated the locations that would be placed into "Buffers," which was only the land along and adjacent to the creeks. The darker colors within the "Buffer" areas signified where the trees were actually showing through the colors overlaid onto this aerial photograph. These were areas that had forested buffers already in place and where RWSA was dedicating conservation easements. The lighter-colorations indicated areas that had been placed predominantly in agricultural land use over a number of years and where there was a need to reestablish the forests to create a "buffer" that offered the maximum protection of the stream. The green lines represented the streams that were being placed into the "Preservation" element. The yellow lines indicated areas where "Buffer" restoration would occur. The two pockets of red-colored lines illustrated where "Stream Bank Enhancement Level II" work was being proposed in the lower reaches of the Buck Mountain Creek.

Mr. Frederick then moved to the next slide and commented it was added after the presentation had been posted to the Authority's website. RWSA has been in communication with The Nature Conservancy (TNC) on a variety of issues and considered them a collaborative partner in many of the community projects, along with the City government, the County government, the Albemarle County Service Authority, and many other agencies, including those represented in the audience tonight. Mr. Schuyler with TNC offered some comments after reviewing the Mitigation Plan, and with Mr. Schuyler's permission, his comments were added to the slide presentation. In paraphrasing those comments, Mr. Frederick stated that Mr. Schuyler was applauding this plan since a significant goal of TNC was to sustain the Rivanna watershed. It would take many projects that protected and restored the streams in order to accomplish that objective. Because of the nature of the Rivanna-owned property, RWSA has a unique opportunity to conduct a preservation project that other agencies could not undertake without significant land acquisition and significant hurdles to overcome. Working cooperatively with the Virginia Aquatic Resources Trust Fund, TNC was taking the lead in the largest urban stream restoration project ever undertaken in this community along Meadow Creek. Mr. Frederick was pleased to report that RWSA was a partner in that process by attending some of the design review meetings and offering that Rivanna's future infrastructure planning was coordinated with TNC's efforts in this community.

Mr. Frederick then moved on to the "Wetland Mitigation" portion of the presentation. He stated that it was not required that wetland mitigation be conducted at the same site or in the same location being proposed for the stream mitigation work. There were special hydrogeographic conditions that need to be in place before a wetland restoration project could be proposed and approved by the regulatory agencies. RWSA conducted a solicitation process similar to the one done for stream mitigation and received a variety of ideas. RWSA staff conducted on-site walks of potential sites along low-lying streams within both the urban and rural areas. More

information was available on the streams in the urban area due to the local governments having captured more of that data at the present time. A sufficient volume of water drainage was required to ensure that the subsurface stayed wet and could support wetland crops year round and through drought conditions as well. Regulatory agencies also required that the site contain natural-occurring hydric soil that would hold that water versus importing a significant amount of dirt from another location in order to create an artificial-type wetland. The terrain would also need to be relatively flat to hold the water so that a significant amount of moisture was not drained off the site. After evaluating the available options, many sites were eliminated from consideration because they did not meet the criteria just discussed or were extremely small in size, which meant that a number of different sites would need to be mitigated and the project would become extremely expensive. Since the RMR was in the Moores Creek watershed, the Authority attempted to give preference to that watershed, partly in response to suggestions by the regulatory agencies and partly in response to public comments. The Authority could also meet the “function for function” test and remain within the same watershed.

Mr. Frederick next reported that the site RWSA was proposing for Wetland Mitigation was the Franklin Street property adjacent to the Charlottesville Stockyard. This site was also situated very close to RWSA’s administrative offices, which was not a consideration in the decision-making process. The property bounded Franklin Street on one side and Moores Creek on the other side. The property was currently under contract for sale to RWSA, which included some options and contingencies. If the Mitigation Plan moved forward to a permitting situation, the Authority could close on this property any time before August 15, 2007 and own the property in fee simple. Negotiations with the landowner have been established into a binding contract. The contract was now public information and was posted to RWSA’s website. A formal submittal has not been made to the regulatory agencies, but the feedback received from informal discussions has been very positive. The Authority was confident if it moved forward with this Wetland Mitigation plan that the regulatory agencies would approve the permit to implement its Community Water Supply Plan.

Mr. Frederick then noted that this slide outlined the proposed Wetland Mitigation plan, but was subject to minor negotiations. A previous graphic showed that 3.46 acres of Wetland Mitigation would be required to satisfy the water supply project. RWSA was proposing to provide 4.0 acres of “new” wetlands, which was more than the minimum regulatory requirement. The property under contract already had 0.9 acres of existing wetlands. While there were federal regulations that restricted the conversion and destruction of wetlands to development, RWSA could now put the land into public ownership, which gave added assurance that the wetlands would be preserved over time. RWSA would also be performing some additional work not required by the regulatory agencies. A berm that was probably associated with agricultural use to limit flooding of the land would be removed, which would allow flood waters to move into the wetland area and reconnect the wetlands with the stream in a more natural way.

Mr. Frederick moved to the slide which illustrated the “Proposed Wetland Mitigation Project.” As Franklin Street as a reference point, he noted the boundaries of the property in relation to Moores Creek and on the other side of Carters Bakery was the entrance to the RWSA administrative offices and the Moores Creek WWTP. The “Existing Building” pictured on the slide was the Charlottesville Stockyard, which was located adjacent to the property under

contract. Existing culverts located across Franklin Street were also illustrated on the slide. RWSA had quantified the amount of water that would come through the culverts based on all types of weather scenarios and determined that it would be sufficient to establish and preserve this wetland area. During the extremely dry conditions experienced this past August, RWSA noted that the existing wetlands on the site were never dry. He also pointed out the area where the Authority proposed to remove a small buffer, which would allow more frequent renourishment of this area through connecting the stream to the wetlands.

Mr. Frederick next commented on his references throughout the presentation concerning the additional steps being taken by RWSA that were above and beyond what the Authority considered to be the absolute requirements to mitigate the impacts of building the new RMR. He stated that this slide provided more details concerning the "Additional Environmental Benefits" identified for the total project, which included the construction of the new RMR and the Mitigation Plan, and were summarized as follows:

- As discussed during previous Public Outreach Meetings, the old pipeline that currently existed between the Sugar Hollow Reservoir and RMR would go out of service when the new pipeline was built between the SFRR and the RMR. This would result in increased flows on a routine basis, particularly in the summer months, in the Moormans River. RWSA felt that this would be a significant enhancement for the entire area of the scenic Moormans River.
- The ecosystem benefits that were offered through lakes would be expanded, particularly the fish and other habitat that existed in a lake environment as opposed to a stream environment.
- As had occurred along the existing RMR, new fringe wetlands may emerge but it was not being counted toward a Mitigation Plan.
- An important issue for the Virginia Department of Game & Inland Fisheries and the US FWS was the protection of endangered species habitat areas. Buck Mountain Creek and its tributaries, particularly in the lower area that approached the South Fork River, was considered highly favorable habitat for the James Spiny mussel, which was an endangered species. There have been actual sightings of the James Spiny mussel in those locations, which was one of reasons from the federal perspective that building a Buck Mountain Reservoir for water supply was a very poor decision but that preserving buffers along the creeks to maintain high water quality was an excellent decision.
- Some general watershed protection benefits would be incurred as a result of this plan related to erosion and sediment control. The Stream Mitigation Plan would preserve and place into conservation easements 75,000 linear feet of stream in the South Fork watershed, which would minimize erosion and protect the streams against the effects of sedimentation.
- As mentioned on the previous slide, the small berm on the property under contract would be removed in order to reconnect Moores Creek with a wetland area.

Mr. Frederick next commented that RWSA believed on the whole that the proposed plan was a very strong plan for this community, enhanced many of the natural resource protection and benefits that our elected officials have published into comprehensive plans, other ordinances, and protections, and was felt to be in harmony with the goals of this community. The Authority was willing to work with the public on any issues that could actually further enhance this plan and preserve the enjoyment by all citizens. RWSA also felt that the plan added value above and beyond what was required by regulatory agencies.

Mr. Frederick then reviewed the slide detailing the “Estimated Value of Mitigation.” He stated that all the costs related to Wetland Mitigation were “out-of-pocket” expenses. Concerning Stream Mitigation, the “Estimated Construction Cost” was an “out-of-pocket” expense and part of the Community Water Supply project. There were some outstanding debt service associated with RWSA-owned property, but most of the costs associated with this value have already been paid. RWSA felt that the total estimated added value of the Mitigation Plan to the environment and this community was \$7,710,000.

Mr. Frederick next summarized the “Next Steps” in this process, which included the following:

- Receive and evaluate public comments. Meetings with citizens would be held as needed in order to make this the best plan possible for this community;
- Seek Mitigation Plan approval by the joint boards;
- Submit Plan to federal and state regulatory agencies;
- Seek final approval of Ragged Mountain Permit;
- Negotiate Ragged Mountain land site requirements with the City; and
- Complete financial and phasing planning.

Mr. Frederick added that if RWSA could complete the process of submitting the Mitigation Plan before the end of this calendar year, public discussions on phasing and a financial plan could be held in early 2007.

Mr. Frederick announced that his presentation was completed and could move forward to the next phase of the meeting, which was the opportunity for the public to ask questions for clarification about the information presented tonight. He requested that those in the audience who wished to offer questions or comments please approach the microphone located in the center aisle one person at a time, identify yourself, and direct your comments into the microphone so that the information could be recorded for the meeting minutes and could also be heard by the members of the public in attendance and citizens watching a taped broadcast of the meeting on cable television. After all the questions had been addressed, citizens would be offered the opportunity to provide comments. Prior to opening up the floor for questions from the public, Mr. Frederick introduced Mr. Aaron Keno with Gannett Fleming, and Mr. Neville Reynolds with VHB Consulting, who were in attendance tonight. Mr. Keno and Mr. Reynolds had assisted RWSA with the detailed work of this project and would be available to assist Mr. Frederick in responding to questions during the public input segment of the meeting.

Ms. Laurel Woodworth – Albemarle County Employee who resided in Charlottesville City:
Concerning the timeline for the Mitigation Plan, Ms. Woodworth inquired if the Stream and

Wetland Mitigation work would need to wait until it rained or could RWSA begin the project earlier.

Mr. Tom Frederick: RWSA did not plan to start the construction work until final regulatory approval was received through the permitting process since the regulators might make some adjustments to the plan. The Authority expected the regulatory agencies to require that the Mitigation Plan, at least for the most part, be in place and operating before the new dam was placed into service. The timeline for the project projected that the new dam would be completed by 2011, and the Mitigation for the most part should be in place at the time the new dam was put into service.

Mr. Matt Rosefsky – Executive Director, Rivanna Conservation Society: Concerning the restoration and preservation work related to the Wetland Mitigation Plant, Mr. Rosefsky asked if those wetlands would be placed into conservation easements, and if not, why not?

Mr. Tom Frederick: The wetlands would be placed into conservation easements.

Dr. Reynolds Cowles – 4667 Catterton Road: Dr. Cowles stated that he owned a farm on Catterton Road. He also leased neighboring property that his neighbor Ms. Nuesch leased back from Rivanna and was situated on the fee-simple property. He questioned what type of fencing would be used around the 200 feet on either side of the Buck Mountain Creek. He mentioned that Virginia DEQ during their on-site visit Monday did a lot of inflammatory damage to the neighborhood by their statements as to what would be done at the site. There were a lot of rumors going around that RWSA needed to answer with regard to those statements. He also asked how the Authority planned to handle creek crossings already in place for machinery, recreational horse use, or moving of livestock from one parcel of owned land to another parcel of owned land that had to cross Rivanna-owned land. Dr. Cowles noted that there were a number of those issues. He questioned if those would be negotiated on an individual basis by RWSA or would there be a blanket policy as was stated on Monday by Virginia DEQ. Dr. Cowles also had some communication with Mr. Ridge Schuyler on this issue as to how it was applied in other areas, and the opinion of some was that there should be some latitude in allowing some natural use as well as for the natural boundaries that already exist around some of the shrub.

Mr. Frederick: Mr. Frederick stated that he became aware this week that there was some information about a “blanket policy” that had been communicated to Buck Mountain residents during Virginia DEQ’s on-site visit last Monday. It was very regretful that the information was communicated to the public in a discourteous manner, which was not how RWSA wanted to conduct this process. RWSA took the idea of preserving land for the environmental benefit of improved water quality and preservation of streams quite seriously. The Authority intended to first meet with individuals who had issues, and he was offering tonight to initiate that process. He had actually already spoken to one gentleman within the last day who wanted to meet with RWSA staff in order to discuss some very specific issues at a particular location. Additionally, if a request was made that would disturb the vegetative buffer, there would need to be some type of negotiated terms that recognized that the vegetative buffer could not be damaged because the core aim of the plan was to preserve the water quality. It was the Authority’s intent to be as flexible as possible when considering the needs of the community. If after studying the issues the

Authority felt that the proposed use was compatible with the goals of the Mitigation Plan, the RWSA would want to accommodate as many of those requests as possible. There was another step in the process that involved negotiation of the actual text of the conservation easement, which would specify how the property was to be used and would require regulatory approval before it could be finalized.

Mr. Frederick then addressed Dr. Cowles question regarding fencing. He stated that RWSA has not determined at this time the details concerning the type of fencing that would be used for this project. Rivanna was very open to ideas that protected the buffered area. There was also no rigid decision in place on where the fencing would be employed. His response to that question has been that the need for a fence would be based on whether the land use adjoining the buffered areas was compatible with preserving the buffer and would not encroach on the vegetative area.

Mr. David Ashcom – 4869 Catterton Road: Mr. Ashcom inquired how a meeting could be scheduled with Mr. Frederick or someone from his office to discuss property issues.

Mr. Tom Frederick: Mr. Frederick replied that he could call Rivanna's office at 434-977-2970 and ask to speak specifically to him or Ms. Andrea Terry, if Mr. Frederick was not available at that time. Mr. Ashcom could also e-mail the Authority at info@rivanna.org, and someone on staff would respond to his request. Ms. Mary Knowles was also available to assist him concerning setting up a meeting.

Ms. Natasha Sienitsky – Free Enterprise Forum: Ms. Sienitsky asked why all the land was not being placed in conservation easements. If the land was placed in conservation easements, would that assist Albemarle County in realizing recreational benefits?

Mr. Tom Frederick: Since the land was funded from user fees paid by water customers, RWSA's specific purpose was to define what was necessary to provide an adequate Mitigation Plan to meet regulatory requirements for mitigating the impacts of the proposed RMR. This process involved technical discussion with VHB and regulatory agencies. Through consultation with regulatory officials and policies, the number that RWSA deemed appropriate to establish the mitigation was 200 feet. It was not the Authority's objective going into the process to try to answer larger questions about recreation, park, or other types of uses. This did not remove any options from further discussion, and he did not feel that RWSA needed to decide at this point what might become of the remainder of the land. The Authority's intent was to propose what it thought was necessary to establish the environmental goals for the Water Supply Plan.

Mr. Rick Parrish – Southern Environmental Law Center: Mr. Parrish commended RWSA on a very solid Mitigation Plan. He questioned the estimated \$5,000,000 value of Stream Mitigation on land already owned by RWSA where the Authority was basically going to maintain the "status quo." He inquired where the \$5,000,000 figure came from.

Mr. Tom Frederick: Mr. Frederick commented that if there were 80 people in this room who tried to establish a value on Stream Mitigation, there would probably be 80 different answers. RWSA felt it was important to present to the community an estimated value of the project that was being proposed. The Authority used the assessed value that was currently established by the

Albemarle County Tax Department. This was not an attempt to state the exact value but to present a broad estimate of the value of the plan.

Mr. Kevin Lynch – Charlottesville City Councilor: Mr. Lynch first thanked RWSA for the Mitigation plan, as he thought it was a good Plan that was taking this community in the right direction. There were some considerations that he wanted to see continued to be addressed as the process moved forward. Ms. Sienitsky had asked about the recreation benefit of this project, and he felt it was correct to state that there would not be any in this specific Mitigation Plan. He felt it was also important to point out that the discussion so far has concerned the mitigation that was required by the regulators for stream and wetland replacement. There was also the issue of 130 acres of City land that would be flooded to create the new RMR to meet future water supply needs, which was essentially for new residents who were not yet living here. He felt strongly that before the 130 acres were sold to RWSA, the City would want to see acre-for-acre replacement, preferably along Moores Creek because that was the natural boundary between the City and the County. The area was not very well suited for development right now due its steep slopes and bottom land. He felt it would be a great place to put an urban trail system to replace the trail system that would be lost in the Ragged Mountain area. He wanted to make it clear in case there were any regulators in the audience that he did not want to confuse that issue with what needed to be done to satisfy the regulatory requirements of stream and wetland protection. If there were people in the audience that were wondering what this plan would do for the general ecological improvement of City of Charlottesville and Albemarle County, there were still some additional things that we have yet to do.

Mr. Lynch further stated that he had some concerns about the long-term preservation of the Buck Mountain Creek by permanently taking it out of ever being used for water supply purposes. He understood the rationale for RWSA proposing that action, and he thought it made sense at this time. He also understood that due to the presence of the James River Spiny mussel, the Buck Mountain area would probably be the last place considered for building a new reservoir. However, he was cognizant of the fact that City Councilors, Board of Supervisor members, and ACSA members before us saw that as a place where water storage should occur. He felt as the community looked toward the future ... 50 or 100 years from now ... he hoped that we would not have to consider that option. However, if the climate were to change in a major way and the community went from nine months of rain to six or four months of rain in a season, we still might want to reconsider that option as a necessity. Although we have an interest in preserving the James River Spiny mussel, he felt our real obligation should be to preserve life and human habitation. For those reasons he felt it was important to keep the property under RWSA ownership. He was also glad for at least the short-term that the streams would be preserved in order to obtain the best water quality as possible. He also felt it was important to think about what happens in 100 years and not to give up the Buck Mountain land as a storage area of last resort.

Mr. Lynch also commented on the phasing issue related to the new Ragged Mountain Dam. He felt it was important that when the new dam was built to do it in phases so that the costs of this project could be phased in as well. The costs for completing this project without any phasing would be \$100 million, which would be assumed by the current ratepayers. He recommended phasing the project by initially building the base of the dam and adding 10 to 15 feet to the dam's

current height to ensure an adequate water supply for the next 15 to 20 years and that current ratepayers were not paying for the water supply needs of future residents. He felt care should be taken when building the water supply for the future that we did not end up subsidizing the growth of this County.

Mr. Matthew Rosefsky – Executive Director, Rivanna Conservation Society: Mr. Rosefsky read the following prepared statement as follows:

“Rivanna Conservation Society supports the proposed stream mitigation on Buck Mountain Creek, and wetland mitigation along Moores Creek. These are better options than buying into a mitigation bank that may be outside of the Rivanna Watershed. We urge that consideration be given to sites in the Buck Mountain Creek watershed that will enhance habitat for the federally endangered James Spiny mussel. We recommend consultation with the US Fish & Wildlife Service, the Thomas Jefferson Soil & Water Conservation District, and The Nature Conservancy – Piedmont Program, all of whom have partnered on James Spiny mussel habitat restoration work in Albemarle County over the last five years. We applaud RWSA’s efforts to direct the mitigation efforts in the local watershed. Not only does it protect the local water supply, but it also enhances the resources available to our downstream neighbors.”

Mr. Rosefsky then spoke as manager of Outdoor Adventure Social Club, as a Board Member of Rivanna Trails Foundation, and as a member of Ivy Creek Foundation, which manages the Ragged Mountain Natural Area as follows:

“Ragged Mountain Natural Area provides Charlottesville-area residents with seven miles of beautiful trails, most of which will be flooded out and/or become inaccessible in this water supply expansion plan. Though nature trail mitigation may not be required by law, in the healthy outdoor activity and nature appreciation interests of our friends and children, I request that you publicly propose a similar mitigation plan for the inundated trails. Similar to your stream mitigation proposal, how many linear feet of trails will be inundated or made inaccessible? What mitigation do you propose?”

“Part of what makes the Charlottesville area so wonderful is the access to nature trails incredibly close to downtown. At Ragged Mountain Natural Area, our healthy and active community members – your customers – deserve to continue to enjoy an equally rich variety of short trail loops, as well as long trail circuit all the way around the portion of the new reservoir on the north side of Route 64. “

Ms. Jerry McCormick-Ray – Citizens for Albemarle: Ms. McCormick-Ray stated that it was a very solid report and the group wished RWSA the best of success. She hoped that within this framework that was being proposed that the County would also seize on having a plan itself to control the rate of growth in our rural areas and eventually have it being developed in the growth areas. Without controlling the rapid growth this area was already experiencing, this community would have some problems with its water in the future.

Mr. John Martin – Free Union, VA: Mr. Martin stated that he lived on Catterton Road and some of his neighbors were at tonight’s meeting due to some concerns that they had. He further

commented that this Water Supply Project started in 1997, and a lot of citizens have been involved in this project since that time by going through every single step, attending every single meeting, and dealing with the Charlottesville City Council, the Albemarle County Board of Supervisors and ACSA Board of Directors. There were times when these proceedings got really contentious, and citizens were not happy. But now we have an outstanding Water Supply Plan. It came together and is a model for any other community. He also thought that this Mitigation Plan is a very good plan. Based on his observations, if his neighbors had individual concerns with respect to what was going to be happening on the Buck Mountain land, they could perceive with a high level of confidence that they would be listened to by RWSA and things will be worked out.

Mr. Tom Frederick: Several citizens have been involved in this process a lot longer than he had, and he expressed his appreciation for their persistent efforts to reach this point in the project.

Ms. Garnett Mellen – Thomas Jefferson Soil and Water Conservation District: Ms. Mellen stated that the Thomas Jefferson Soil and Water Conservation District (TJSWCD) holds conservation easements on riparian areas to protect water quality. She expressed interest in discussing this issue further with the Authority. She also pointed out that her organization worked with farmers in terms of developing alternative water supply with the goal of getting cattle out of the streams by developing wells and springs. The TJSWCD would be happy to assist those in the Buck Mountain land area with those issues.

Mr. Blair Hawkins – Charlottesville City resident: Mr. Hawkins stated that he was born and raised in this area and had been writing about water issues for six years. He commented that when you went to a meeting for the first time you got one impression, but if you knew the background behind the issues, you would get an entirely different impression. The headline that he would write for tonight's meeting would be how RWSA was uncomfortable with using Buck Mountain Reservoir for a Mitigation plan when the land was seized in 1983 for a reservoir. He then asked if Rivanna had any plans to seize any additional land until this reservoir plan is actually approved and if the Buck Mountain land that was not used in this particular Mitigation Plan would be returned to the private sector and to the free market so that land could begin to generate tax revenue again.

Mr. Tom Frederick: He felt that people could debate whether it was a good or bad decision for RWSA to acquire all the land in the 1980's and 90's. He could not disagree with those that thought it was a bad plan. He felt it was important for public agencies, as well as private, to learn from the past and improve its future processes. For example, RWSA did not own the land that turned out to be the most suitable land in its opinion for wetlands restoration. One of the reasons for holding this meeting tonight and not last June or July, was that the Authority took the time to negotiate a contract for the terms of the sale and the options available. A clause was also written into the contract for an option to purchase and not an outright purchase, which would allow RWSA to go through the regulatory process to see if the permit would be approved.

Mr. Frederick then addressed the second part of Mr. Hawkins' question by stating that he was not at liberty to give an answer tonight on any plans for the balance of the Buck Mountain property. His instructions from the Board of Directors were to work this Mitigation Plan through

the processes toward approval. The Board of Directors specifically would not want to address or have “their hands tied” to make decisions on what happens to the remainder of the land until the Mitigation Plan has been approved. The regulators could make some minor adjustments to the plan, so it would be appropriate to approach this process by taking one step at a time.

Mr. Tim Hulbert – City of Charlottesville resident and President and Chief Executive of the Charlottesville Regional Chamber of Commerce: Mr. Hulbert stated that the Chamber has strongly supported this RMR to SFRR pipeline proposal from almost the beginning of the process. He would use Mr. Martin’s use of the word “outstanding” to describe what RWSA has accomplished. He’s been in the area for about six years, and water has been the subject for all of those six years and probably 60 before that. Over the past several years, with Mr. Frederick’s and Mr. Gaffney’s leadership, the process has been science driven and fact based. He also noted the courtesy shown during the entire process. He felt Mr. Frederick, Mr. Gaffney, the Board of Directors, RWSA staff, and the public should be applauded for “getting this done.” He also recognized that the regulatory agencies could “tweak” the plan prior to construction. The Chamber was very pleased with the progress of the project, applauded the Authority’s efforts, and was encouraging RWSA to keep pushing the process forward to the extent possible.

Mr. Ridge Schuyler – Director of the Piedmont Program for The Nature Conservancy in Virginia: The Nature Conservancy (TNC) has its state headquarters in Albemarle County. He was a proud resident of the City of Charlottesville. Concerning the e-mail that he sent earlier today to RWSA, from his experience with working for an elected official in Washington, D.C. you rarely hear from citizens who were pleased with your work. You often heard from people who were not pleased with what you were doing. He felt it was important to let the Authority know that he felt what they were doing with the Mitigation Plan was excellent.

Mr. Schuyler further stated that TNC has identified the Rivanna watershed as one of the finest fresh water systems remaining in the Piedmont. As mentioned in his e-mail, the challenge being faced was to save the existing streams that were in good shape and to restore the ones that were not and to be able to do both of those things at the same time. What RWSA was proposing in Buck Mountain was a very important part of that process, which was to protect the high-quality streams. The reason that we know the streams were in good shape besides the beauty of that land was the existence of the James Spiny mussel, which was an indicator that it was a healthy stream because it is an environmentally sensitive species. From his own experience with stream restoration work as part of Virginia Aquatic Resources Trust Fund, “an ounce of prevention is truly worth a pound of cure.” From TNC’s previous work with restoration projects, which was necessitated when you haven’t protected your streams, [such projects] could cost about \$300 a linear foot. If the whole stream system were degraded, the cost for restoration would be about \$21 million.

Mr. Schuyler next commented that he thought having the TJSWCD hold the easements made great sense and felt that it was definitely something that RWSA should consider pursuing. Mr. Schuyler then spoke as member of the Board of the Ivy Creek Foundation. He looked forward to continuing to work with RWSA to look at replacement trails for the ones that would be inundated by the new Ragged Mountain Dam.

Mr. Kevin Lynch – Charlottesville City Councilor: Mr Rosefsky’s earlier comments reminded him of something that a friend pointed out to him about a week ago. If the Ragged Mountain Dam reaches its full height extension, it would come under Interstate 64. RWSA did not want the bypass to come too close to the reservoir and now the reservoir was being brought closer to Interstate 64. What plans were in place to ensure that actually having an interstate running over the reservoir did not turn into the same sort of problems that everybody was concerned about having a bypass next to the SFRR? Was there a plan in place to deal with spills and public access to the dam?

Mr. Tom Frederick: RWSA has had preliminary discussions about that issue and felt it was a really good question. The Virginia Department of Transportation (VDOT) has designs in place now where stormwater runoff could provide hazardous waste detention. If there was a spill during dry conditions and ran into a storm drain, it could be captured in a way that emergency personnel or other professionals could pump it out and keep it away from the reservoir. During the design phase of the dam project, the Authority would be meeting with the VDOT and the Federal Highway Administration to discuss specific detailed design concepts. RWSA endorsed that kind of concept and was committed to protecting the reservoir from spills off the highway.

Mr. Don Skelly – Orange County Resident who owned property in Albemarle County: He wanted to encourage the Board of Directors to really consider two issues that were crucial to a more “macro” level issue of water quality and development. In continuing to allow agriculture to continue and if the Board was thoughtful in listening to the residents and farmers that surrounded the areas, they would find that those lands would stay in active agriculture rather than being potentially converted into yet more residential development. The other issued involved equine recreation, which he felt was another force in maintaining open space traditionally in this area. He would encourage all parties to give a broader perspective to these issues and realize that no project “lives in a vacuum.”

As there was no other questions or comments from the public, Mr. Frederick thanked everyone again for attending this meeting and he appreciated all the public input offered tonight. He invited any members of the audience who wanted to discuss some specific issues related to the information presented tonight to contact the Authority in order to schedule either an office or on-site visit. Citizens could also e-mail their written comments to RWSA so they could be posted to the Authority’s website. He then turned the meeting over to Mr. Gary O’Connell, who is now presiding for Mr. Mike Gaffney who left the meeting at 6:15 p.m., for some closing comments.

Mr. Gary O’Connell commented that he was representing a number of different people tonight. A number of citizens in attendance have been to previous meetings. Also represented tonight was the ACSA, RWSA Board of Directors, the Albemarle County Board of Supervisors, and Charlottesville City Council. The Authority appreciated your attendance tonight and expressing your interests, questions, and comments. He felt RWSA staff and the RWSA Board of Directors have been very open to public input throughout this process and want to continue this open communication as the project moved forward.

Mr. O’Connell added that RWSA would appreciate citizens taking a few minutes to complete the meeting evaluation form in order to provide the Authority with feedback on tonight’s session,

how future meetings could better serve the community, and offer any additional questions or comments.

Mr. O'Connell next wished everyone a safe trip home and again thanked everyone for coming to this meeting.

2.0 Adjournment

Mr. O'Connell formally adjourned the special meeting of the RWSA Board of Directors at 7:33 p.m.

Respectfully Submitted,

Mr. Robert Tucker
Secretary - Treasurer