

A G E N D A

JAMES CITY SERVICE AUTHORITY

County Government Center Board Room

February 27, 2001

7:00 P.M.

A. ROLL CALL

B. CONSENT CALENDAR

1. Sale of Surplus Property
2. Water Purchase Agreement - Newport News Waterworks and James City Service Authority

C. BOARD CONSIDERATIONS

D. BOARD REQUESTS AND DIRECTIVES

MEMORANDUM

DATE: February 27, 2001
 TO: The Board of Directors
 FROM: Larry M. Foster, General Manager, James City Service Authority
 SUBJECT: Sale of Surplus Property

On July 25, 2000, the Board of Supervisors transferred several parcels of property to the James City Service Authority (JCSA). The property had been purchased with proceeds from the James City Service Authority as part of the Ware Creek Reservoir project and the Sydnor Water System purchase. The resolution included a condition that limited the sale to adjoining property owners. This condition limited potential buyers and significantly reduced the value of two of the parcels.

That same evening, the Board of Directors of the JCSA approved a resolution authorizing the sale of the parcels for at least 90 percent of the market value of the property. This provision is in conflict with the direction given by the Board of Supervisors when they authorized the sale of the property.

Most of the parcels that have been sold are residual parcels that have been purchased by adjoining property owners. Two parcels that were purchased as part of the Sydnor Water System acquisitions are large enough to support the construction of a home. Both lots are located in existing developments that have homes on either side. By following the condition placed on the sale by the Board of Supervisors, the value of the property will be reduced by several thousand dollars.

The two parcels are shown on the attached maps and are located at:

<u>Tax Map No.</u>	<u>Address</u>	<u>Acres</u>
33-1/4-16A	16A Allyson Drive	0.230
38-4/17-2-1A	4921 Burnley Drive	0.368

Because of the conflict in the Board of Supervisors and Board of Directors resolutions and the fact that the value of the property will be reduced significantly, staff recommends that the Board reconsider its authorization to sell the property for at least 90 percent of the market value.

Larry M. Foster

LMF/gb
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Attachments

RESOLUTION

SALE OF SURPLUS PROPERTY

WHEREAS, the Board of Directors authorized the sale of the following parcels of property for at least 90 percent of market value at a meeting on July 25, 2000; and

<u>Tax Map No.</u>	<u>Address</u>	<u>Acres</u>
33-1/4-16A	16A Allyson Drive	0.230
38-4/17-2-1A	4921 Burnley Drive	0.368

WHEREAS, the Board of Directors' action was in conflict to action taken by the Board of Supervisors of James City County when the parcels were transferred to the James City Service Authority; and

WHEREAS, the Board of Supervisors resolution directed that the sale of the parcels be limited to adjoining property owners reduced the value of the parcels.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby reaffirms that the property is to be sold for at least 90 percent of the market value.

Jay T. Harrison, Sr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County,
Virginia, this 27th day of February, 2001.

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M E M O R A N D U M

DATE: February 27, 2001

TO: The Board of Directors

FROM: Larry M. Foster, General Manager, James City Service Authority

SUBJECT: Water Purchase Agreement - Newport News Waterworks and James City Service Authority

At the October 24, 2000, meeting, the Board of Directors endorsed the elements of an agreement to purchase water from Newport News Waterworks (NNWW). The elements have been translated into the attached agreement. A summary of the agreement is as follows:

- Customer/Infrastructure: Customers/Infrastructure remain with JCSA
- Water Rate: \$1.65 per 1,000 gallons
- Term: Five years with an option for 2 two-year extensions, subject to mutual consent of JCSA and NNWW
- Connection: JCSA to pay for construction of connection, NNWW to manage
- Public Information: JCSA responsible for providing information to customers
- Regional Groundwater Project: JCSA and NNWW and to jointly evaluate the regional groundwater project if King William Reservoir is denied
- Water Conservation: JCSA to implement the same water conservation restrictions as NNWW in the County areas served with NNWW water

The City Council of Newport News approved the Agreement on February 13, 2001. Staff recommends adoption of the attached resolution authorizing the Chairman to sign the Agreement on behalf of the James City Service Authority.

Larry M. Foster

LMF/tlc
wtrpurch.mem

Attachments

RESOLUTION

WATER PURCHASE AGREEMENT BETWEEN

NEWPORT NEWS WATERWORKS AND THE JAMES CITY SERVICE AUTHORITY

WHEREAS, the James City Service Authority (JCSA) has identified the need for an additional water supply to meet projected demands until a permanent water supply can be finalized; and

WHEREAS, the JCSA and the City of Newport News (NNWW) have evaluated available water supplies within the region and determined that additional water supply is available in the NNWW systems; and

WHEREAS, the water can be made available through a relatively inexpensive interconnection of the two public water systems; and

WHEREAS, an agreement providing the terms for purchasing water from the City of Newport News has been developed.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes its Chairman to sign the Water Purchase Agreement with the City of Newport News.

Jay T. Harrison, Sr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 27th day of February, 2001.

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