

A G E N D A
JAMES CITY COUNTY BOARD OF SUPERVISORS
County Government Center Board Room
May 22, 2012
7:00 P.M.

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. MOMENT OF SILENCE**
- D. PLEDGE OF ALLEGIANCE** – Katelyn Call, 8th-grade student at Toano Middle School
- E. PRESENTATION** – Ford’s Colony Proclamation
- F. PUBLIC COMMENT**
- G. BOARD REQUESTS AND DIRECTIVES**
- H. CONSENT CALENDAR**
 - 1. Minutes –
 - a. April 30, 2012, Budget Work Session
 - b. May 8, 2012, Regular Meeting
 - 2. Resolution of Support – Port of Virginia Economic and Infrastructure Development Zone Grant Program
 - 3. Resolution Accepting Virginia Housing Development Authority (VHDA) Housing Counseling Grant Funds - \$9,950
- I. PUBLIC HEARINGS**
 - 1. Ordinance to Rename Certain County Position Titles as They May Appear in the County Code and Other Adopted Policies
 - 2. Resolution Approving the FY 13-18 Secondary Six-Year Program
 - 3. Resolution Reducing Personal Property Taxes on Boats
- J. BOARD CONSIDERATIONS**
 - 1. Resolution – Employer Contribution Rates for Virginia Retirement System
 - 2. Resolution – Member Contributions by Salary Reduction for Virginia Retirement System
- K. PUBLIC COMMENT**
- L. REPORTS OF THE COUNTY ADMINISTRATOR**
- M. BOARD REQUESTS AND DIRECTIVES**
- N. CLOSED SESSION**
 - 1. Consideration of a personnel matter(s), the appointment of individuals to County boards and/or commissions pursuant to Section 2.2-3711(A)(1) of the Code of Virginia
 - a. Library Board
 - b. Parks and Recreation Advisory Commission
 - c. Regional Issues Committee
- O. ADJOURNMENT** – to 7 p.m. on June 12, 2012

AT A BUDGET WORK SESSION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 30TH DAY OF APRIL 2012, AT 6:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. CALL TO ORDER

B. ROLL CALL

Mary K. Jones, Chairman, Berkeley District
John J. McGlennon, Vice Chairman, Roberts District
W. Wilford Kale, Jr., Jamestown District
James G. Kennedy, Stonehouse District
James O. Icenhour, Jr., Powhatan District

Robert C. Middaugh, County Administrator

C. BUDGET WORK SESSION

Ms. Ann Davis, Treasurer, provided an overview of delinquent taxes. She said that the likelihood of collecting delinquent taxes diminishes with time. She said the statute of limitations is five years for personal property and 20 years for real estate.

Mr. Middaugh noted that funding for Housing Partnerships is included within the Housing and Community Development budget. Also in the budget is funding to assist homeless citizens.

Mr. Middaugh provided an overview of the Tourism Investment Fund. He said the Ladies' Professional Golf Association (LPGA) and Christmastown are the only two definite projects funded and that there is an undesignated balance of \$178,000. He said the Board may wish to fund a destination marketing organization if it comes to fruition.

Mr. Kennedy asked about funding from the other localities for the Alliance. Mr. Middaugh said this would be an issue as the region tries to form a destination marketing organization. Discussion ensued about any funds remaining in the current fiscal year in the Tourism Investment Fund, which would roll over to FY 13 but need to be approved by the Board for expenditure of those funds.

Mr. Middaugh said some of these funds may be needed in FY 12 to assist with the transition to a destination marketing organization.

Mr. Middaugh highlighted the inclusion of a skate rink in the budget to be located in New Town, which would add an attraction for the community during the winter months.

Mr. John McDonald, Manager of Financial and Management Services, stated that the \$6 million in reserves that the Board has indicated it wishes to use during FY 13-14 is shown in the beginning fund balance of the debt service fund. He noted some of the key projects funded by debt include a new fire station and

school projects. In FY 15, a borrowing is anticipated for various County facilities. In FY 17, there is a significant reduction in annual debt service of about \$3 million.

Mr. Middaugh reviewed the Capital Improvement Plan (CIP). The main item for FY 13 is the replacement of Fire Station 1. He stated that an analysis indicated that renovating or saving any of the existing structure was not cost-effective. He also said the new facility would include a community function. He said that Heating, Ventilation, and Air Conditioning (HVAC) projects are the most significant part of the School's CIP.

Mr. Middaugh asked the Board for direction related to the greenspace and Purchase of Development Rights (PDR) programs and said the County needed more dedicated resources for the program if the Board wants it to be more proactive. He said that capital funds could be used to contract with a company or employee.

Mr. McGlennon said that the County needed to publicize the program more and develop strategies for approaching certain property owners. He also said that being more proactive could support other County goals, such as improving water quality.

Mr. Kennedy asked what the program had accomplished and why it took so long to close on properties that had been approved by the Board for acquisition of easement. Discussion continued about the plan for the program and goals of the program. Mr. Kennedy said he wanted more information before he would support additional resources for the program.

The Board took a break at 7 p.m.

The Board reconvened at 7:05 p.m. to meet with members of the School Board, Dr. Steven Constantino, School Superintendent, and Dr. Scott Burchbuckler, Assistant Superintendent for Finance and Operations. Members of the School Board present included Ms. Ruth Larson, Chairman; Mr. Joe Fuentes, Mr. Jim Kelly, and Ms. Elise Emmanuel.

Dr. Constantino stated that the budget is \$111 million, increased by \$1.4 million from the current fiscal year. He said in most cases they reduced programs rather than eliminating them.

Dr. Burchbuckler said retirement costs increased by \$4.2 million and other expenses increased by about \$1 million. This budget eliminates 51 positions.

Mr. McGlennon asked about the impact of budget reductions on the overall quality of the educational program, especially for the future.

Dr. Constantino said maintaining the current achievement level and outcomes would be a success. He also said that reductions have been minimized at the elementary level.

Mr. Kale said the Schools should not penalize success.

Mr. Kennedy said he respected that the Schools had set priorities.

The Boat Tax Committee joined the Board, and Mr. Middaugh made a presentation on the Committee's recommendations. Mr. Middaugh stated that boats have been previously taxed based on where they reside on January 1; however, they will be taxed based on where they reside for six months and one day. As a result, many of the larger boats would not choose to remain in the County, and the County will lose revenue as a result. Mr. Middaugh showed data that indicated James City County's boat tax is higher than any

other jurisdictions. The County also treats all boats the same, but State law allows the County to tax larger boats over five tons at a lower rate. Mr. Middaugh said the staff would develop a specific proposal to bring back to the Board.

Mr. McGlennon said he had reservations about a system that was not clear and understandable.

Mr. Kennedy called the James City Service Authority (JCSA) into session.

Mr. Middaugh said the discussion would focus on the JCSA capital budget. He said the Consent Order required significant capital improvements of the sewer system.

Mr. Larry Foster, General Manager of the JCSA, said that the Consent Order would require the JCSA to spend about \$60 million in infrastructure over 20 years. He stated a 5 percent increase in the sewer rate would result in \$250,000 in revenue. He also stated that debt as a percentage of revenues and debt coverage have been trending in the wrong direction.

Mr. McGlennon asked about a current bond issue that will be retired in 2018.

Mr. Foster said that JCSA could pay off the debt early.

Mr. Foster said the proposed 15 percent rate increase would result in an increase in the average bill by about \$2 per month.

Mr. Icenhour asked if future rate increases would be necessary.

Mr. Foster replied that the proposed 15 percent increase may only generate about half of the revenue necessary.

Mr. McGlennon asked if the estimates included inflation.

Mr. Foster replied no.

Mr. McGlennon said it might be better to issue debt to pay for the improvements earlier and pay for the improvements in a more predictable manner.

Mr. Foster noted that the \$60 million estimate does not include hydraulics. Mr. Foster introduced Ms. Stephanie Luton, Assistant General Manager of the JCSA. He then noted that this budget proposes to transfer operating funds into the capital budget for the first time since the mid 1990s. The capital budget has been funded only through connection fees since that time.

Ms. Luton provided an overview of the Administration Fund, Water Fund, and Sewer Fund. She noted the budget included a 15 percent increase in sewer fees in FY 13 and an additional 5 percent in FY 14.

Mr. Kale made a motion to adjourn the JCSA until May 22, 2012, at 7 p.m.

The motion was approved on a voice vote by a vote of 5-0.

Mr. Middaugh stated that the appropriation resolution includes provisions to allow the County Administrator to transfer up to \$10,000 from the Contingency Fund and to allow the County Administrator to appropriate grants and insurance proceeds below a certain dollar value.

The Board agreed to allow the County Administrator to transfer up to \$10,000 from the Contingency Fund per occurrence not to exceed \$100,000 aggregate for the year. The consensus of the Board was to not allow the County Administrator to appropriate grants, but to allow the County Administrator to appropriate insurance proceeds and refunds.

Mr. Middaugh presented the errata sheet, which included an adjustment to overtime in the Sheriff's budget and to the Hampton Roads Planning District Commission contribution. The Board had further discussion about the contribution to the Hampton Roads Partnership. Mr. Middaugh stated that funding for the After Prom event had been added back into the budget.

Mr. Middaugh asked for guidance on the Police house check fee. He said he proposed the fee be established at \$25 per visit, but that the fee was not about generating revenue. The fee was an effort to better manage the growing number of requests for this program. He also said that under his proposal, the visit would be made by an off-duty Police Officer. The consensus of the Board was to not charge a fee, but also to tell citizens that the house check is not guaranteed. Mr. Middaugh said that staff would continue to monitor the program.

Mr. McGlennon asked for a status report on Williamsburg Area Transport Authority (WATA).

Mr. Doug Powell, Assistant County Administrator, stated that WATA requested a 5 percent increase from the localities this year, and that the increase was included in the proposed budget. He further stated that significant reductions in Federal funding would likely result in service reduction in FY 14.

D. ADJOURNMENT

Mr. Icenhour made a motion to adjourn until May 8 at 7 p.m.

On a roll call vote, the vote was: AYE: Kale, Kennedy, Icenhour, McGlennon, Jones (5). NAY: (0).

Robert C. Middaugh
Clerk to the Board

AT A REGULAR MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 8TH DAY OF MAY 2012, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. CALL TO ORDER

B. ROLL CALL

Mary K. Jones, Chairman, Berkeley District
John J. McGlennon, Vice Chairman, Roberts District
W. Wilford Kale, Jr., Jamestown District
James G. Kennedy, Stonehouse District
James O. Icenhour, Jr., Powhatan District

Robert C. Middaugh, County Administrator
Leo P. Rogers, County Attorney

C. MOMENT OF SILENCE

D. PLEDGE OF ALLEGIANCE – Craig Donvito, an 11th-grade student at Jamestown High School, led the Board and citizens in the Pledge of Allegiance.

E. PRESENTATIONS - None

F. PUBLIC COMMENT

Ms. Jones informed the audience that the FY 2013-2014 budget adoption is listed on the agenda under Board Considerations and that if anyone wished to speak about the budget, the time to do so would be on the first or second Public Comment section.

1. Mr. Robert Venable, 9212 Diascund Road, Lanexa, gave an invocation to the Board.
2. Ms. Rosanne Reddin, 2812 King Rook Court, Williamsburg, invited the Board to hear Ms. Rosa Corey, representing Democrats Against Agenda 21, speak at the Crowne Plaza in Williamsburg, May 21, 2012, at 7 p.m.
3. Mr. Randy O'Neill, 109 Sheffield Road, Williamsburg, addressed the Board concerning children's health programs in schools.
4. Mr. Richard Swanenburg, 4059 South Riverside Drive, Lanexa, addressed the Board about a 1995 effort to ban boating on the Chickahominy River.

5. Ms. Sue Sadler, 9929 Mountain Berry Court, Toano, addressed the Board regarding United Nations Agenda 21.

6. Mr. Keith Sadler, 9929 Mountain Berry Court, Toano, advised the Board that he attended the Historic Triangle Planning meeting on April 30, 2012. He stated that the questions and concerns of many of the attendees were not mentioned or addressed. Mr. Sadler expressed concern about United Nations Agenda 21.

7. Mr. Ed Oyer, 139 Indian Circle, Williamsburg, expressed thanks to the Fire Department for going door-to-door checking on smoke detectors. Mr. Oyer informed the Board that the Virginia Department of Transportation (VDOT) cleaned the gutters along Route 60. He stated that there are gutters along Route 60 in Grove that still need to be cleaned.

8. Mr. David Nice, 4571 Ware Creek Road, Williamsburg, along with Mr. Phil Murdock, representing the Toano Volunteer Fire Department, thanked the Board for its support of Public Safety in the County Budget.

9. Mr. Nathan Walker, 101 Locust Place, Williamsburg, addressed the Board concerning United Nations Agenda 21.

G. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon mentioned that in response to drainage issues in the Grove area, the County Stormwater Division has been working to clear up some of the areas that have experienced flow backups.

Mr. Kennedy stated that trees in the center medians, from Toano to the City of Williamsburg, are in need of trimming. Mr. Kennedy stated that he has received comments from small business owners regarding the budget funding for Busch, Xanterra, and Owens-Illinois. He stated that the small business owners are feeling left out because they do not know what is being done for small businesses. Mr. Kennedy also spoke about a motel on Route 60 and expressed his appreciation that it is boarded up. He stated that the grass is tall and needs to be taken care of.

Mr. Middaugh reminded the Board that one of the proposed budget initiatives is to provide contract help to the General Services crews, which allows them the opportunity to put effort into and to upgrade the quality of the medians.

H. CONSENT CALENDAR

Mr. McGlennon made a motion to approve the Consent Calendar.

On a roll call vote, the vote was: AYE: McGlennon, Icenhour, Kale, Kennedy, Jones (5). NAY: (0).

1. Minutes –
 - a. April 24, 2012, Budget Work Session
 - b. April 24, 2012, Regular Meeting

- 2. Grant Award and Purchase Order – Office of Emergency Medical Services (OEMS) EMS Training Equipment Special Initiative Grant – \$105,029

RESOLUTION

GRANT AWARD AND PURCHASE ORDER – OFFICE OF EMERGENCY MEDICAL SERVICES (OEMS) EMS TRAINING EQUIPMENT SPECIAL INITIATIVE GRANT – \$105,029

WHEREAS, the James City County Fire Department has been awarded an EMS Training Equipment Special Initiative Grant for Accredited Advanced Life Support (ALS) Training Programs in the amount of \$105,029 from the Commonwealth of Virginia Department of Health, Office of Emergency Medical Services (OEMS); and

WHEREAS, the funds are to be used for the purchase of EMS training equipment for training ALS providers in Virginia; and

WHEREAS, the training equipment package funded by the grant has been approved by OEMS and pricing for the equipment package is based upon the State contract with Laerdal Medical Corporation for the purchasing of manikins; and

WHEREAS, cooperative procurement action is authorized by Chapter 1, Section 5, of the James City County Purchasing Policy and the Virginia Public Procurement Act; and

WHEREAS, the grant requires no match.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the acceptance of this grant and the following budget appropriation to the Special Projects/Grants fund:

Revenue:

EMS Training Equipment Special Initiative Grant	<u>\$105,029</u>
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Expenditure:

EMS Training Equipment Special Initiative Grant	<u>\$105,029</u>
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BE IT FURTHER RESOLVED that the Board of Supervisors hereby authorizes the issuance of a purchase order to Laerdal Medical Corporation for EMS training equipment in the amount of \$105,029.

3. Contract Award – Replacement Ambulance – \$238,930**RESOLUTION****CONTRACT AWARD – REPLACEMENT AMBULANCE – \$238,930**

WHEREAS, funds are available in a Rescue Squad Assistance Fund (RSAF) grant award and the FY 2012 Capital Improvement Fund (CIP) budget for the purchase of a replacement ambulance; and

WHEREAS, cooperative procurement action is authorized by Chapter 1, Section 5 of the James City County Purchasing Policy and the Virginia Public Procurement Act, and the Houston-Galveston Area Council issued a cooperative purchasing contract to FESCO Emergency Sales as a result of a competitive sealed Invitation for Bid; and

WHEREAS, Fire Department, Fleet, and Purchasing staff determined the contract specifications meet the County's performance requirements for an ambulance and negotiated a price of \$238,930 with FESCO Emergency Sales for a 2013 Horton medium-duty ambulance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the County Administrator to execute a contract with FESCO Emergency Sales for a 2013 Horton medium-duty ambulance in the amount of \$238,930.

4. Grant Award – Virginia E-911 Services Board Public Safety Answering Point (PSAP) – \$2,000**RESOLUTION****GRANT AWARD – VIRGINIA E-911 SERVICES BOARD PUBLIC SAFETY****ANSWERING POINT (PSAP) – \$2,000**

WHEREAS, the James City County Fire Department Emergency Communications Division has been awarded a \$2,000 grant from the Virginia E-911 Services Board under the Public Safety Answering Point (PSAP) Grant Program for the Wireless E-911 PSAP Education Program; and

WHEREAS, the funds are to be used for 9-1-1/public safety communications education and training; and

WHEREAS, the grant does not require a local match.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the acceptance of this grant and the following budget appropriation to the Special Projects/Grants fund:

Revenue:

PSAP Grant-Education	<u>\$2,000</u>
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Expenditure:

PSAP Grant-Education	<u>\$2,000</u>
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5. Capital Improvement Program Strategy to Meet TMDL Water Quality Goals – National Fish & Wildlife Foundation Local Government Capacity Building Initiative Grant Application – \$150,000

RESOLUTION

CAPITAL IMPROVEMENT PROGRAM STRATEGY TO MEET TMDL WATER

QUALITY GOALS - NATIONAL FISH & WILDLIFE FOUNDATION LOCAL GOVERNMENT

CAPACITY BUILDING INITIATIVE GRANT APPLICATION - \$150,000

WHEREAS, the National Fish and Wildlife Foundation is soliciting proposals to restore the habitats and water quality of the Chesapeake Bay and its tributaries through the Chesapeake Bay Stewardship Fund; and

WHEREAS, the National Fish and Wildlife Foundation is providing financial assistance to selected local governments to overcome specific challenges and barriers to improving water quality through the Local Government Capacity Building Initiative (LGCBI); and

WHEREAS, James City County wishes to apply for \$150,000 in LGCBI funds to be used in developing a capital improvement program strategy to meet the County's anticipated Total Maximum Daily Load (TMDL) requirements; and

WHEREAS, James City County has allocated almost \$ 5 million over the past five-year period to capital improvements for water quality; and

WHEREAS, James City County has undertaken watershed-based planning since 2002, committing almost \$1 million in funds to accomplish the same; and

WHEREAS, the project will result in a comprehensive approach to water quality improvements, building on the County's current program, documenting the variety of contributions James City County has made towards water quality improvements; and

WHEREAS, the project will benefit James City County citizens in ensuring that available capital improvement funds are used in an efficient and effective manner to promote the safety and general welfare through improved water quality.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby wishes to apply for \$150,000 of LGCBI Funds for the Capital Improvement Program Strategy to Meet TMDL Goals Project.

BE IT FURTHER RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the County Administrator to sign and submit appropriate documents, including an application with all understandings and assurances contained therein, and to provide such additional information as may be required for the submittal of the LGCBI proposal.

I. PUBLIC HEARINGS

1. Case No. SUP-0003-2012. David Nice Building Expansion

Mr. Jason Purse, Senior Planner II, advised the Board that Mr. Brandon Nice has applied for a Special Use Permit (SUP) to allow for an expansion to an existing contractor's office on a parcel in an A-1, General Agricultural District, located at 4575 Ware Creek Road. He stated that there is an existing 4,415-square-foot building located on the site. He stated that the expansion includes an 828 square foot-increase to the building footprint, which will be used as a first-floor conference room. Mr. Purse stated that in order to provide flexibility for future expansion, Mr. Nice has requested a second floor be added to the application. Mr. Purse informed the Board that the proposed expansion will be two stories totaling approximately 1,656 square feet. Mr. Purse stated that the proposal is compatible with the 2009 Comprehensive Plan.

Ms. Jones opened the Public Hearing.

As no one wished to speak to this matter, Ms. Jones closed the Public Hearing.

Mr. Kennedy made a motion to approve the resolution for the expansion.

On a roll call vote, the vote was: AYE: McGlennon, Icenhour, Kale, Kennedy, Jones (5). NAY: (0).

RESOLUTION

CASE NO. SUP-0003-2012. DAVID NICE BUILDING EXPANSION

WHEREAS, the Board of Supervisors of James City County has adopted by Ordinance specific land uses that shall be subjected to a Special Use Permit (SUP) process; and

WHEREAS, Mr. Brandon Nice has applied for an SUP to allow an expansion to the existing David A. Nice Builders, Incorporated office building in an A-1 zoning district; and

WHEREAS, the proposed expansion is not to exceed 1,700 square feet; and

WHEREAS, the property is located at 4575 Ware Creek Road on land zoned R-8, Rural Residential, and can be further identified as James City County Real Estate Tax Map/Parcel No. 1410100015B; and

WHEREAS, the Planning Commission of James City County, following its public hearing on April 4, 2012, recommended approval of this application by a vote of 5-0; and

WHEREAS, the Board of Supervisors of James City County, Virginia, finds this use to be consistent with the 2009 Comprehensive Plan Land Use Map designation for this site.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, after a public hearing, does hereby approve the issuance of SUP 0003-2012 as described herein with the following conditions:

1. Master Plan: This Special Use Permit (the "SUP") shall be valid for an addition, not to exceed 1,700 square feet, to the existing 4,415-square-foot building located at 4575 Ware Creek Road and also identified as James City County Tax Map/Parcel No. 1410100015B (the "Property"). Development and use of the Property shall be generally in accordance

with and bound by the Master Plan entitled “David A. Nice Builders Conference Room Addition”, prepared by Mike Suerdieck and dated December 6, 2011 and updated on March 2, 2012 (the “Master Plan”), with such minor changes as the Director of Planning determines does not change the basic concept or character of the development.

2. Commencement of Use: If construction has not commenced on the project within 12 months from the issuance of the SUP, the permit shall become void. Construction shall be defined as obtaining permits for building construction and a final framing inspection of the addition.
3. Architectural Review: The building materials and colors of the addition shall match those of the existing office building. The colors and building materials shall be submitted to the Director of Planning or his designee for review and approval prior to final site plan approval.
4. Lighting: All new exterior lighting fixtures, including building lighting, on the Property shall have recessed fixtures with no lens, bulb, or globe extending below the casing. In addition, a lighting plan shall be submitted to and approved by the Planning Director or his designee, which indicates no glare outside the property lines. All light poles shall not exceed 20 feet in height unless otherwise approved by the Director of Planning prior to final site plan approval. “Glare” shall be defined as more than 0.1 foot-candle at the property line or any direct view of the lighting source from the adjoining properties.
5. Severance Clause: This SUP is not severable. Invalidation of any word, phrase, clause, sentence, or paragraph shall invalidate the remainder.

2. Case No. SUP-0001-2012/Z-0001-2012. Williamsburg Seventh-day Adventist Church Expansion

Mr. Jose Ribeiro, Senior Planner I, stated that Mr. James Peters, AES Consulting Engineers, has applied on behalf of the Williamsburg Seventh-day Adventist Church for an SUP to allow the expansion of the existing church building. He stated that concurrent with the SUP application, a request to amend existing proffers regarding the scenic easement was also being sought by the applicant. He stated that the property is zoned R-1, Limited Residential, and designated by the 2009 Comprehensive Plan as Low Density Residential. He stated that the Church is located on a 9.2 acre parcel in approximately the center of the property. He stated that much of the property’s perimeter is covered by vegetation offering a natural buffer from adjacent properties. He stated that this property was part of a larger parcel of approximately 363 acres, which was rezoned in 1986. He stated that in 1987 an application to amend approved proffers was granted by the Board of Supervisors. He stated the purpose of the 1987 amendment was to exempt a 9.2 acre tract of land from approved proffers and to allow for the development of a church and accessory uses. He stated that one of the proffers associated with the Church, retained from the original rezoning, established a scenic easement along the entire property frontage, 145 feet from the center line of Route 5. He stated that the applicant has indicated a desire to maintain the scenic easement by removing, pruning, and planting vegetation. However, he stated that the proffer, as currently written, does not allow for this type of activity within the scenic easement. He stated that the purpose of the proffer amendment is to allow flexibility to maintain the vegetation within the scenic easement. He stated that given the environmentally sensitive nature of the scenic easement and the importance of Route 5 as a Community Character Corridor (CCC), the amended proffers require the approval of the Planning Director prior to any activity inside the easement. Mr. Ribeiro stated that the proposal also requests an SUP to allow a 5,500 square-foot-expansion of the existing church building. He stated that, according to the applicant, the expansion would not increase the seating capacity of the existing church, which currently has 150 seats. He stated the expansion is proposed as a multi-purpose area for social gatherings,

meetings, and classrooms. He stated that on April 4, 2012, the Planning Commission recommended approval of the application by a vote of 5-0. Mr. Ribeiro advised the Board that he would be glad to answer any questions and that the applicant was also present to answer any questions.

Mr. McGlennon questioned pruning the scenic easement. He stated that the purpose of the buffer is to make the construction less visible from the road. He stated that he read in the staff report the mention of the desire of the pruning was to allow a greater visibility of the existing building from the road.

Mr. Ribeiro responded that the proffers, as proposed, will allow the Planning Director the ability to meet with the applicant and make a determination of what type of vegetation can be pruned and removed.

Mr. McGlennon stated that he wanted to make sure that the County's interest in maintaining the scenic easement and the CCC is preserved.

Ms. Jones opened the Public Hearing.

1. Mr. Michael Messervy, Pastor of the Williamsburg Seventh-day Adventist Church, 186 Racefield Drive, Toano, thanked the Board for considering the project. He stated that they are a small church that has approximately 75 worshipers that attend Saturday services. Mr. Messervy addressed Mr. McGlennon's concern regarding the preservation of the scenic easement and advised the Board that the James City County Police have approached him and requested that the church clear some of the vegetation, because they could not see the property.

As no one else wished to speak to this matter, Ms. Jones closed the Public Hearing.

Mr. Kennedy made a motion to approve the resolutions.

On a roll call vote, the vote was: AYE: McGlennon, Icenhour, Kale, Kennedy, Jones (5). NAY: (0).

RESOLUTION

CASE NO. SUP-0001-2012. WILLIAMSBURG SEVENTH-DAY

ADVENTIST CHURCH EXPANSION

WHEREAS, the Board of Supervisors of James City County (JCC) has adopted by ordinance specific land uses that shall be subjected to a Special Use Permit (SUP) process; and

WHEREAS, Mr. James Peters has applied on behalf of Potomac Conference Corporation of Seventh-day Adventists for an SUP to bring the entire site into compliance with current zoning regulations and allow the construction of a 5,500-square-foot multi-purpose building accessory to a house of worship; and

WHEREAS, the proposed development is shown on a plan prepared by AES Consulting Engineers, titled "Master Plan for Special Use Permit Seventh Day Adventist Church," dated January 25, 2012, and revised on February 23, 2012; and

WHEREAS, the property is located at 3989 John Tyler Highway and can be further identified as JCC Real Estate Tax Map/Parcel No. 4610100002B; and

WHEREAS, the Planning Commission, following its public hearing on April 4, 2012, voted 5-0 to recommend approval of this application; and

WHEREAS, the Board of Supervisors of James City County, Virginia, finds this use to be consistent with the 2009 Comprehensive Plan Use Map designation for this site.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, does hereby approve the issuance of SUP-0001-2012 as described herein with the following conditions:

1. Master Plan: This SUP shall be valid for the existing church building and accessory uses, and the construction of a one-story multi-purpose building of approximately 5,500 square feet in size on the property located at 3989 John Tyler Highway and further identified as JCC Parcel No. 4610100002B (the "Property"). Development of the Property shall be generally in accordance with the Master Plan entitled "Master Plan for Special Use Permit Seventh Day Adventist Church," prepared by AES Consulting Engineers, dated January 25, 2012, and revised on February 23, 2012 (the "Master Plan") with such minor changes as the Planning Director determines does not change the basic concept or character of the development.
2. Land Use: The land use of the proposed 5,500-square-foot multi-purpose building shall be generally in accordance with information provided by the Community Impact Statement titled "Addition to Williamsburg Seventh-day Adventist Church," prepared by AES Consulting Engineers, dated January 25, 2012, and revised February 21, 2012.
3. Traffic Study Analysis: At the time of site plan application to the County, the applicant shall provide the Virginia Department of Transportation (VDOT) a Traffic Study Analysis identifying the Institute of Transportation Engineers (ITE) Code and use of the parcel, functional classification of the roadway, existing Annual Average Daily Traffic (AADT), Trip Generation Report, and Turn Lane and Taper Warrant Analysis for the Route 5 entrance. Said study shall be reviewed and approved by VDOT prior to final site plan approval. The applicant shall implement any requirements for traffic improvements deemed necessary by the Planning Director or his designee, prior to issuance of a Certificate of Occupancy for the expansion on the site.
4. Signs: All signs and sign locations shall be reviewed and approved by the Planning Director or his designee prior to final site plan approval.
5. Dumpsters: All new dumpsters shall be screened by landscaping and/or fencing in a location approved by the Planning Director or his designee prior to final site plan approval.
6. Architectural Elevations: Prior to final site plan approval, the Planning Director or his designee shall review and approve a final building elevations and architectural design for the proposed expansion. Such building shall be reasonably consistent, as determined by the Planning Director or his designee, with the architectural elevations date stamped February 28, 2012.
7. Lighting: All new exterior light fixtures, including building lighting, on the Property shall have recessed fixtures with no lens, bulb, or globe extending below the casing. In addition, a lighting plan shall be submitted to and approved by the Planning Director or his designee, which indicates no glare outside the property lines. All light poles shall not

exceed 20 feet in height unless otherwise approved by the Planning Director prior to final site plan approval. "Glare" shall be defined as more than 0.1 foot-candle at the boundary of the Property or any direct view of the lighting source from the adjoining properties.

8. Water Conservation Agreement: The owner shall be responsible for developing and enforcing water conservation standards to be submitted to and approved by the James City Service Authority (JCSA) prior to final site plan approval. The standards shall include, but shall not be limited to such water conservation measures as limitations on the installation and use of irrigation systems and irrigation wells, the use of approved landscaping materials including the use of drought-resistant native and other adopted low-water-use landscaping materials and warm-season turf where appropriate, and the use of water conserving fixtures and appliances to promote water conservation and minimize the use of public water resources.
9. Irrigation: In the design phase, the developer and/or designer engineer shall include the design of stormwater systems that can be used to collect stormwater for outdoor water use not met by existing wells for the Property. Only surface water collected from surface water impoundments or existing wells may be used for irrigating the Property. In no circumstances shall JCSA public water supply be used for irrigation, except as otherwise provided by this condition.
10. Commencement of Construction: Construction on this project shall commence within 36 months from the date of approval of this SUP or this SUP shall be void. Construction shall be defined as the obtaining of permits for the construction of foundations and/or footings.
11. Severance Clause: This SUP is not severable. Invalidation of any word, phrase, clause, sentence, or paragraph shall invalidate the remainder.

RESOLUTION

CASE NO. Z-0001-2012. WILLIAMSBURG SEVENTH-DAY

ADVENTIST CHURCH EXPANSION

WHEREAS, in accordance with § 15.2-2204 of the Code of Virginia, 1950, as amended, and Section 24-15 of the James City County Zoning Ordinance, a public hearing was advertised, adjoining property owners notified, and a hearing scheduled on Zoning Case No. Z-0001-2012, with Master Plan, to amend existing proffers applicable to the property owned by the Potomac Conference Corporation of Seventh-day Adventists; and

WHEREAS, the property is located at 3989 John Tyler Highway and can be further identified as James City County Real Estate Tax Map/Parcel No. 4610100002B; and

WHEREAS, the Planning Commission of James City County, following its public hearing on April 4, 2012, recommended approval by a vote of 5 to 0; and

WHEREAS, the Board of Supervisors of James City County, Virginia, finds the proposed proffer amendment to the scenic easement consistent with the Zoning Ordinance and the 2009 Comprehensive Plan Land Use Map designation for this site.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, after a public hearing, does hereby approve Case No. Z-0001-2012 and accept the voluntary adopted and restated proffers.

J. BOARD CONSIDERATION

1. FY 2013 Budget Adoption

Mr. Middaugh stated that stewardship is one of the core values celebrated in the County and expressed that the proposed budget is a marvelous example of the Board's fine stewardship of the resources entrusted to the Board by its citizens as well as the work of County staff. Mr. Middaugh stated that there was conversation about an adjustment to the boat tax and stated that the Board received a memorandum about same. Mr. Middaugh requested that the topic be discussed at the Board's May 22, 2012, meeting and asked whether the Board wanted to advertise the matter as a public hearing. Mr. Middaugh expressed thanks to Mr. Doug Powell, Mr. John McDonald, Ms. Sue Mellen, Ms. Heather Poulsen, Ms. Carol Luckam, Ms. Emily Haywood, Ms. Sandy Hale, and the entire executive and senior staff members for their hard work in helping to prepare the budget.

Ms. Jones expressed the Board's desire to have a public hearing on the boat tax issue.

Mr. McGlennon congratulated the County Administrator and staff who helped prepare the budget.

Mr. Icenhour expressed thanks to the County Administrator and staff for preparing the budget. Mr. Icenhour stated that he had no problem supporting the budget. Mr. Icenhour stated that he wanted to dispel a myth that growth has stopped in James City County. He stated that over the past four years, 2008 to 2011, the County's population and housing stock had grown by ten percent. He stated that James City County is the fifth fastest growing county in Virginia. He stated that the County has been working hard to keep spending under control. He stated cutting spending without cutting services is another myth that needs to be dispelled. He stated that the County has done a good job of trying not to cut the essential services, but the County is at the point where future cuts might not spare any of that. He stated that from 2008-2011, the County had a spending decrease of 8 percent when inflation was at 11 percent. He expressed concern with how the State balanced its budget using the Virginia Retirement System (VRS). He stated that the payback is an unfunded mandate on local levels. He stated that his concern is that the County is using surplus money to fill an ongoing need for revenue. He stated that the hope is that the County will have recovered revenues within the next two years to help pay for this. He stated that if this does not occur, serious discussion will be held to determine where cuts can be made. Mr. Icenhour also expressed concern regarding the cumulative impact of growth. He stated that according to the Comprehensive Plan, the County has 15,000 unbuilt homes. He stated that if they ever came into fruition, the assumption was that they would pay for themselves. He stated that the County is finding that this is not the case. With depressed property values and depressed revenues from these houses, the County is not going to have the tax revenues to build schools or the infrastructure. He stated that the County is going to have to raise taxes and/or cut services in order to balance the budget in outlying years.

Mr. Kale expressed thanks to Mr. Middaugh and the County staff for the time they took to bring him up to speed and provide him with a thorough review of his first County budget. Mr. Kale stated that he had no problem supporting the budget. He stated that the Board needs to be careful in examining it and face the realization that the future may not be as bright as everyone hopes. Mr. Kale stated that the proposed budget is a very workable budget.

Mr. Kennedy stated that he is in agreement with most of the budget items. Mr. Kennedy expressed concern with revenue and revenue growth and stated that businesses in the community are still suffering. He stated that revenues are not rising to the rate of inflation. He stated that the County might have a higher growth rate, which might have helped keep some people in jobs, which is an accomplishment. He stated that the County has built a really good community, which has gone on for generations. He stated that people want to live here for the amenities of what the County provides with schools, parks, and recreation. Mr. Kennedy expressed concern regarding the VRS. He stated that he resents the fact that the Commonwealth of Virginia has directed localities to give a pay increase. Mr. Kennedy read a letter that he submitted for publication to the news media expressing his views regarding the mandated pay raise for County employees. Mr. Kennedy stated that he spoke with some members of the Board and there is not a consensus to challenge the mandate. He stated that he spoke with a couple of localities who are considering challenging the unconstitutionality of the bill. He stated that if the County accepts the budget, the Board is endorsing an unconstitutional item from the Commonwealth of Virginia. Mr. Kennedy stated that even though he finds most of the budget acceptable, he will vote against it based on the VRS mandate.

Ms. Jones stated that she will be supporting the budget. She stated that she does share Mr. Kennedy's concerns about VRS and would support a challenge. Ms. Jones thanked Mr. Middaugh and the executive staff for their work on the budget. Ms. Jones stated that the citizens should be pleased that there will not be a property tax increase. Ms. Jones stated that the County has maintained an AAA bond rating through economic hard times.

Mr. McGlennon moved for the adoption of the budget.

On a roll call vote, the vote was: AYE: McGlennon, Icenhour, Kale, Jones (4). NAY: Kennedy (1).

RESOLUTION

RESOLUTION OF APPROPRIATION

WHEREAS, the County Administrator has prepared a two-year Proposed Budget for the fiscal years beginning July 1, 2012, and ending June 30, 2013, along with the fiscal year beginning July 1, 2013 and ending June 30, 2014, and a five-year Capital Improvements Program, four years of which are for information and fiscal planning purposes only; and

WHEREAS, it is now necessary to appropriate funds to carry out the activities proposed therein for the fiscal year beginning July 1, 2012, and ending June 30, 2013, and to set tax rates on real estate, tangible personal property, and machinery and tools, to provide certain revenue in support of those appropriations; and

WHEREAS, the Board wishes to adopt the second year of the operating and capital budgets for planning purposes, beginning July 1, 2013, and ending June 30, 2014.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of James City County, Virginia, that:

1. The following amounts are hereby appropriated in the FY 2013 General Fund for the offices and activities in the amounts as shown below:

GENERAL FUND REVENUES

	<u>FY 2013</u>
General Property Taxes	\$ 108,120,000
Other Local Taxes	19,050,000
Licenses, Permits and Fees	7,245,000
Fines and Forfeitures	300,000
Revenue from Use of Money and Property	185,000
Revenue from the Commonwealth	25,513,000
Revenue from the Federal Government	7,000
Charges for Current Services	5,080,000
Miscellaneous Revenues	<u>130,000</u>
Total Revenues	<u>\$ 165,630,000</u>

GENERAL FUND EXPENDITURES

	<u>FY 2013</u>
General Administration	\$ 3,131,658
Court Services	3,557,710
Public Safety	21,963,681
Financial Administration	6,305,164
Development Management	3,399,163
General Services	8,469,440
Citizen and Community Services	5,301,068
Contribution - Outside Agencies	685,128
Nondepartmental	607,305
WJCC Schools	76,720,315
Contribution - School Debt Service	18,000,000
Library and Arts Center	4,120,251
Other Regional Entities	3,498,701
Health Services	1,630,845
Contributions - Other Funds	<u>8,239,571</u>
Total Expenditures	<u>\$ 165,630,000</u>

The appropriation for education includes \$76,720,315 as a local contribution to the Williamsburg-James City County Schools operations.

Year End Fund Balance	\$3,000,000
Contribution to Capital Projects	\$3,000,000

2. That the tax rates be set for the amounts shown below and revenues appropriated in the following classifications:

TAX RATES

Real Estate on each \$100 assessed value	\$0.77
Tangible Personal Property on each \$100 assessed value	\$4.00
Machinery and tools on each \$100 assessed value	\$4.00

3. That the ALS/BLS fees be set for the amounts shown below and revenues appropriated in the following classifications:

Basic Life Support (BLS)	\$450
Advance Life Support (ALS) 1	\$550
Advance Life Support (ALS) 2	\$800
Mileage	\$10

4. That the following amounts are hereby appropriated in other budgets in FY2013 for the activities in the amounts as shown below:

CAPITAL PROJECTS BUDGET

Revenues:

Transfer from the General Fund	\$ 2,000,000
Year-End General Fund Balance	3,000,000
Bond Financing	20,000,000
Jamestown Marina Rental Income	42,000
VDOT Revenue Sharing Reimbursement	<u>516,900</u>
Total Capital Projects Fund Revenues	<u>\$25,558,900</u>

Expenditures:

Schools	\$ 15,945,000
Public Safety	7,905,000
Administrative	265,300
General Services	1,363,740
Parks and Recreation	<u>79,860</u>
Total Capital Projects Fund Expenditures	<u>\$25,558,900</u>

DEBT SERVICE BUDGET

Revenues:

General Fund - Schools	\$18,000,000
General Fund - Other	2,450,000
Build America Bonds	223,301
Investment Income	20,000
Fund Balance	<u>4,455,433</u>
Total Debt Service Fund Revenues	<u>\$25,148,734</u>

Current Year Expenditures: \$25,148,734

Total Debt Service Fund Disbursements \$25,148,734

VIRGINIA PUBLIC ASSISTANCE FUNDRevenues:

From Federal/State	\$3,634,197
General Fund	1,587,616
Other	384,500
Grant	<u>23,983</u>
Total Virginia Public Assistance Fund Revenues & Fund Balance	<u>\$5,630,296</u>

Expenditures:

Administration and Assistance	<u>\$5,630,296</u>
Total Virginia Public Assistance Fund Expenditures	<u>\$5,630,296</u>

COMMUNITY DEVELOPMENT FUNDRevenues:

General Fund	\$ 630,059
Grants	1,651,467
Program Income	107,000
Other	<u>737,000</u>
Total Community Development Fund Revenues & Fund Balance	<u>\$3,125,526</u>

Expenditures:

Administration and Programs	<u>\$3,125,526</u>
Total Community Development Fund Expenditures	<u>\$3,125,526</u>

COLONIAL COMMUNITY CORRECTIONS FUNDRevenues:

From Federal/State	\$735,514
General Fund	34,470
Supervision Fees	57,474
Grants	40,665
Other	<u>80,244</u>
Total Colonial Community Corrections Fund Revenues	<u>\$948,367</u>

Expenditures:

Administration and Programs	<u>\$948,367</u>
Total Colonial Community Corrections Fund Expenditures	<u>\$948,367</u>

SPECIAL PROJECTS/GRANTS FUNDRevenues:

Comprehensive Services Act (CSA)	\$319,300
CSA Local Match - General Fund	367,426
CSA School Share	112,000
Local Emergency Management Planning Grant	<u>34,692</u>
Total Special Projects/Grants Fund Revenues	<u>\$833,418</u>

Expenditures:

Comprehensive Services Act	\$798,726
Local Emergency Management Planning Grant	<u>34,692</u>
Total Special Projects/Grants Fund Expenditures	<u>\$833,418</u>

TOURISM INVESTMENT FUNDRevenues:

Additional \$2 Per Night Room Tax	\$ 650,000
General Fund – from Room Tax Revenues	<u>1,170,000</u>
Total Tourism Investment Fund Revenues	<u>\$1,820,000</u>

Expenditures:

Tourism Activities	<u>\$1,820,000</u>
Total Tourism Investment Fund Expenditures	<u>\$1,820,000</u>

5. The County Administrator be authorized to transfer funds and personnel from time to time within and between the offices and activities delineated in this Resolution as he may deem in the best interest of the County in order to carry out the work of the County as approved by the Board of Supervisors during the coming fiscal year.
6. The County Administrator be authorized to transfer up to \$10,000 per occurrence from the contingency balance to one or more appropriation categories. No more than one transfer may be made for the same item causing the need for a transfer, unless the total amount to be transferred for the item does not exceed \$10,000. Total transfers for the year are not to exceed \$100,000.

7. The County Administrator be authorized to increase appropriations for non-budgeted revenue that may occur during the fiscal year as follows:
 - a) Insurance recoveries received for damage to any county property, including vehicles, for which County funds have been expended to make repairs; and
 - b) Refunds or reimbursements made to the county for which the county has expended funds directly related to that refund or reimbursement.
8. The County Administrator be authorized to administer the County's Personnel Policy and Pay Plan as previously adopted by the Board of Supervisors.
9. The County Administrator be authorized to transfer funds to and from the Personnel Contingency account and divisional personnel line items in order to capture turnover savings at a divisional level.
10. All outstanding encumbrances in all County funds at June 30, 2012, shall be an amendment to the FY2013 budget, and appropriated to the FY2013 budget to the same department and account for which they were encumbered in the previous year.
11. The County Administrator be authorized to make expenditures from the Donation Trust Fund for the specified reasons for which the fund was established. In no case shall the expenditure exceed the available balance in the fund as verified by the Treasurer.
12. The Board of Supervisors of James City County, Virginia, hereby adopts the following budgets for the purposes of future financial and operational planning:

FY 2014

General Fund	\$167,930,000
Capital Budget	5,048,000
Debt Service	25,452,966
Virginia Public Assistance	5,675,524
Community Development	4,145,548
Colonial Community Corrections	955,152
Special Projects/Grants	833,418
Tourism Investment	1,820,000

K. PUBLIC COMMENTS

1. Mr. Ed Oyer, 139 Indian Circle, Williamsburg, informed the Board that he received a phone call from Mr. Rossie Carroll, VDOT, concerning the slurry seal project in his neighborhood.
2. Mr. Richard Swanenburg, 4059 South Riverside Drive, Lanexa, addressed the Board regarding the shoreline and river embankment in Uncle's Neck along the Chickahominy River.

L. REPORT OF THE COUNTY ADMINISTRATOR

Mr. Middaugh announced that the annual outdoor water regulations are now in effect until September 30, 2012, and stated that information regarding the regulations can be found on the County's website. Mr.

Middaugh also announced that on May 19, 2012, there will be a Family Fun Fest at the Chickahominy Riverfront Park. Mr. Middaugh informed that Board that he appointed Mr. Allen Murphy as the permanent Director of the Development Management Department. He stated that Mr. Murphy will bring a lot of experience to the department and is pleased to welcome him to his management team.

M. BOARD REQUESTS AND DIRECTIVES

Mr. Icenhour reminded the Board members of an invitation to attend the Citizen's Police Academy graduation at the Law Enforcement Center on May 9, 2012.

Ms. Jones stated that she had the privilege to attend the Virginia Cardinal Camping Club at the American Heritage RV Park on May 4, 2012.

N. CLOSED SESSION - None

O. ADJOURNMENT

Mr. McGlennon made a motion to adjourn the meeting.

On a roll call vote, the vote was: AYE: McGlennon, Icenhour, Kale, Kennedy, Jones (5). NAY: (0).

At 8:11 p.m., Ms. Jones adjourned the Board until 4 p.m. on May 22, 2012.

Robert C. Middaugh
Clerk to the Board

MEMORANDUM COVER

Subject: Support of the Port of Virginia Economic and Infrastructure Development Zone Grant Program

Action Requested: Shall the Board approve the resolution that supports the establishment of the Port of Virginia Economic and Infrastructure Development Zone Grant Program and respectfully request the House of Delegates and Senate of Virginia to approve Governor McDonnell's proposed amendments to the 2013-2014 Appropriations Act?

Summary: In an effort to support the Port of Virginia and to provide economic incentives to companies that utilize those facilities, Governor McDonnell is planning to offer amendments to the 2013-2014 Appropriations Act to create the Port of Virginia Economic and Infrastructure Development Zone Grant Program. This Program will provide incentives to companies that are involved in maritime commerce or that utilize the Port of Virginia for the importing or exporting of goods, with a grant based upon the number of jobs created. Thirty-five localities, including James City County, are to be included within this Zone.

Staff recommends that the Board consider supporting the establishment of the Port of Virginia Economic and Infrastructure Development Zone Grant Program, as outlined in the attachment dated May 1, 2012, and respectfully request the House of Delegates and the Senate of Virginia to approve Governor McDonnell's proposed amendments to the 2013-2014 Appropriations Act.

Fiscal Impact: N/A

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell 

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. Letter from Sean Connaughton,
Secretary of Transportation

Agenda Item No.: H-2

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012

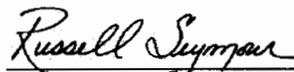
TO: The Board of Supervisors

FROM: Russell C. Seymour, Director Office of Economic Development

SUBJECT: Support of the Port of Virginia Economic and Infrastructure Development Zone Grant Program

The Port of Virginia remains one of the Commonwealth's strongest economic assets. In an effort to further strengthen and diversify Virginia's economic base, Governor McDonnell is planning to offer amendments to the 2013-2014 Appropriations Act to create the Port of Virginia Economic and Infrastructure Development Zone Grant Program. This program will provide companies involved in maritime commerce or that import or export goods through the Port of Virginia with a grant in an amount based upon the number of jobs created. The Zone will include the Counties of Brunswick, Chesterfield, Charles City, Clarke, Dinwiddie, Frederick, Gloucester, Greensville, Henrico, Hanover, Isle of Wight, James City, Mecklenburg, Montgomery, New Kent, Prince George, South Hampton, Surry, Sussex, Warren, and York and the Cities of Chesapeake, Colonial Heights, Emporia, Hampton, Hopewell, Newport News, Norfolk, Petersburg, Poquoson, Portsmouth, Richmond, Suffolk, Virginia Beach, and Williamsburg. The Program will be administered by the Virginia Port Authority.

Staff recommends that the Board consider supporting the establishment of the Port of Virginia Economic and Infrastructure Development Zone Grant Program, as outlined in the attachment dated May 1, 2012, and respectfully request the House of Delegates and the Senate of Virginia to approve Governor McDonnell's proposed amendments to the 2013-2014 Appropriations Act.



Russell C. Seymour

RCS/gb
PortVaZoneGra_mem

Attachments:

1. Letter from Sean Connaughton, Secretary of Transportation
2. Resolution

RESOLUTION

SUPPORT OF THE PORT OF VIRGINIA ECONOMIC AND

INFRASTRUCTURE DEVELOPMENT ZONE GRANT PROGRAM

WHEREAS, the Port of Virginia – sustaining 343,000 jobs and generating over \$41 billion in revenues, \$13 billion in payroll, and \$1.2 billion in tax revenue – is one of the Commonwealth’s greatest economic assets; and

WHEREAS, the Port of Virginia, despite its recent challenges brought on by the economic recession, is projected to undergo significant growth in the coming years with the completion of the Panama Canal Extension Project; and

WHEREAS, driving the development of these facilities to specific areas can help reduce congestion in the Hampton Roads region; and

WHEREAS, Governor McDonnell is proposing to create the Port of Virginia Economic and Infrastructure Development Zone Grant Program, which will incentivize companies involved in maritime commerce and that import and export goods through the Port of Virginia to locate in Virginia; and

WHEREAS, creation of this grant program is estimated to have an economic impact of \$7.3 billion, sustaining 14,120 jobs in the Route 460 Corridor and \$5.7 billion, sustaining 11,255 jobs in the Hampton Roads area; and

WHEREAS, creation of this grant program will bring much needed jobs and economic development to our community.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby supports the establishment of the Port of Virginia Economic and Infrastructure Development Zone Grant Program and respectfully requests the House of Delegates and the Senate of Virginia to approve Governor McDonnell’s proposed amendments to the 2013-2014 Appropriations Act establishing this zone.

Mary K. Jones
Chairman, Board of Supervisors

ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May, 2012.

PortVaZoneGra_res



COMMONWEALTH of VIRGINIA

Office of the Governor

Sean T. Connaughton
Secretary of Transportation

May 1, 2012

The Honorable Mary K. Jones
James City County, Chairman
P.O. Box 5863
Williamsburg, Virginia 23188

Subject: Request for Support of the Port Of Virginia Economic and
Infrastructure Development Zone Grant Program

Dear Chairman Jones:

The Port of Virginia is one of the Commonwealth's greatest economic assets. A 2008 economic impact analysis estimated that the port and its related businesses annually sustain 343,000 jobs and generate over \$41 billion in revenues, \$13 billion in payroll, and \$1.2 billion in tax revenue. While the port has historically excelled, recent years, with the onslaught of the economic recession, have presented new challenges. Despite these challenges, the Port of Virginia is projected to undergo substantial growth over the coming years with the completion of the Panama Canal Expansion Project. To help realize this growth, the McDonnell Administration has pursued an aggressive legislative agenda to help better promote the port, reform its operations and governance, and provide incentives on par with competing states.

During the 2012 Session, the administration put forward a comprehensive piece of legislation geared towards reforming port operations and enhancing Virginia's port related incentives. Specifically, the legislation:

- Eliminates several bureaucratic processes with which the port must comply to better enable the Virginia Port Authority (VPA) to operate more cost effectively and efficiently in a highly competitive commercial marketplace;
- Requires appointees to the Board of Commissioners to have specific experience in one of several fields related to the Port to ensure effective governance;
- Extends the sunset on the Barge and Rail Use Tax Credit, the International Trade Facility Tax Credit, and the Port Volume Increase Tax Credit until 2017; and,
- Creates the Port Opportunity Fund to increase the VPA's marketing efforts and provide incentives to shippers in the form of reduced rates.

*The Honorable Mary K. Jones
May 1, 2012
Page 2*

As introduced, the legislation also included the creation of the Route 460 Corridor Interstate 85 Connector Economic Development Zone; however, this provision was unfortunately removed during the conference process. The economic development zone would have provided companies that export or import goods through the Port of Virginia, or that are engaged in maritime commerce, and that locate in the zone with a corporate income tax exemption for their first two years of operation within the zone. The amount of the credit would have corresponded with a job creation threshold: 25 or more jobs equals a 25 percent credit; 50 or more jobs equals a 50 percent credit; 75 or more jobs equals a 75 percent credit; and, 100 or more jobs equals a 100 percent credit. Rather than creating the zone, the legislation ultimately required the Governor to make recommendations on the establishment of an economic development zone and incentive program comparable to competing states.

The creation of such an economic development zone would have a lasting and transformative impact on not only the localities encompassed by the zone, but the entire Commonwealth. As the Commonwealth, like other states, faces impending cuts to key federal government sectors resulting from our ever increasing national debt, we must look for innovative ways to diversify and grow the Virginia economy. Further, for the port to realize its growth potential, the Commonwealth must attract a growing number of distribution, intermodal, manufacturing, and warehousing facilities needed to support port operations. Through creating this economic development zone, the Commonwealth can incentivize these companies to locate in Virginia and bring thousands of jobs with them. A recent economic impact analysis conducted by nationally renowned economists, Chmura Economics, estimated that by 2020, creation of this zone and the construction of the new Route 460 Corridor Improvement Project would have an economic impact of \$7.3 billion, sustaining 14,120 jobs in the corridor and \$5.7 billion, supporting 11,255 jobs in the Hampton Roads area.

Aside from creating thousands of jobs and transforming the region's economy, creation of the economic development zone can help address one of the Commonwealth's and the region's greatest challenges – growing congestion and its negative impact on the economy. Over 66 percent of cargo containers coming into and out of the Port of Virginia move by truck. As the port grows, the number of trucks traveling through the already congested tunnels of Hampton Roads will increase, further clogging the region's transportation arteries. Constructing the new Route 460 in and of itself will significantly reduce this congestion by providing a direct alternative to points to the North, South, and West. However, by creating the economic development zone and encouraging the location of the necessary support and supply chain systems along the corridor, the Commonwealth can divert even more truck traffic out of the tunnels and significantly improve the congestion in Hampton Roads.

The Honorable Mary K. Jones
May 1, 2012
Page 3

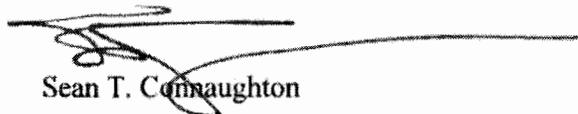
After further discussing the proposal and working with members of the General Assembly throughout the Session, Governor McDonnell plans to offer amendments to the 2013 – 2014 Appropriations Act to create the Port of Virginia Economic and Infrastructure Development Zone Grant Program. This new grant program will provide companies involved in maritime commerce or those companies that export or import goods through the Port of Virginia with a grant in an amount based upon the number of jobs created. If a company creates 25 new positions, the company will be eligible for a \$1,000 per new job; if a company creates 50 new positions, \$1,500 per new jobs; if a company creates 75 new jobs \$2,000 per job; and, if a company creates 100 or more new jobs, \$3,000 per job. Companies that locate or expand a facility within the Port of Virginia Economic and Infrastructure Development Zone will be eligible for the grant. The Zone will include the Counties of Brunswick, Chesterfield, Charles City, Clarke, Dinwiddie, Frederick, Gloucester, Greensville, Henrico, Hanover, Isle of Wight, James City, Mecklenburg, Montgomery, New Kent, Prince George, Southampton, Surry, Sussex, Warren, and York and the Cities of Chesapeake, Colonial Heights, Emporia, Hampton, Hopewell, Newport News, Norfolk, Petersburg, Poquoson, Portsmouth, Richmond, Suffolk, Virginia Beach and Williamsburg. The maximum amount of grant any one company can receive is \$500,000 and the total amount of grants available among all qualifying companies is \$5,000,000. The grant program will begin on January 1, 2013.

Creation of the Port of Virginia Economic and Infrastructure Development Zone Grant Program will not only help create much needed jobs in your community, but it will have a positive economic impact on the entire Commonwealth estimated at over \$14 billion, sustaining over 25,000 new jobs. With these jobs will come the support and supply chain systems needed for the port to grow and a reduction in the economy-crippling congestion facing the region.

For these reasons, on behalf of Governor McDonnell, I respectfully request your support for this critical initiative. The Governor would greatly appreciate your support in the form of a letter or a resolution endorsing the creation of this zone that can be forwarded to your delegates and senators. To further this process, I have attached a draft resolution endorsing the program and a copy of the proposed language and am available to discuss the grant program at your convenience.

Should you have any questions or wish to further discuss this or any other transportation matter, please do not hesitate to contact either myself or my Assistant Secretary, Matt Strader (matt.strader@governor.virginia.gov; 804-692-2584) at any time. Governor McDonnell and I look forward to your support.

Sincerely,



Sean T. Connaughton

May ____, 2012

WHEREAS, the Port of Virginia – sustaining 343,000 jobs and generating over \$41 billion in revenues, \$13 billion in payroll, and \$1.2 billion in tax revenue – is one of the Commonwealth's greatest economic assets; and

WHEREAS, the Port of Virginia, despite its recent challenges brought on by the economic recession, is projected to undergo significant growth in the coming years with the completion of the Panama Canal Extension Project; and

WHEREAS, the Port of Virginia cannot achieve this growth without the development of the distribution, intermodal, manufacturing, warehousing, and other supply chain facilities necessary to support port operations; and

WHEREAS, driving the development of these facilities to specific areas can help reduce congestion in the Hampton Roads region; and

WHEREAS, Governor McDonnell is proposing to create the Port of Virginia Economic and Infrastructure Development Zone Grant Program, which will incentive companies involved in maritime commerce and that import and export goods through the Port of Virginia to locate in Virginia; and

WHEREAS, creation of this grant program is estimated to have an economic impact of \$7.3 billion, sustaining 14,120 jobs in the Route 460 Corridor and \$5.7 billion, sustaining 11,255 in the Hampton Roads area; and

WHEREAS, creation of this grant program will bring much needed jobs and economic development to our community; and

NOW, THEREFORE BE IT RESOLVED by the _____ that we support the establishment of the Port of Virginia Economic and Infrastructure Development Zone Grant Program and respectfully request the House of Delegates and the Senate of Virginia to approve Governor McDonnell's proposed amendments to the 2013 – 2014 Appropriations Act establishing this zone.

1 A. From such funds as may be appropriated by the General Assembly and any gifts,
2 grants, or donations from public or private sources, and any funds transferred at the request of
3 the Executive Director from the Port Opportunity Fund created pursuant to § 62.1-132.3:1, there
4 is hereby created in the state treasury a special nonreverting, permanent fund to be known as the
5 Port of Virginia Economic and Infrastructure Development Zone Grant Fund (the Fund), to be
6 administered by the Virginia Port Authority. The Fund shall be established on the books of the
7 Comptroller. Any moneys remaining in the Fund at the end of each fiscal year, including interest
8 thereon, shall not revert to the general fund but shall remain in the Fund. Expenditures and
9 disbursements from the Fund, which shall be in the form of grants, shall be made by the State
10 Treasurer on warrants issued by the Comptroller upon written request signed by the Executive
11 Director. Moneys in the Fund shall be used solely for the purpose of grants to qualified
12 applicants to the Port of Virginia Economic and Infrastructure Development Zone Grant
13 Program.

14 B. The Virginia General Assembly does hereby designate the following localities to be
15 part of the Port of Virginia Economic and Infrastructure Development Zone: the Counties of
16 Brunswick, Chesterfield, Charles City, Clarke, Dinwiddie, Frederick, Gloucester, Greenville,
17 Henrico, Hanover, Isle of Wight, James City, Mecklenburg, Montgomery, New Kent, Prince
18 George, Southampton, Surry, Sussex, Warren, and York; and the Cities of Chesapeake, Colonial
19 Heights, Emporia, Hampton, Hopewell, Newport News, Norfolk, Petersburg, Poquoson,
20 Portsmouth, Richmond, Suffolk, Virginia Beach, and Williamsburg.

21 C. As used in this section, unless the context requires a different meaning:

22 “New, permanent full-time position” means a job of an indefinite duration, created by a
23 qualified company as a result of operations within the Zone, requiring a minimum of 35 hours of
24 an employee’s time per week for the entire normal year of the company’s operations, which
25 normal year shall consist of at least 48 weeks, or a position of indefinite duration that requires a
26 minimum of 35 hours of an employee’s time per week for the portion of the taxable year in
27 which the employee was initially hired for the qualified company’s location within the Zone.

28 Seasonal or temporary positions, or jobs created when a position is shifted from an existing
29 location in the Commonwealth to the qualified company's location within the Zone, and
30 positions in building and grounds maintenance, security, and other positions that are ancillary to
31 the principal activities performed by the employees at the qualified company's location within
32 the Zone shall not qualify as new, permanent full-time positions.

33 "Qualified company" means a corporation, limited liability company, partnership, joint,
34 venture, or other business entity that (i) locates or expands a facility within the Zone; (ii) creates
35 at least 25 new, permanent full-time positions for qualified full-time employees at a facility
36 within the Zone during its first year of operation within the Zone or during the year when the
37 expansion occurs; (iii) is involved in maritime commerce or exports or imports manufactured
38 goods through the Port of Virginia; and (iv) is engaged in one or more of the following: the
39 distribution, freight forwarding, freight handling, goods processing, manufacturing, warehousing,
40 crossdocking, transloading, or wholesaling of goods exported and imported through the Port of
41 Virginia; ship building and ship repair; dredging; marine construction; or offshore energy
42 exploration or extraction.

43 "Qualified full-time employee" means an employee filling a new, permanent full-time
44 position in the qualified company's location within the Zone. A "qualified full-time employee"
45 does not include an employee (i) for whom a tax credit was previously earned pursuant to §§
46 58.1-439 or 58.1-439.12:06 by a related party as defined in § 267(b) of the Internal Revenue
47 Code or by a trade or business under common control as defined in § 52(b) of the Internal
48 Revenue Code; (ii) who was previously employed in the same job function at an existing
49 location in Virginia by a related party as defined in § 267(b) of the Internal Revenue Code; or
50 (iii) whose job function was previously performed at a different location in Virginia by an
51 employee of a related party as defined in § 267(b) of the Internal Revenue Code or a trade or
52 business under common control as defined in § 52(b) of the Internal Revenue Code.

53 "Zone" means the Port of Virginia Economic and Infrastructure Development Zone.

54 D. Beginning January 1, 2013, but not later than June 30, 2020, and subject to
55 appropriation, any qualified company that locates or expands a facility within the Port of
56 Virginia Economic and Infrastructure Development Zone shall be eligible to apply for a one-time
57 grant from the Fund, in an amount determined as follows:

58 1. One thousand dollars per new, permanent full-time position if the qualified company
59 creates at least 25 new, permanent full-time positions for qualified full-time employees during its
60 first year of operation within the Zone or during the year in which the expansion occurs;

61 2. Fifteen hundred dollars per new, permanent full-time position if the qualified company
62 creates at least 50 new, permanent full-time positions for qualified full-time employees during its
63 first year of operation within the Zone or during the year in which the expansion occurs;

64 3. Two thousand dollars per new, permanent full-time position if the qualified company
65 creates at least 75 new, permanent full-time positions for qualified full-time employees during its
66 first year of operation within the Zone or during the year in which the expansion occurs; and

67 4. Three thousand dollars per new, permanent full-time position if the qualified company
68 creates at least 100 new, permanent full-time positions for qualified full-time employees during
69 its first year of operation within the Zone or during the year in which the expansion occurs.

70 E. The maximum amount of grant allowable per qualified company in any given year is
71 \$500,000. The maximum amount of grants allowable among all qualified companies in any
72 given year is \$5,000,000.

73 F. To qualify for a grant pursuant to this section, a qualified company must apply for the
74 grant not later than March 31 in the year immediately following the location or expansion of a
75 facility within the Zone pursuant to an application process developed by the Virginia Port
76 Authority. Within 90 days after the filing deadline, the Executive Director shall certify to the
77 Comptroller and the qualified company the amount of grant to which the qualified company is
78 entitled under this section. Payment of each grant shall be made by check issued by the
79 Treasurer of Virginia on warrant of the Comptroller within 60 days of such certification and in
80 the order that each completed eligible application is received. In the event that the amount of

81 eligible grants requested in a fiscal year exceeds the funds available in the Fund or \$5,000,000,
82 such grants paid in the next fiscal year in which funds are available.

83 G. Prior to receipt of a grant, the qualified company shall enter into a memorandum of
84 understanding with the Virginia Port Authority establishing the requirements for maintaining the
85 number of new, permanent full-time positions for qualified employees at the qualified
86 company's location within the Zone. If the number of new, permanent full-time positions for
87 any of the three years immediately following receipt of a grant falls below the number of new,
88 permanent full-time positions created during the year for which the grant is claimed, the amount
89 of the grant must be recalculated using the decreased number of new, permanent full-time
90 positions and the qualified company shall repay the difference.

91 H. No qualified company shall apply for a grant nor shall one be awarded under this
92 section to an otherwise qualified company if (i) a credit pursuant to §§ 58.1-439 or 58.1-
93 439.12:06 is claimed for the same employees or for capital expenditures at the same facility by
94 the qualified company, by a related party as defined in § 267(b) of the Internal Revenue Code, or
95 by a trade or business under common control as defined in § 52(b) of the Internal Revenue Code
96 or (ii) the qualified company was a party to a reorganization as defined in § 368(b) of the Internal
97 Revenue Code, and any corporation involved in the reorganization as defined in §368(a) of the
98 Internal Revenue Code previously received a grant under this section for the same facility or
99 operations.

100 I. The Virginia Port Authority, with the assistance of the Virginia Economic
101 Development Partnership, shall develop guidelines establishing procedures and requirements for
102 qualifying for the grant. The guidelines shall be exempt from the Administrative Process Act (§
103 2.2-4000 et seq.).

104

MEMORANDUM COVER

Subject: Acceptance of Virginia Housing Development Authority (VHDA) Housing Counseling Grant Funds - \$9,950

Action Requested: Shall the Board authorize the County Administrator to accept Housing Counseling funding from the Virginia Housing Development Authority (VHDA)?

Summary: Each year the Federal Department of Housing and Urban Development (HUD) has made funding available to the Commonwealth to provide housing counseling to its residents.

Attached for your consideration is a resolution authorizing the County Administrator to accept funding from the Virginia Housing Development Authority (VHDA) in the amount of \$9,950 for a Housing Counseling Grant. These funds will be used to provide VHDA homeownership education classes and housing counseling services for our residents. These services are typically associated with first-time homebuyers or persons at risk due to mortgage foreclosure issues.

James City County was awarded the funding based on VHDA's evaluation of the County's past use of funds and the level of participation in housing counseling programs.

Staff recommends approval of the attached resolution to authorize the County Administrator to accept the Housing Counseling funding from the Virginia Housing Development Authority.

Fiscal Impact: The housing counseling funds will provide \$9,950 to the County for use in assisting residents of the County with rental assistance and help with mortgage concerns or issues.

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell 

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. Grant Award letter
4. Grant contract

Agenda Item No.: H-3

Date: May 22, 2012

AGENDA ITEM NO. H-3

MEMORANDUM

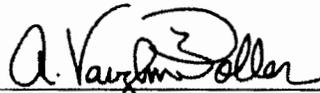
DATE: May 22, 2012
TO: The Board of Supervisors
FROM: A. Vaughn Poller, Housing and Community Development Administrator
SUBJECT: Acceptance of Virginia Housing Development Authority (VHDA) Housing Counseling Grant Funds - \$9,950

Attached for your consideration is a resolution authorizing the County Administrator to accept funding from the Virginia Housing Development Authority (VHDA) in the amount of \$9,950 for Housing Counseling activities. These funds will be used to provide VHDA homeownership education classes and housing counseling services for residents who are potential homeowners, renters, or threatened by foreclosure.

The program is anticipated to benefit 81 persons, of which 50 will be low- and moderate-income renters, 20 will receive pre-purchase counseling, five will receive mortgage default counseling, and six homebuyer education classes will be held. Funds are used for salaries, class supplies, support software and staff training.

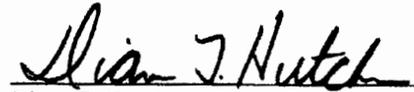
James City County was awarded the funding based on past evaluations as assessed by VHDA and the level of participation in the Housing Offices housing counseling programs.

Staff recommends approval of the attached resolution to authorize the County Administrator to accept funding from the Virginia Housing Development Authority for the Housing Counseling Grant.



A. Vaughn Poller

CONCUR:



Diana F. Hutchens

AVP/nb
VHDAFunds_mem

Attachment

RESOLUTION

ACCEPTANCE OF VIRGINIA HOUSING DEVELOPMENT AUTHORITY (VHDA)

HOUSING COUNSELING GRANT FUNDS - \$9,950

WHEREAS, financial assistance is available to units of local government through the Commonwealth of Virginia Housing Authority (VHDA) Grant; and

WHEREAS, James City County wishes to provide VHDA homeownership education classes and housing counseling services for its residents; and

WHEREAS, \$9,950 in funds are allocated to the program and will be expended as part of this effort; and

WHEREAS, the program is anticipated to benefit 81 persons, of which 50 will be low-and moderate-income renters, 20 will receive pre-purchase counseling, five will receive mortgage default counseling, and six Homebuyer Education Classes will be held.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby authorizes the County Administrator to sign and submit appropriate documents, including an application with all the understandings and assurances contained therein, and to provide such additional information as may be required for the acceptance of the Virginia Housing Development Authority Grant.

Mary K. Jones
Chairman, Board of Supervisors

ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May, 2012.

VHDAFunds_res

MEMORANDUM COVER

Subject: An Ordinance to Rename Certain County Position Titles as They May Appear in the County Code and County Policies

Action Requested: Shall the Board approve an ordinance changing certain County position titles?

Summary: It is recommended that certain position titles be changed to more closely reflect titles used for counterpart positions in other localities, and therefore more clearly communicate the nature of the position.

A freestanding or non-codified ordinance is proposed that would initiate the use of the new titles beginning July 1, while allowing staff to change the titles in the County Code and policies in future amendments.

Staff recommends adoption of the attached ordinance.

Fiscal Impact: N/A

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell DP

County Administrator

Robert C. Middaugh 

Attachments:
1. Memorandum
2. Ordinance

Agenda Item No.: I-1

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012

TO: The Board of Supervisors

FROM: Carol M. Luckam, Human Resource Manager
Leo P. Rogers, County Attorney

SUBJECT: An Ordinance to Rename Certain County Position Titles as They May Appear in the County Code and County Policies

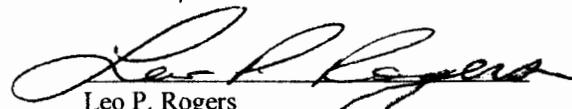
Attached for your consideration is an ordinance to rename the following current position titles to new position titles:

<u>Current Position Titles</u>	<u>New Position Titles</u>
Development Manager	Development Management Director
FMS Manager	FMS Director
FMS Assistant Manager	FMS Assistant Director
General Services Manager	General Services Director
Human Resource Manager	Human Resource Director
Community Services Manager	Community Services Director
Community Services Assistant Manager	Community Services Assistant Director

The ordinance serves to change references to the current position titles to new position titles in Board adopted ordinances and policies, effective July 1, 2012. If approved, the ordinance would be freestanding or non-codified. References to current position titles will be changed in the County Code and in Board policies in future amendments.

Staff recommends adoption of the attached ordinance.


Carol M. Luckam


Leo P. Rogers

CML/LPR/gb
RenamePTitle_mem

Attachment

ORDINANCE NO. _____

AN ORDINANCE TO RENAME CERTAIN COUNTY POSITION TITLES AS THEY MAY APPEAR IN THE COUNTY CODE AND COUNTY POLICIES

WHEREAS, the County has found it necessary to change the following titles from Manager to Director:

<u>Current Position Titles</u>	<u>New Position Titles</u>
Development Manager	Development Management Director
FMS Manager	FMS Director
FMS Assistant Manager	FMS Assistant Director
General Services Manager	General Services Director
Human Resource Manager	Human Resource Director
Community Services Manager	Community Services Director
Community Services Assistant Manager	Community Services Assistant Director; and

WHEREAS, the County Code and other adopted policies contain extensive references to the Current Position Titles listed above; and

WHEREAS, it is necessary to amend the County Code and other adopted policies of the County to reflect the New Position Titles; and

WHEREAS, it would be costly and labor intensive to change all references to the Current Position Titles in these publications at one time; and

WHEREAS, it would be cost effective to revise the publications with the New Position Titles as regular amendments are made to sections containing the Current Position Titles.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, changes the Current Position Titles as they may appear in the County Code and County policies with the New Position Titles for the positions referenced above effective July 1, 2012.

BE IT FURTHER RESOLVED that any reference to these titles shall be considered one and the same until such time that the publications are amended.

Mary K. Jones
Chairman, Board of Supervisors

ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May, 2012.

MEMORANDUM COVER

Subject: Proposed FY 2013-2018 Secondary Six-Year Plan (SSYP)

Action Requested: Shall the Board of Supervisors adopt a resolution approving the Budget Priority List for the improvements to the County's secondary roads?

Summary: Each year the Virginia Department of Transportation (VDOT), in conjunction with the James City County Board of Supervisors, reviews the Budget Priority List for the Secondary Six-Year Plan (SSYP) for secondary roads (those roads with route numbers of 600 or greater). A public hearing is scheduled on this item.

The proposal includes the retention of current and special funding projects with the following priority projects:

1. Olde Towne Road (Route 658) – This project increases the radius of the curve adjacent to The Colonies at Williamsburg Timeshares.
2. Croaker Road (Route 607) – This project widens Croaker Road to four lanes from Richmond Road to the James City County Library.
3. Longhill Road (Route 612) – This project widens Longhill Road from Route 199 to Olde Towne Road from two to four lanes separated by a variable width median with curb and pedestrian accommodations.

In addition, staff recommends the selection of Hicks Island Road Bridge as the specific project for the County's bridge funds.

Staff recommends approval of the attached resolution.

Fiscal Impact: None

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell 

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. Map of FY 13-18 SSYP Projects
4. Aerial Map - Olde Towne Road
5. Aerial Map - Croaker Road
6. Aerial Map - Longhill Road

Agenda Item No.: I- 2

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012
TO: The Board of Supervisors
FROM: Tamara A. M. Rosario, Principal Planner
SUBJECT: Proposed FY 2013-2018 Secondary Six-Year Plan

Each year, the Virginia Department of Transportation (VDOT), in conjunction with the James City County Board of Supervisors, reviews the Budget Priority List and Secondary Six-Year Plan (SSYP) for secondary roads (those roads with route numbers of 600 or greater). The SSYP is a priority funding plan for the improvement and construction of secondary roads. As part of the review process, a public hearing has been advertised in advance of the May 22, 2012, meeting, to provide an opportunity for public comment.

Allocations

The County receives State and Federal allocations yearly to fund proposed secondary improvements. The FY 2013-2018 SSYP allocations total \$1,136,885. For FY 13, the allocation is \$227,377, compared to the FY 12 allocation of \$214,121. Secondary allocations are not the only funding source for projects. The County has applied and received competitive grants from the Regional Surface Transportation Program (RSTP) and Congestion Mitigation and Air Quality (CMAQ) program for Croaker Road and Longhill Road. County staff will continue to apply for more RSTP, CMAQ, and Highway Safety Improvement Program (HSIP) funds to help fund projects in future fiscal years.

Listed below is a brief summary of current and special funding projects for the Budget Priority List for the FY 2013-2018 SSYP. Due to funding limitations, no new projects are proposed to be added to the list.

Current Projects*Ironbound Road Widening (Route 615)*

This project will widen Ironbound Road to four lanes between Strawberry Plains Road and Ironbound Square; from Ironbound Square to Longhill Connector Road, it will be widened to five lanes to include a center-turn lane. Both segments will include shoulder-bike lanes and a multipurpose trail or sidewalk. The project is fully funded and expected to be completed this fall.

Olde Towne Road (Route 658)

To address identified safety and visibility concerns, this project will increase the radius of the curve adjacent to The Colonies at Williamsburg Timeshares (Attachment No. 3). During the Special Use Permit (SUP) process for the Colonies, the developer proposed a right-of-way swap with VDOT where surplus right-of-way would be given to the Colonies to meet buffer requirements in exchange for land to straighten the curve between the entrance of the Colonies and Scott's Pond. Additionally, the Colonies offered a "reserve lot" should any surrounding home need to be relocated. The land swap has been completed. Staff estimates one parcel would need to be acquired to adequately straighten the bend. It should be noted there is a time limitation of 15 years for the County to take advantage of the reserve lot (the SUP was approved in 2005). Of the \$2,655,801 in estimated costs, \$1,523,224 has been funded, fully covering Preliminary Engineering (PE) and right-of-way (R/W), and \$1,132,577 is needed in additional funds to complete this project.

Croaker Road (Route 607)

This project will widen the section of roadway between Richmond Road and the James City County Library from two to four lanes (Attachment No. 4). The first phase will include PE, acquiring R/W, and accumulating funds to construct a new two-lane bridge parallel to the existing bridge over the CSX lines. The second phase of the project will be construction of additional travel lanes. A multipurpose trail, fully funded as a separate project, is under design and will be constructed in tandem with the road-widening. Of the \$12,665,141 in estimated costs, \$984,211 has been funded and \$11,680,930 is needed in additional funds to complete the project.

Longhill Road (Route 612)

This project is to widen Longhill Road from Route 199 to Olde Towne Road from two to four lanes separated by a variable width median with curb and pedestrian accommodations (Attachment No. 5). Separately, but concurrently, VDOT and the County are conducting a corridor study of Longhill Road from Route 199 to Centerville Road and proceeding with a safety project to upgrade the traffic signal and install a barrier at the intersection of Longhill Road and Olde Towne Road. Due to the existing safety concerns and capacity deficiencies of Longhill Road, staff recommends keeping the project on the SSYP to continue accumulating funds but synchronizing the timing of the project to occur after the corridor study. Of the \$11,800,000 in estimated costs, \$134,976 has been previously funded, leaving a balance of \$11,665,024 of additional funds required to complete this project.

Special Funding Projects

VDOT utilizes a special funding mechanism which provides annual allocations to localities for unpaved roads and bridge projects. However, due to reductions in transportation funding over the past several years, no recent funds have been allocated to the special funding projects as part of the SSYP. Staff recommends keeping these projects on the SSYP so that the County can receive allocations towards unpaved roads and bridge projects when funds become available. The funds would be utilized when needed.

Racefield Drive (Route 622)

As part of the unpaved road funding program, funds are applied to this project yearly until enough money is accumulated to pave the road. This project currently has a balance of \$69,357. Total cost to pave the remaining section of Racefield Drive is estimated at \$177,591. Staff recommends this road stay on the SSYP until the project is fully funded and the road is paved.

Hicks Island Road Bridge (Route 601)

As part of the bridge funding program, funds are applied to this project yearly until enough money is accumulated to replace a bridge. This project has previous funding of \$280,799. Last year, staff recommended that "Bridge Funds" stay on the SSYP until sufficient funds were accumulated to consider replacing a bridge that VDOT identified. Since that time, VDOT has identified replacing Hicks Island Road Bridge over Diascund Creek as a candidate project, with an estimated cost of \$726,000. This structure has a sufficiency rating less than 50, making it their first priority for bridge replacement on the County's secondary road system. Staff recommends selecting Hicks Island Road Bridge as the specific project for the Bridge Funds.

Recommendation

Staff does not recommend the addition of any new road projects to the SSYP until the aforementioned projects are closer to full funding. With respect to the current projects, staff recommends the following priorities:

1. Olde Towne Road
2. Croaker Road
3. Longhill Road

These priorities reflect the general rule that higher priority projects in the SSYP are those that will be constructed first. As described in the project summaries, Olde Towne Road has the smallest deficit and will likely be the next project to begin construction; therefore, it is recommended for first priority. Staff acknowledges that Longhill Road has the greatest need for improvement; however, it is likely that Croaker Road will reach the construction phase before Longhill Road due to the minimal right-of-way acquisition needed. Accordingly, staff recommends Croaker Road as the second priority, followed by Longhill Road as the third priority.

In addition, staff recommends selecting Hicks Island Road Bridge as the specific project for the County's bridge funds.

Over the course of the next year, staff will be investigating alternate methods for evaluating candidate projects with the goal of refining the selection and ranking process in James City County.

Staff recommends adoption of the attached resolution, which endorses the Budget Priority List as set forth in this memorandum for the FY 2013-2018 SSYP.


Tamara A. M. Rosario

CONCUR:


Allen J. Murphy, Jr.

TAMR/nb
SecondPlanFY13-18_mem

Attachments:

1. Resolution
2. Map of FY 13-18 SSYP Projects
3. Aerial Map – Olde Towne Road
4. Aerial Map – Croaker Road
5. Aerial Map – Longhill Road

RESOLUTION**PROPOSED FY 2013-2018 SECONDARY SIX-YEAR PLAN**

WHEREAS, Section 33.1-23.4 of the *Code of Virginia*, 1950, as amended, provides the opportunity for each county to work with the Virginia Department of Transportation (VDOT) in developing a Secondary Six-Year Plan; and

WHEREAS, James City County has consulted with the VDOT District Project Manager to set priorities for road improvements to the County's secondary roads; and

WHEREAS, a public hearing was advertised prior to the regularly scheduled Board of Supervisors meeting on May 22, 2012, so citizens of the County had the opportunity to participate in the hearing and to make comments and recommendations concerning the proposed Budget Priority List.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby approves of the Budget Priority List for the Secondary System as presented at the public hearing.

Mary K. Jones
Chairman, Board of Supervisors

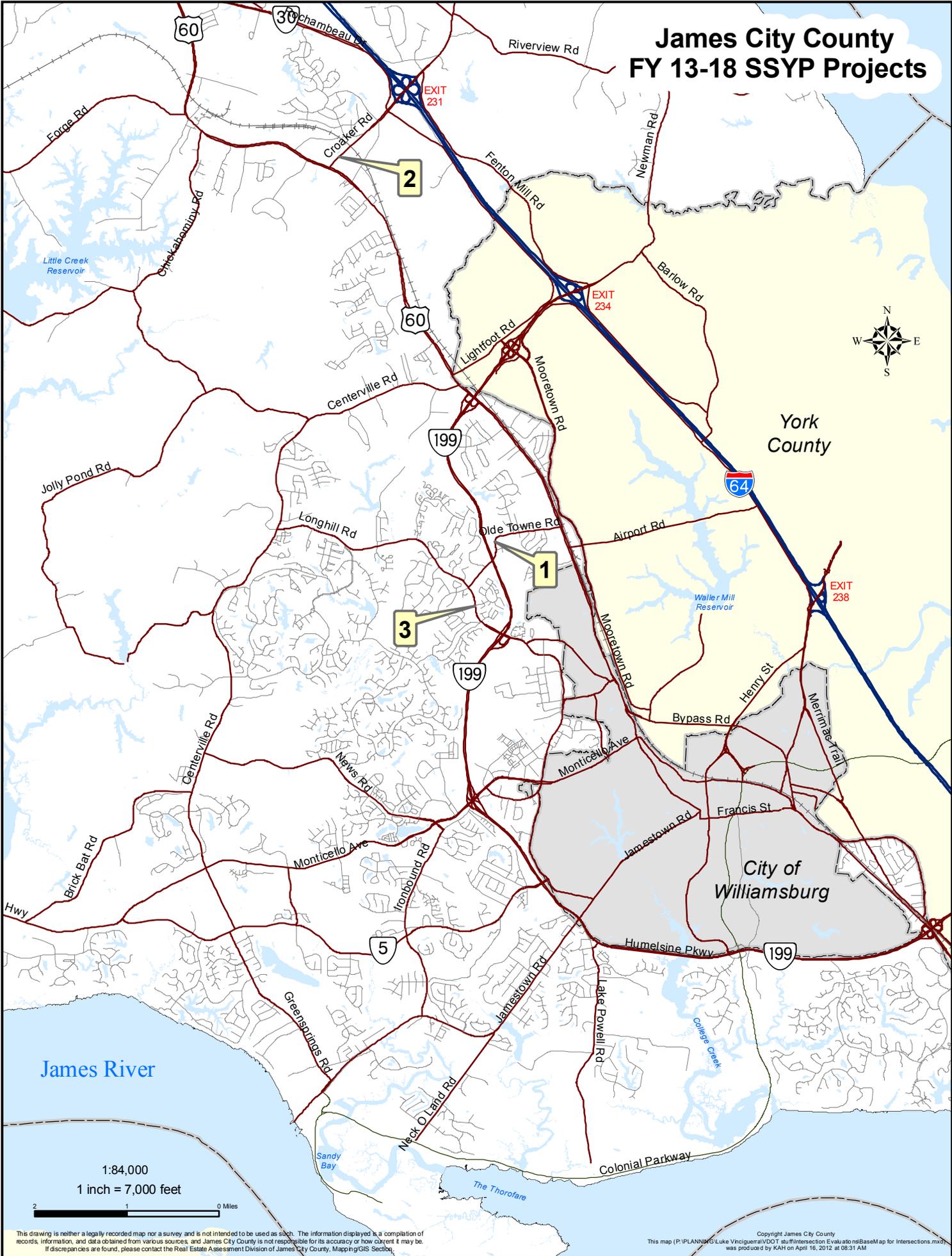
ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May, 2012.

SecondPlanFY13-18_res

James City County FY 13-18 SSYP Projects



1:84,000
1 inch = 7,000 feet



This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and James City County is not responsible for its accuracy or how current it may be. If discrepancies are found, please contact the Real Estate Assessment Division of James City County, Mapping/GIS Section.

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This map (P:\PLANNING\GIS\Luke_Vinciguerra\DOT_Intersection_Evaluation\BaseMap_for_Intersections.mxd) was produced by KAH on April 16, 2012 at 08:31 AM

Olde Towne Rd (Route 658)

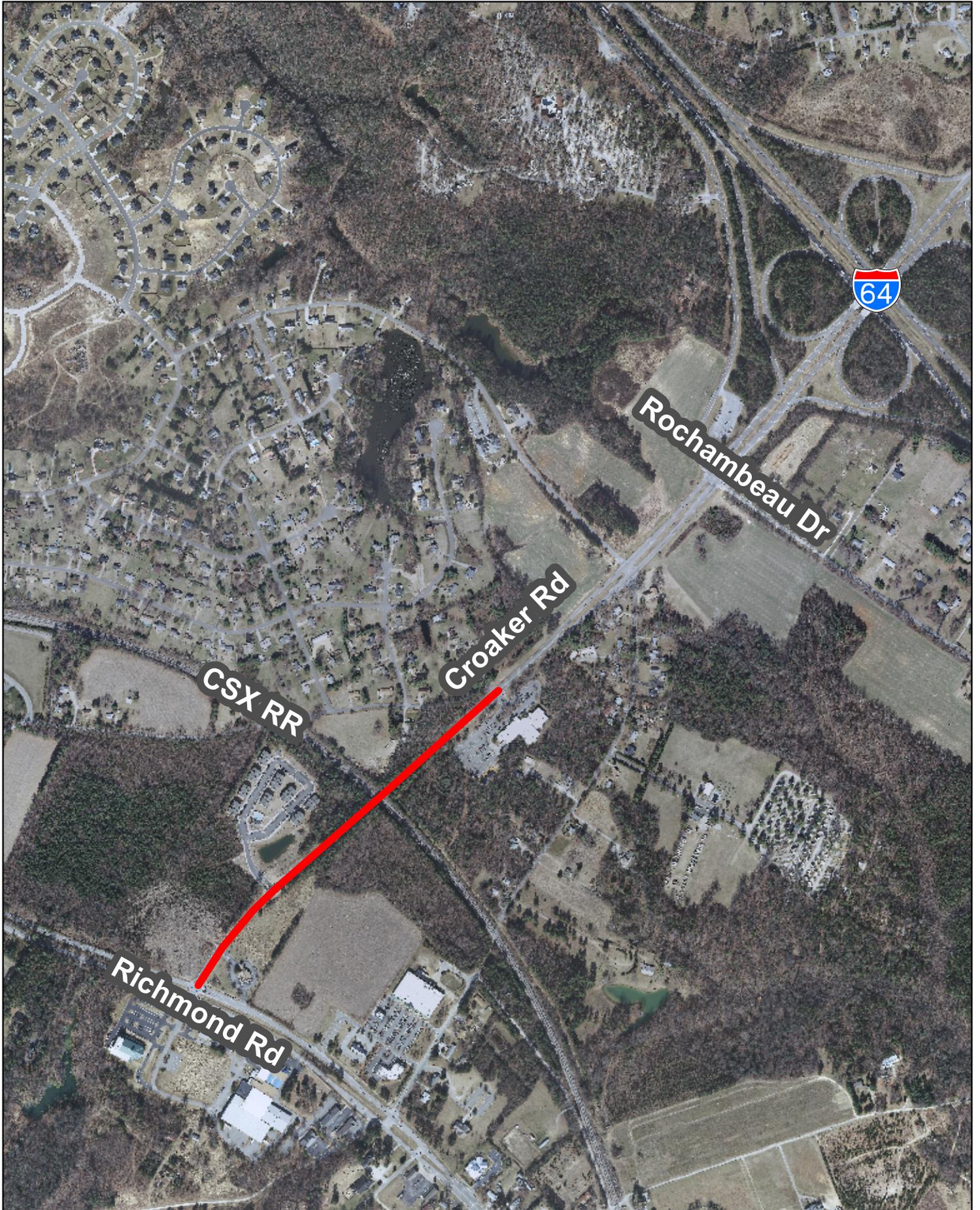


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1 inch = 250 feet
0 0.02 0.04 Miles



Croaker Rd (Route 607)



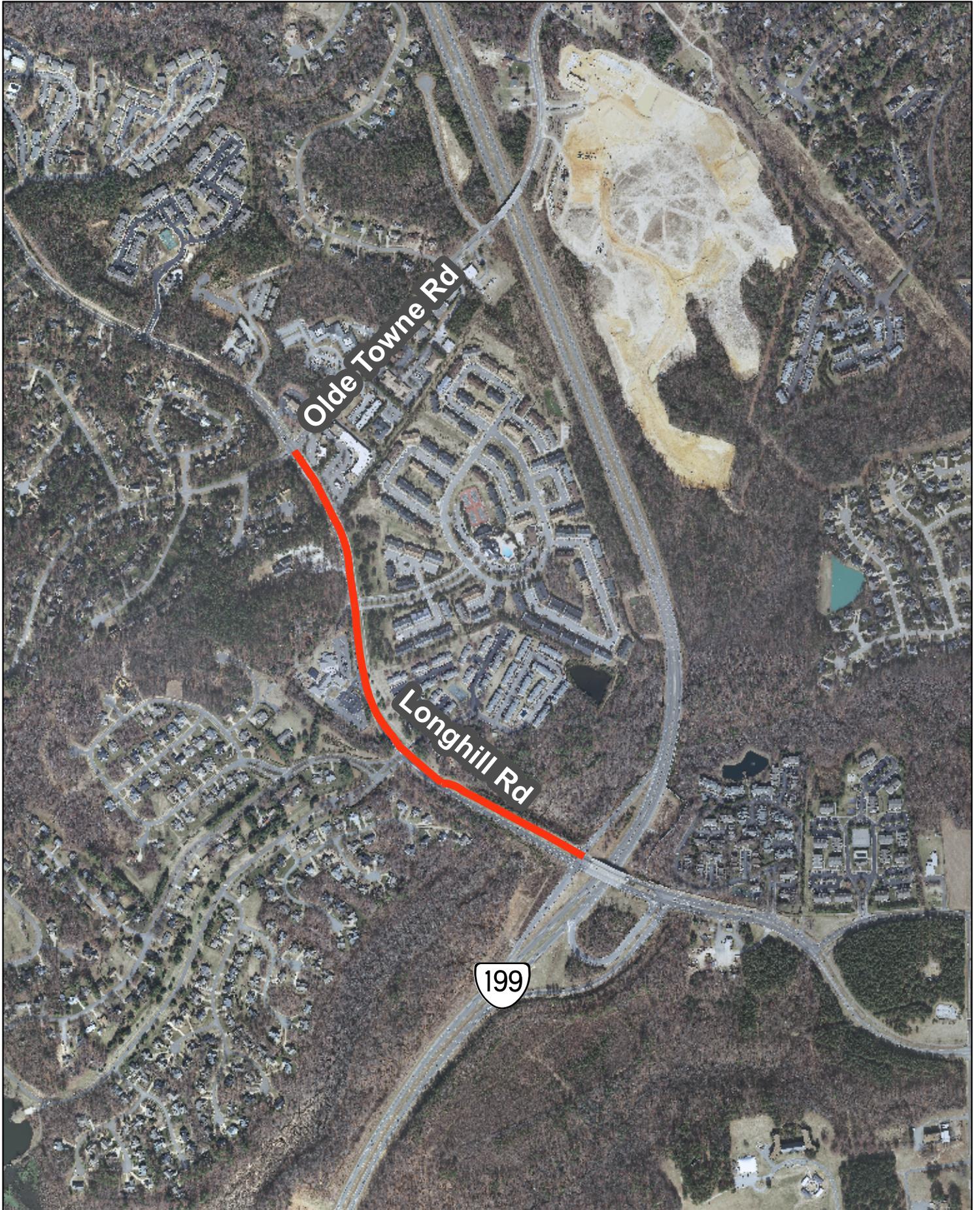
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1 inch = 800 feet

0 0.05 0.1 Miles



Longhill Rd (Route 612)



Olde Towne Rd

Longhill Rd

199

This drawing is neither a legally recorded map nor a survey and is not intended to be used as such. The information displayed is a compilation of records, information, and data obtained from various sources, and James City County is not responsible for its accuracy or how current it may be. If discrepancies are found, please contact the Real Estate Assessment Division of James City County, Mapping/GIS Section.

1 inch = 800 feet

0 0.05 0.1 Miles



MEMORANDUM COVER

Subject: Public Hearing - Reduction in Boat Taxes

Action Requested: Shall the Board approve a reduction in tax rates for two categories of tangible personal property – boats weighing five tons or more and boats weighing under five tons?

Summary: The Board has seen a report from the citizen committee appointed to review the current tax rates for boats, specifically those weighing five tons or more. The conclusion of the report is that County residents with larger boats leave the County to locate their boats in communities with much more favorable local taxes – annual personal property taxes as much as 80 percent lower than in James City County.

Lowering the tax rate may induce residents to keep the larger boats here and generate County tax revenue that would otherwise not be realized, potentially increasing annual revenue by \$35,000. The Board has asked that any additional revenue be passed on to owners of less than five tons boats. There are 2,800 taxpayers currently pay \$280,000 in taxes on boats weighing under five tons. A reduction in the current tax rate from \$4 to \$3.50 per \$100 of assessed value is recommended for the smaller boats.

The method of assessment of the larger boats (five tones or more) would change from 50 percent of a pricing guide value to 50 percent of original cost, depreciated 10 percent per year. The method of assessment for the smaller boats would remain at 50 percent of a pricing guide value and also depreciate 10 percent per year.

Staff recommends adoption of the attached resolution.

Fiscal Impact: Designed to be revenue neutral.

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell DP

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. Letter from Mr. Sean Connaughton, Secretary of Transportation

Agenda Item No.: I-3

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012

TO: The Board of Supervisors

FROM: John E. McDonald, Director, Financial and Management Services

SUBJECT: Public Hearing – Reduction in Boat Taxes

The attached resolution would change the tax rates for two categories of tangible personal property – 1) boats or watercraft weighing five tons or more, not used solely for business purposes; and 2) boats weighing under five tons, not used solely for business purposes. These two categories are authorized to be considered separately for taxation purposes under § 58.1-3506 of the Code of Virginia.

The current tax rate for both is \$4 per \$100 of assessed value. The proposed changes in the tax rates are a reduction to \$1 per \$100 of assessed value for boats weighing five tons or more and \$3.50 per \$100 of assessed value of boats weighing under five tons.

The Commissioner of the Revenue has delayed assessments for the larger boats pending a decision by the Board so the change in the tax rate for the larger boats can be made in time for a supplement to be issued by the Commissioner. The change in tax rate would be more complicated for smaller boats as the first billing has gone out and many boat owners have paid for the first half of the calendar year.

The reasons for the reductions in tax rates for the larger boats are best articulated in the report submitted by the appointed members of the Citizen Committee tasked by the Board of Supervisors with reviewing tax rates on boats. Large boat owners who live in James City are keeping their boats at marinas in other localities to avoid what is a comparatively large tax bill, as much as \$10,000, on some boats. The change in the tax rate for large boats is an attempt to compete with other localities to bring these boats back to marinas in James City County. For most of the owners of big boats it will not be a reduction in taxes but a shift in the payment of taxes. One dollar tax rates already exist in York, Gloucester, and Hampton for the larger boats, Newport News has a tax rate of \$0.90.

Additional tax revenue is expected as new boats are taxed in the County and the impact on County businesses in this industry is expected to be positive as more County boat owners leave their boats in County marinas. A summary of those findings has previously been presented to the Board. The real beneficiaries of a tax reduction would be the operating marinas in the County.

The proposal is expected to be revenue neutral in FY 2013 with increased payments from owners of boats that weigh five tons or more offsetting the reduced payments made by those who own boats weighing less than five tons. Billings in both categories will be reported on an annual basis to the Board of Supervisors.

There are no proposed changes in the current method of assessment for the smaller boat category, the current assessment method now in place by the Commissioner of the Revenue is based on 50 percent of the book values found in standard pricing guides, with a 10 percent depreciation deducted in subsequent years. The average tax bill for smaller boats is around \$100. There are 2,800 small boat owners paying approximately \$280,000 in taxes annually.

There is a proposed change in the assessments of the values of the larger boats. The Commissioner of the Revenue is proposing to change from 50 percent of a pricing guide to 50 percent of original cost, depreciating 10 percent each year. This change is more responsive to the requirements in the State Code and should provide better documented values for custom boats that are often not found in standard pricing guides.

A public hearing has been advertised to allow taxpayer comments on this proposed revision.

John E. McDonald

JEM/nb
PH-BoatTaxRed_mem

Attachment

RESOLUTION

PUBLIC HEARING – REDUCTION IN BOAT TAXES

WHEREAS, the James City County Board of Supervisors (Board) has previously adopted an appropriation resolution that has set the tax rates for personal property taxes for FY 2013 at \$4.00 per \$100 of assessed value; and

WHEREAS, a committee of citizens appointed by the Board has presented its finding on the impact and potential changes in personal property tax rates for the larger category of boats, those that weigh five tons or more; and

WHEREAS, § 58.1-3506 of the Code of Virginia allows separate classifications of certain personal property, to include boats weighing less than five tons and those weighing five tons or more, to be considered separately for purposes of taxation.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby creates the following separate classifications of personal property and changes the tax rate, as indicated, per \$100 of assessed value, effective with the personal property book prepared as of January 1, 2012:

Boats or watercraft weighing under five tons, not used solely for business purposes	\$3.50 per \$100 of assessed value
Boats or watercraft weighing five tons or more, not used solely for business purposes.	\$1.00 per \$100 of assessed value

Mary K. Jones
Chairman, Board of Supervisors

ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May, 2012.

PH-BoatTaxRed_res

MEMORANDUM COVER

Subject: Employer Contribution Rates

Action Requested: Shall the Board approve the resolution to pay the Virginia Retirement System (VRS) Board-Certified Employer Contribution Rate for Fiscal Years 2013 and 2014?

Summary: The Board must choose whether to pay the Virginia Retirement System (VRS) Board-Certified Employer Contribution Rate of 11.70 percent of covered payroll for Fiscal Years 2013 and 2014 or to continue to pay our current rate of 8.46 percent of covered payroll for that time period.

Staff recommends paying the VRS Board-Certified Employer Rate, as we have always done in the past, to avoid underfunding our VRS account and the accompanying future liabilities and financial statement notes that would otherwise be required.

Fiscal Impact: The adopted FY 2013 budget and FY 2014 plan fund the VRS Board-Certified Employer Rate.

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell 

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. 2012 Appropriation Act Item 468(H)

Agenda Item No.: J-1

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012
TO: The Board of Supervisors
FROM: Robert C. Middaugh, County Administrator
SUBJECT: Employer Contribution Rates

The Board of Supervisors must choose whether James City County will pay the Virginia Retirement System (VRS) Employer Rate certified by the VRS Board of Trustees for Fiscal Years 2013 and 2014 of 11.70 percent of covered payroll, or the Alternate Rate of 8.46 percent of covered payroll, which is our current VRS Employer Rate.

Background:

The VRS Employer Contribution Rate is recalculated every two years. Actuarial valuations are conducted and presented to the VRS Board of Trustees, which certifies an Employer Rate. Because the return on investment assumption was lowered from 7.5 percent to 7.0 percent and because the actuarial value of assets has declined since 2008, VRS Employer Rates have increased for Fiscal Years 2013 and 2014. James City County's Employer Rate is increasing by 3.24 percent of covered payroll.

To offer localities and schools some budget relief for the coming fiscal year with respect to the amount of their retirement contributions, the 2012 Appropriation Act, Item 468(H) (which is attached), allows the governing body to choose between paying the VRS Board-Certified Rate or the higher of the current rate or 70 percent of the VRS Board-Certified Rate for Fiscal Years 2013 and 2014. In our case the current rate is higher, so if we choose the Alternate Rate, we would continue to pay our current rate for Fiscal Years 2013 and 2014.

If the lower Alternate Rate is chosen, it will:

- Reduce contributions to our employer account and the investment earnings they would have generated, which will mean there will be fewer assets available for benefits.
- Result in a lower funded ratio when the next actuarial valuation is performed and, thus, a higher calculated contribution rate at that time.
- Require that we include the Net Pension Obligation (NPO) under Governmental Accounting Standards Board (GASB) standards in notes to our financial statements.
- Mirror what the State has done for many years with its VRS account, causing it to be underfunded.

Recommendation:

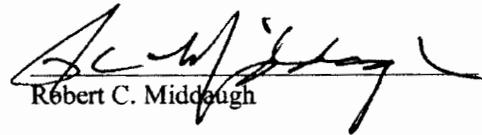
Pay the VRS Employer Rate certified by the VRS Board of Trustees for Fiscal Years 2013 and 2014 of 11.70 percent of covered payroll because:

- This puts our VRS account in better financial standing.
- If we don't pay now, we will be paying even higher rates later.

Employer Contribution Rates
May 22, 2012
Page 2

- It avoids the mistake made by the Commonwealth in funding its own VRS accounts.
- It relieves us from having to include an NPO under GASB Standards in notes to our financial statements.
- The adopted budget contains funds to pay the VRS Board-Certified Rate.

The VRS requires adoption of the attached resolution before July 1, 2012.



Robert C. Middough

RCM/nb
EmpContBOS_mem

Attachments

**Employer Contribution Rates for Counties, Cities,
Towns, School Divisions and Other Political Subdivisions**
(In accordance with the 2012 Appropriation Act Item 468(H))

Resolution

BE IT RESOLVED, that the James City County 55147 does hereby acknowledge that its contribution rates effective July 1, 2012 shall be based on the higher of a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium (the "Alternate Rate") provided that, at its option, the contribution rate may be based on the employer contribution rates certified by the Virginia Retirement System Board of Trustees pursuant to Virginia Code § 51.1-145(I) resulting from the June 30, 2011 actuarial value of assets and liabilities (the "Certified Rate"); and

BE IT ALSO RESOLVED, that the James City County 55147 does hereby certify to the Virginia Retirement System Board of Trustees that it elects to pay the following contribution rate effective July 1, 2012:

(Check only one box)

The Certified Rate of 11.70% The Alternate Rate of 8.46%; and

BE IT ALSO RESOLVED, that the James City County 55147 does hereby certify to the Virginia Retirement System Board of Trustees that it has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of any election made under the provisions of this resolution; and

NOW, THEREFORE, the officers of James City County 55147 are hereby authorized and directed in the name of the James City County to carry out the provisions of this resolution, and said officers of the James City County are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by James City County for this purpose.

Governing Body/School Division Chairman

CERTIFICATE

I, _____, Clerk of the James City County, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the James City County held at _____, Virginia at _____ o'clock on _____, 2012. Given under my hand seal of the James City County this _____ day of _____, 2012.

Clerk

**This resolution must be passed prior to July 1, 2012 and
received by VRS no later than July 10, 2012.**

2012 Appropriation Act Item 468(H)

Central Appropriations Language

“H.1. Except as authorized in Paragraph H.2. of this Item, rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions shall be based on the higher of: a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium, eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium, ninety percent of the results of the June 30, 2015 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2016-18 biennium, one-hundred percent of the results of the June 30, 2017 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2018-20 biennium.

2. Rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions may, at each participating employers option, be based on the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees pursuant to § 51.1-145(I), Code of Virginia.

3. Every participating employer must certify to the board of the Virginia Retirement System by resolution adopted by its local governing body that it: has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of electing or not electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as provided for in paragraph H.2.

4. Prior to electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as authorized in paragraph H.2, local public school divisions must receive the concurrence of the local governing body. Such concurrence must be documented by a resolution of the governing body.

5. The board of the Virginia Retirement System shall provide all employers participating in the Virginia Retirement System with a summary of the implications inherent in the use of the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees set out in paragraph H.2, and the alternate employer contribution rates set out in paragraph H.1.”

Explanation:

(This amendment allows for the phase-in of the VRS Board-approved employer contribution rates for local employers over three biennia.)

VIRGINIA ACTS OF ASSEMBLY -- 2012 RECONVENED SESSION

CHAPTER 822

An Act to amend and reenact § 51.1-144 of the Code of Virginia, relating to Virginia Retirement System employee contributions; local employees; school board employees.

[S 497]

Approved April 18, 2012

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-144 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-144. Member contributions.

A. Each member shall contribute five percent of his creditable compensation for each pay period for which he receives compensation.

The employer shall deduct the contribution payable by the member. Every employee accepting employment shall be deemed to consent and agree to any deductions from his compensation required by this chapter. ~~No deduction shall be taken from the compensation of a member after his normal retirement date if the member elects not to contribute.~~

B. In determining the creditable compensation of a member in a payroll period, the Board may consider the rate of compensation payable to the member on the date of entry or removal of his name from the payroll as having been received throughout the month if service for the month is creditable. If service for the month is not creditable, the Board may consider any compensation payable during the month as not being creditable compensation.

C. The minimum compensation provided by law for any member shall be reduced by the deduction required by this section. Except for any benefits provided by this chapter, payment of compensation minus the deductions shall be a full and complete discharge of all claims for services rendered by the member during the period covered by the payment.

D. No deduction shall be made from any member's compensation if the employer's contribution is in default.

E. The Board may modify the method of collecting the contributions of members so that the employer may retain the amounts deducted from members' salaries and have a corresponding amount deducted from state funds otherwise payable to the employer.

F. 1. Except as provided in ~~subdivision subdivisions 2 3 and 4~~, any employer may elect to pay an equivalent amount in lieu of all member contributions required of its employees. Such payments shall be credited to the members' contribution account. These contributions shall not be considered wages for purposes of Chapter 7 (§ 51.1-700 et seq.) ~~of this title~~, nor shall they be considered to be salary for purposes of this chapter.

2. A person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation if the person is (i) a member covered by the defined benefit plan established under this chapter, (ii) a member of the State Police Officers' Retirement System under Chapter 2 (§ 51.1-200 et seq.), (iii) a member of the Virginia Law Officers' Retirement System under Chapter 2.1 (§ 51.1-211 et seq.), (iv) a member of the Judicial Retirement System under Chapter 3 (§ 51.1-300 et seq.), or (v) earning the benefits permitted by § 51.1-138.

~~Each county, city, town, local public school board, or other local employer may elect to pay an equivalent amount in lieu of the member contributions required of its employees described in this subdivision. The county, city, town, local public school board, or other local employer may pay, in whole percentages, up to five percent of the creditable compensation otherwise required of such employees, provided that the employer pays the same percentage of creditable compensation for all such employees, and is paying all member contributions required under this section for all of its other member employees not described in this subdivision. Any portion of the five percent of creditable compensation required of a person who becomes a member on or after July 1, 2010, that is not paid by the county, city, town, local public school board, or other local employer, shall be paid by such person.~~

~~No employer other than a county, city, town, local public school board, or other local employer shall be allowed to elect to pay any amount of the member contributions required of a person who becomes a member on or after July 1, 2010.~~

3. ~~A member who is an employee of a county, city, town, or other local employer other than a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing~~

employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the county, city, town, or other local employer other than a local public school board may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No county, city, town, or other local employer other than a local public school board shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

4. A member who is an employee of a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the local public school board employer may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No local public school board employer shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

3- 5. Notwithstanding any other provision of this section or other law, only those employers who were paying member contributions as of February 1, 2010, may pay member contributions. The provisions of this subdivision shall not apply to a county, city, town, local public school board, or other local employer.

G. Subject to the provisions of subsection F, any employer whose employees are paying member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code may phase-in the payment of the member contributions on behalf of its employees upon notification to the Board of the employer's intent to make such payments. The Board shall approve the period of time by which the phase-in shall be completed not to exceed six years from the commencement of the phased-in payments.

H. Any employer that, by resolution of its governing body, elects to provide retirement coverage for its employees in accordance with § 51.1-130 on or after September 1, 1998, shall allow its employees to pay member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in lieu of paying the member contribution on behalf of its employees in accordance with the provisions of subsection F.

I. The Board may develop procedures to effect the transfer of member contributions paid by employers on or after July 1, 1980, and accrued interest on those contributions, to the member contribution account of the member, if such contributions have been previously deposited into the retirement allowance account of the employer.

2. That any county, city, town, local public school board, or other local employer that currently pays any portion of member contributions to the Virginia Retirement System that the member will be responsible for paying pursuant to the provisions of this act shall provide an increase in total creditable compensation, effective July 1, 2012, to each affected member who was in service on June 30, 2012, to offset the cost of the member contributions. Such increase in total creditable compensation shall be equal to the difference between five percent of an employee's total creditable compensation and the percentage of the member contribution paid by the local member on January 1, 2012. If a county, city, town, local public school board, or other local employer elects to phase in the member contributions pursuant to subdivision F 3 or F 4 of § 51.1-144 of the Code of Virginia, the increase in total creditable compensation may also be phased in at the same rate.

MEMORANDUM COVER

Subject: Member Contributions

Action Requested: Shall the Board approve the resolution to have the Virginia Retirement System (VRS) Plan 1 employees who are on our payroll as of June 30, 2012, pay the entire five percent Member Contribution and receive the accompanying salary offset effective July 1, 2012?

Summary: The Board must choose whether to require that the Virginia Retirement System (VRS) Plan 1 employees hired prior to July 1, 2012, pay the entire five percent VRS Member Contribution effective July 1, 2012, or to phase in the contribution and the accompanying salary offset in over two to five years.

Staff recommends that you require all Plan 1 employees to pay the entire five percent VRS Member Contribution effective July 1, 2012, because it will treat all employees equitably, be easier to administer, and is in accordance with the recently-adopted Fiscal Year 2013 budget.

Fiscal Impact: The adopted Fiscal Year 2013 budget funds the 5.7 percent salary offset, thus providing the money to implement Plan 1 employees paying the entire five percent VRS Member Contribution effective July 1, 2012.

FMS Approval, if Applicable: Yes No

Assistant County Administrator

Doug Powell 

County Administrator

Robert C. Middaugh 

Attachments:

1. Memorandum
2. Resolution
3. Chapter 822 of the 2012 Acts of Assembly (SB497)

Agenda Item No.: J-2

Date: May 22, 2012

MEMORANDUM

DATE: May 22, 2012
TO: The Board of Supervisors
FROM: Robert C. Middaugh, County Administrator
SUBJECT: Member Contribution

The Board of Supervisors must choose whether James City County employees who are Virginia Retirement System (VRS) Plan 1 Members (individuals whose membership date is before July 1, 2010, and who have service credit in VRS) will be required to pay the entire five percent Member Contribution effective July 1, 2012, or whether the five percent Member Contribution will be phased in over a period of two to five years.

Background:

In Fiscal Year (FY) 1980, the County began to pay or "pick up" the five percent VRS Member Contribution on the employees' behalf in lieu of a salary increase. In FY 1990 the State Retirement Act was re-codified, and an employer's decision to pick up the Member Contribution became irrevocable. For FY 2013, Chapter 822 of the 2012 Acts of Assembly (SB 497), which is attached, requires that VRS members must pay the Member Contribution by salary reduction. Since it also requires an offsetting salary increase of at least five percent, implementing the change has a cost to localities. Therefore, localities have been extended the choice to have Plan 1 employees pay the entire five percent Member Contribution effective July 1, 2012, or to phase it in over two to five years.

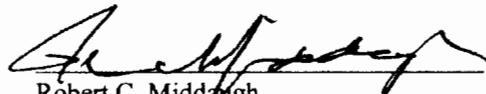
Beginning this year, FY 2012, James City County required VRS Plan 2 employees to pay the entire five percent Member Contribution by salary reduction. Those Plan 2 employees hired before July 1, 2011, were given a 5.7 percent salary offset. Beginning FY 2013, all localities must require employees who are hired on or after July 1, 2012 to pay the entire five percent Member Contribution. The choice of whether or not to phase in the employees' paying the five percent VRS Member Contribution is limited to those Plan 1 employees already on the payroll in VRS-covered positions prior to July 1, 2012.

Recommendation:

Require all VRS Plan 1 employees to pay the entire five percent VRS Member Contribution effective July 1, 2012, because:

- This treats all employees the same. Phasing in the five percent over multiple years creates inequities especially in jobs with many incumbents, such as Police Officer and Fire Rescue Technician.
- It is easier to administer one system for all employees.
- The adopted budget contains funds to pay the entire 5.7 percent offset in FY 2013.

The VRS requires adoption of the attached resolution before July 1, 2012.



Robert C. Middaugh

RCM/nb
MemberContBOS__mem

Attachments

Member Contributions by Salary Reduction for Counties, Cities, Towns, and Other Political Subdivisions

(In accordance with Chapter 822 of the 2012 Acts of Assembly (SB497))

Resolution

WHEREAS, the James City County 55147 employees who are Virginia Retirement System members who commence or recommence employment on or after July 1, 2012 ("FY2013 Employees" for purposes of this resolution), shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis upon commencing or recommencing employment; and

WHEREAS, the James City County 55147 employees who are Virginia Retirement System members and in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation by salary reduction pursuant to Internal Revenue Code § 414(h) on a pre-tax basis no later than July 1, 2016; and

WHEREAS, such employees in service on June 30, 2012, shall contribute a minimum of an additional one percent of their creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the James City County 55147 may elect to require such employees in service on June 30, 2012, to contribute more than an additional one percent each year, in whole percentages, until the employees' contributions equal five percent of creditable compensation; and

WHEREAS, the second enactment clause of Chapter 822 of the 2012 Acts of Assembly (SB497) requires an increase in total creditable compensation, effective July 1, 2012, to each such employee in service on June 30, 2012, to offset the cost of the member contributions, such increase in total creditable compensation to be equal to the difference between five percent of the employee's total creditable compensation and the percentage of the member contribution paid by such employee on January 1, 2012.

BE IT THEREFORE RESOLVED, that the James City County 55147 does hereby certify to the Virginia Retirement System Board of Trustees that it shall effect the implementation of the member contribution requirements of Chapter 822 of the 2012 Acts of Assembly (SB497) according to the following schedule for the fiscal year beginning July 1, 2012 (i.e., FY2013):

Type of Employee	Employer Paid Member Contribution	Employee Paid Member Contribution
Plan 1	0%	5%
Plan 2	0%	5%
FY2013 Employees	0%	5%

(Note: Each row must add up to 5 percent.); and

BE IT FURTHER RESOLVED, that such contributions, although designated as member contributions, are to be made by the James City County in lieu of member contributions; and

BE IT FURTHER RESOLVED, that pick up member contributions shall be paid from the same source of funds as used in paying the wages to affected employees; and

BE IT FURTHER RESOLVED, that member contributions made by the James City County under the pick up arrangement shall be treated for all purposes other than income taxation, including but not limited to VRS benefits, in the same manner and to the same extent as member contributions made prior to the pick up arrangement; and

BE IT FURTHER RESOLVED, that nothing herein shall be construed so as to permit or extend an option to VRS members to receive the pick up contributions made by the James City County directly instead of having them paid to VRS; and

BE IT FURTHER RESOLVED, that notwithstanding any contractual or other provisions, the wages of each member of VRS who is an employee of the James City County shall be reduced by the amount of member contributions picked up by the James City County on behalf of such employee pursuant to the foregoing resolutions.

NOW, THEREFORE, the officers of James City County 55147 are hereby authorized and directed in the name of the James City County to carry out the provisions of this resolution, and said officers of the James City County are authorized and directed to pay over to the Treasurer of Virginia from time to time such sums as are due to be paid by the James City County for this purpose.

Governing Body Chairman

CERTIFICATE

I, _____, Clerk of the James City County, certify that the foregoing is a true and correct copy of a resolution passed at a lawfully organized meeting of the James City County held at _____, Virginia at _____ o'clock on _____, 2012. Given under my hand and seal of the James City County this _____ day of _____, 2012.

Clerk

This resolution must be passed prior to July 1, 2012 and received by VRS no later than July 10, 2012.

2012 Appropriation Act Item 468(H)

Central Appropriations Language

“H.1. Except as authorized in Paragraph H.2. of this Item, rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions shall be based on the higher of: a) the contribution rate in effect for FY 2012, or b) seventy percent of the results of the June 30, 2011 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2012-14 biennium, eighty percent of the results of the June 30, 2013 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2014-16 biennium, ninety percent of the results of the June 30, 2015 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2016-18 biennium, one-hundred percent of the results of the June 30, 2017 actuarial valuation of assets and liabilities as approved by the Virginia Retirement System Board of Trustees for the 2018-20 biennium.

2. Rates paid to the VRS on behalf of employees of participating (i) counties, (ii) cities, (iii) towns, (iv) local public school divisions (only to the extent that the employer contribution rate is not otherwise specified in this act), and (v) other political subdivisions may, at each participating employers option, be based on the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees pursuant to § 51.1-145(I), Code of Virginia.

3. Every participating employer must certify to the board of the Virginia Retirement System by resolution adopted by its local governing body that it: has reviewed and understands the information provided by the Virginia Retirement System outlining the potential future fiscal implications of electing or not electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as provided for in paragraph H.2.

4. Prior to electing to utilize the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees, as authorized in paragraph H.2, local public school divisions must receive the concurrence of the local governing body. Such concurrence must be documented by a resolution of the governing body.

5. The board of the Virginia Retirement System shall provide all employers participating in the Virginia Retirement System with a summary of the implications inherent in the use of the employer contribution rates certified by the Virginia Retirement System (VRS) Board of Trustees set out in paragraph H.2, and the alternate employer contribution rates set out in paragraph H.1.”

Explanation:

(This amendment allows for the phase-in of the VRS Board-approved employer contribution rates for local employers over three biennia.)

VIRGINIA ACTS OF ASSEMBLY -- 2012 RECONVENED SESSION

CHAPTER 822

An Act to amend and reenact § 51.1-144 of the Code of Virginia, relating to Virginia Retirement System employee contributions; local employees; school board employees.

[S 497]

Approved April 18, 2012

Be it enacted by the General Assembly of Virginia:

1. That § 51.1-144 of the Code of Virginia is amended and reenacted as follows:

§ 51.1-144. Member contributions.

A. Each member shall contribute five percent of his creditable compensation for each pay period for which he receives compensation.

The employer shall deduct the contribution payable by the member. Every employee accepting employment shall be deemed to consent and agree to any deductions from his compensation required by this chapter. ~~No deduction shall be taken from the compensation of a member after his normal retirement date if the member elects not to contribute.~~

B. In determining the creditable compensation of a member in a payroll period, the Board may consider the rate of compensation payable to the member on the date of entry or removal of his name from the payroll as having been received throughout the month if service for the month is creditable. If service for the month is not creditable, the Board may consider any compensation payable during the month as not being creditable compensation.

C. The minimum compensation provided by law for any member shall be reduced by the deduction required by this section. Except for any benefits provided by this chapter, payment of compensation minus the deductions shall be a full and complete discharge of all claims for services rendered by the member during the period covered by the payment.

D. No deduction shall be made from any member's compensation if the employer's contribution is in default.

E. The Board may modify the method of collecting the contributions of members so that the employer may retain the amounts deducted from members' salaries and have a corresponding amount deducted from state funds otherwise payable to the employer.

F. 1. Except as provided in ~~subdivision subdivisions 2 3 and 4~~, any employer may elect to pay an equivalent amount in lieu of all member contributions required of its employees. Such payments shall be credited to the members' contribution account. These contributions shall not be considered wages for purposes of Chapter 7 (§ 51.1-700 et seq.) ~~of this title~~, nor shall they be considered to be salary for purposes of this chapter.

2. A person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation if the person is (i) a member covered by the defined benefit plan established under this chapter, (ii) a member of the State Police Officers' Retirement System under Chapter 2 (§ 51.1-200 et seq.), (iii) a member of the Virginia Law Officers' Retirement System under Chapter 2.1 (§ 51.1-211 et seq.), (iv) a member of the Judicial Retirement System under Chapter 3 (§ 51.1-300 et seq.), or (v) earning the benefits permitted by § 51.1-138.

~~Each county, city, town, local public school board, or other local employer may elect to pay an equivalent amount in lieu of the member contributions required of its employees described in this subdivision. The county, city, town, local public school board, or other local employer may pay, in whole percentages, up to five percent of the creditable compensation otherwise required of such employees, provided that the employer pays the same percentage of creditable compensation for all such employees, and is paying all member contributions required under this section for all of its other member employees not described in this subdivision. Any portion of the five percent of creditable compensation required of a person who becomes a member on or after July 1, 2010, that is not paid by the county, city, town, local public school board, or other local employer, shall be paid by such person.~~

~~No employer other than a county, city, town, local public school board, or other local employer shall be allowed to elect to pay any amount of the member contributions required of a person who becomes a member on or after July 1, 2010.~~

3. ~~A member who is an employee of a county, city, town, or other local employer other than a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing~~

employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the county, city, town, or other local employer other than a local public school board may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No county, city, town, or other local employer other than a local public school board shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

4. A member who is an employee of a local public school board, regardless of whether the member is a person who becomes a member on or after July 1, 2010, shall be required to pay member contributions on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in the amount of five percent of creditable compensation as follows: (i) any member who commences or recommences employment on or after July 1, 2012, shall be required to contribute five percent of his creditable compensation upon commencing or recommencing employment and (ii) members in service on June 30, 2012, shall be required to contribute five percent of their creditable compensation no later than July 1, 2016. Such member described in subdivision (ii) shall contribute a minimum of an additional one percent of his creditable compensation beginning on each July 1 of 2012, 2013, 2014, 2015, and 2016, or until the member's contribution equals five percent of creditable compensation, but the local public school board employer may elect to require members to contribute more than an additional one percent each year, in whole percentages. In no case shall a member be required to contribute more than five percent of his creditable compensation for each pay period for which he receives compensation. No local public school board employer shall be allowed to elect to pay any amount of member contributions except to pay the difference between five percent and the employee contribution during the phase-in period described in this subdivision for a member who was in service on June 30, 2012.

3- 5. Notwithstanding any other provision of this section or other law, only those employers who were paying member contributions as of February 1, 2010, may pay member contributions. The provisions of this subdivision shall not apply to a county, city, town, local public school board, or other local employer.

G. Subject to the provisions of subsection F, any employer whose employees are paying member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code may phase in the payment of the member contributions on behalf of its employees upon notification to the Board of the employer's intent to make such payments. The Board shall approve the period of time by which the phase-in shall be completed not to exceed six years from the commencement of the phased-in payments.

H. Any employer that, by resolution of its governing body, elects to provide retirement coverage for its employees in accordance with § 51.1-130 on or after September 1, 1998, shall allow its employees to pay member contributions to the retirement system on a salary reduction basis in accordance with § 414(h) of the Internal Revenue Code in lieu of paying the member contribution on behalf of its employees in accordance with the provisions of subsection F.

I. The Board may develop procedures to effect the transfer of member contributions paid by employers on or after July 1, 1980, and accrued interest on those contributions, to the member contribution account of the member, if such contributions have been previously deposited into the retirement allowance account of the employer.

2. That any county, city, town, local public school board, or other local employer that currently pays any portion of member contributions to the Virginia Retirement System that the member will be responsible for paying pursuant to the provisions of this act shall provide an increase in total creditable compensation, effective July 1, 2012, to each affected member who was in service on June 30, 2012, to offset the cost of the member contributions. Such increase in total creditable compensation shall be equal to the difference between five percent of an employee's total creditable compensation and the percentage of the member contribution paid by the local member on January 1, 2012. If a county, city, town, local public school board, or other local employer elects to phase in the member contributions pursuant to subdivision F 3 or F 4 of § 51.1-144 of the Code of Virginia, the increase in total creditable compensation may also be phased in at the same rate.

RESOLUTION**CERTIFICATION OF CLOSED MEETING**

WHEREAS, the Board of Supervisors of James City County, Virginia, (Board) has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia, hereby certifies that, to the best of each member's knowledge: i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies; and ii) only such public business matters were heard, discussed, or considered by the Board as were identified in the motion, Section 2.2-3711(A)(1) of the Code of Virginia, consideration of a personnel matter(s), the appointment of individuals to County boards and/or commissions.

Mary K. Jones
Chairman, Board of Supervisors

ATTEST:

Robert C. Middaugh
Clerk to the Board

Adopted by the Board of Supervisors of James City County, Virginia, this 22nd day of May,
2012.

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