

A regular meeting of the Board of Members of Rapidan Service Authority was held on February 19, 2026, at the Madison County Volunteer Fire Station, Madison, VA.

A quorum was present and the meeting was called to order at 2:00 p.m., followed by the Pledge of Allegiance.

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| Present: | Members: | Coppage, Davies, Elliott, Johnson |
| | Staff: | G.M. Clemons, Asst. G.M. Jarrell, Nolan Carney |
| | Attorney: | Stefan Calos |
| | Guests: | Kyle Laux, Gracie Caplice, Ethan Johnson (Davenport) Chris Kulp (Hunton Andrews Kurth) Chuck Jackson |

Before the adoption of the agenda for the meeting, G.M. Clemons noted that the topic lettering under the New Business section needed to be corrected. The revised agenda was then adopted on a motion by Elliott, seconded by Davies, and passed on a unanimous voice vote.

The minutes of the January 15, 2026 meeting were corrected to show that Attorney Calos was present in person rather than remotely via Zoom. The minutes were then approved on a motion by Coppage, seconded by Davies, and passed unanimously on a voice vote.

There was no public comment.

Asst. G.M. Jarrell then presented two customer requests. The first customer requested reimbursement for excess sewer charges from watering during 2025. The customer has an irrigation meter but did not turn it on last year. Asst. G.M. Jarrell noted that RSA has previously offered customers a one-time exoneration of excess sewer charges for up to three months of watering and indicated that staff could help the customer with the application process if the Board wished to offer that option. (The customer's calculations were based on seven months.) On a motion by Coppage, seconded by Elliott, the Board voted unanimously on a voice vote to adhere to its usual policy and offer the customer the opportunity for a one-time, three-month exoneration.

The second customer indicated that he did not occupy his property year-round and believed that he should not be charged at all for the months that he is not there. Asst. G.M. Jarrell explained that RSA has a non-user policy in place that allows for a reduction in rate in those situations. The policy currently allows the customer to request RSA to turn the meter off for a period of time. There is a \$50 charge to turn the meter off and then the customer is billed at the non-user rate of \$38.33 per month until a request is made to turn the meter back on. The customer is aware of this option but is requesting a change in policy that customers be charged only for the water used, with no minimum charge. On a motion by Elliott, seconded by Davies, the Board voted to maintain its current policy on a unanimous voice vote.

During the opportunity for Board comment, Mr. Davies expressed frustration at the length of time that it took RSA to get some items done, both in the field and administratively. He expressed concern that the

Board retreat was delayed since RSA has lost/is losing two of its top three administrators during the first half of 2026 and indicated that a stronger sense of urgency needs to be felt.

Kyle Laux of Davenport Public Finance then presented the responses it received for the RFP (request for proposals) it sent out on RSA's behalf in January to fund planned capital projects and purchases. Davenport asked six banks who put forward proposals to consider both a non-revolving line of credit and a fixed rate bond anticipation note with two and three-year final maturity dates. Davenport believes that the Webster Public Finance Corporation's 3-Year Term Bond Anticipation Note proposal would be best suited to RSA's needs, and Mr. Laux focused on that proposal during the remainder of his presentation. RSA would be eligible to participate in the Virginia SNAP program for local governments and authorities which would allow RSA to reinvest tax-exempt bond proceeds. Upon Board approval, RSA should be able to close on the loan by March 27, 2026.

Mr. Kulp then briefly went over the proposed resolution authorizing the issuance, sale and award by RSA of a water and sewer system revenue bond anticipation note, series 2026. The proposed loan document's provisions are intentionally matched with the existing VRA financing agreement. Once approved, Davenport will negotiate the final details of the note with Webster in accordance with the parameters outlined in the resolution. G.M. Clemons expressed confidence in the work that Davenport had done and believes that the proposal is likely to be as good as RSA could hope for in connection with a bond issuance. On a motion by Davies, seconded by Coppage, the Board approved the proposed resolution authorizing the bond on a 4-0 roll call vote.

Asst. G.M. Jarrell then updated the Board with regard to hydrant repair procedures. Hydrants that are reported to have problems but are still working will be inspected within three workdays. Non-functioning hydrants will be inspected no later than the following workday. Non-functioning hydrants will then be immediately bagged or covered and the local fire department notified via email. It will then be entered into RSA's asset management system to ensure prompt repair or replacement. RSA plans to make an annual inspection of each hydrant and aims to coordinate with Orange and Madison Counties in its efforts to keep hydrants functioning and available when needed.

G.M. Clemons then gave his report. The RSA Board retreat will be at the Orange County Airport conference room on March 3 and will begin at 9:00 a.m. The Virginia Department of Environmental Quality has expanded its drought concerns, and the Northern Piedmont Region, of which RSA is a part, has been moved from a drought watch to a drought warning status. Financially, RSA is doing as expected at this time of year. Water sales are down but should pick up during the warmer months. Mr. Coppage asked about the public information officer position, and G.M. Clemons indicated that RSA has advertised the position again since the initial hire did not work out.

Attorney Calos then gave his report. Potential PFAS settlement adjustments are ongoing. He does not know whether RSA will receive any additional funds but hopes that will be the case.

The Board then went into closed session at 2:46 p.m. after unanimously passing on a voice vote the following motion made by Coppage, seconded by Davies (motion attached).

Upon leaving the closed session at 3:21 p.m., each member of the Board individually certified that only permissible topics had been discussed during the closed session.

Mr. Copping then made a motion to authorize RSA's legal counsel to file a lawsuit to protect RSA's interests with respect to the pending matter with the Town of Gordonsville, with final approval of any complaint delegated to RSA's general manager if the matter is not resolved before the upcoming meeting with RSA and the Town's representatives. The motion was seconded by Elliott and passed 4-0 on a roll call vote.

With no further business to discuss, on a motion by Copping the Board voted unanimously to adjourn at 3:23 p.m.



Chairman

**MOTION TO ENTER INTO CLOSED SESSION AT
THE REGULAR MEETING OF THE BOARD OF MEMBERS OF THE
RAPIDAN SERVICE AUTHORITY ON FEBRUARY 19, 2026**

I move that the Board of Members of the Rapidan Service Authority enter into closed session for the following, pursuant to Virginia Code section 2.2-3711(A)(1), (7), and (8), respectively:

(a) Discussion regarding the performance and resignation (retirement) of the Board's employee, RSA's General Manager, (b) consultation with legal counsel and briefings by staff members pertaining to probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Board, and (c) consultation with legal counsel regarding specific legal matters related to the foregoing items.

Motion by: Coppage

Seconded by: Davies

The motion passed unanimously by voice vote.

Upon leaving the closed session and entering back into open session, please state the following:

Pursuant to Virginia Code § 2.2-3712(D), (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered in the closed meeting by the RSA board. Should any members of the board believe that there was a departure from the foregoing requirements, please so state at this time, prior to the vote, and indicate the substance of the departure that, in their judgment, has taken place.

I would ask each Board Member to certify that the foregoing requirements were met, by saying "AYE".

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| Coppage | <u>X</u> |
| Davies | <u>X</u> |
| Elliott | <u>X</u> |
| Johnson | <u>X</u> |

All Board Members certified by saying "AYE", except _____