

**A G E N D A**

**JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS**

**County Government Center Board Room**

**April 26, 2005**

**7:00 P.M.**

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**A. CALL TO ORDER**

**B. ROLL CALL**

**C. CONSENT CALENDAR**

1. Minutes - March 22, 2005, Regular Meeting
2. Award of Bid - Norge Water System Improvement
3. Stonehouse Water Storage and Supply Costs Participation Agreement
4. Resolution of Appropriation - James City Service Authority - FY06

**D. ADJOURNMENT**

042605bod.age

**AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 22ND DAY OF MARCH 2005, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.**

**A. ROLL CALL**

John J. McGlennon, Chairman  
Bruce C. Goodson, Vice Chairman  
M. Anderson Bradshaw  
Michael J. Brown  
Jay T. Harrison, Sr.

Sanford B. Wanner, Secretary  
Leo P. Rogers, County Attorney  
Larry M. Foster, General Manager

**B. CONSENT CALENDAR**

Mr. Goodson made a motion to adopt the item on the Consent Calendar including the two amended resolutions for the Budget Amendments.

Mr. Bradshaw inquired about the \$400,000 shortfall in the Operating Budget.

Mr. Foster stated that the amount of rainfall during the season impacted water consumption by customers and there was some difficulty encountered by the consultant and staff in fine-tuning the estimated revenue, and that tuning is still to be worked on.

Mr. Bradshaw inquired if the reallocation of Capital Improvements Program (CIP) funds for the construction of water storage facilities at Season's Trace and Stonehouse Commerce Park will create a funding shortage elsewhere for CIPs.

Mr. Foster stated that the other CIP projects will be reprogrammed in a timely manner to meet the needs of the James City Service Authority.

The motion passed by a unanimous voice vote.

1. Minutes - February 22, 2005, Regular Meeting
2. Budget Amendment - FY 2005 Capital Improvements Program

**RESOLUTION**

**BUDGET AMENDMENTS - FY 2005 CAPITAL IMPROVEMENTS PROGRAM**

WHEREAS, the Board of Directors of the James City Service Authority desires to fund the construction of water storage facilities at Season’s Trace and Stonehouse Commerce Park.

NOW, THEREFORE, BE IT RESOLVED by Board of Directors of the James City Service Authority, James City County, Virginia, hereby adopts the funding transfers as shown below:

Transfer from:

<u>Account Name</u>	<u>Amount of Transfer</u>
Water Supply	\$ 185,200.00
Water System Systems Improvement	307,893.19
Kingswood Area	75,000.00
White Oaks Area	392,000.71
Water System Acquisition	70,254.00
Sewer System Reserve	342,091.00
Sewer System Improvements	463,558.85
Capital Improvements	146,710.26
Tewning Road Expansion	<u>400,000.00</u>
Total:	<u>\$2,382,708.01</u>

Transfer to:

Season’s Trace	\$1,446,475.90
Stonehouse Commerce Park	<u>936,232.11</u>
Total:	<u>\$2,382,708.01</u>

3. **Budget Amendment - FY 2005 Operating Budget**

**RESOLUTION**

**BUDGET AMENDMENTS - FY 2005 OPERATING BUDGET**

WHEREAS, the James City Service Authority has conducted a mid-year review and has determined there is a projected \$400,000 shortfall in water service revenue; and

WHEREAS, a corresponding expenditure reduction is required to offset the \$400,000 shortfall and can be accommodated in the reduction of Utilities by \$300,000 and Operating Supplies by \$100,000 for the Groundwater Treatment Plant.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby adopts the Operating Budget funding adjustments as shown below:

<u>Revenues:</u>	<u>Amount</u>
Water Service Charge	\$5,402,134
Less Adjustment	<u>400,000</u>
Revised Budget Line Item	<u>\$5,002,134</u>
<u>Expenditures:</u>	<u>Amount</u>
Utilities	\$ 640,660
Less Adjustment	<u>300,000</u>
Revised Budget Line Item	<u>\$ 340,660</u>
Operating Supplies	\$ 411,588
Less Adjustment	<u>100,000</u>
Revised Budget Line Item	<u>\$ 311,588</u>

**C. BOARD REQUESTS AND DIRECTIVES - None**

**D. ADJOURNMENT**

Mr. Harrison made a motion to adjourn.

The motion passed by a unanimous voice vote.

At 8:59 p.m., Mr. McGlennon adjourned the Board.

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Sanford B. Wanner  
Secretary to the Board

**MEMORANDUM**

DATE: April 26, 2005  
 TO: The Board of Directors  
 FROM: Larry M. Foster, General Manager  
 SUBJECT: Award of Bid - Norge Water System Improvement

The plans and specifications for the Norge Water System Improvements project were advertised for competitive bid, and publicly opened on March 31, 2005. The following four firms submitted bids on the project:

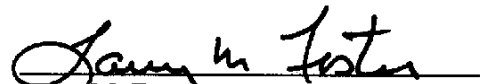
<u>Firm</u>	<u>Amount</u>
Walter C. Via Enterprises	\$1,175,704.33
J. Sanders Construction	1,247,759.00
Basic Construction	1,391,255.00
Suburban Grading	1,983,346.00

Walter C. Via Enterprises submitted the lowest bid and has been determined capable of accomplishing the work associated with the project, based on similar projects performed for the James City Service Authority.

The bid is approximately \$100,000 more than the engineer's estimate and budget allocation. Funds have been transferred administratively to address the bid amount. Based on recent bids, costs for this type of project have increased significantly. Comparing the unit prices for this project and similar projects that were competitively bid two years ago, costs have doubled. This is a product of increasing petroleum and material prices combined with a very active construction market.

Market activity for this type of project is cyclical with prices fluctuating. A change in the market that might lower the overall costs if the project is delayed is not anticipated in the near future.

Staff recommends that the Board approve the attached resolution awarding the Norge Water System Improvements to Walter C. Via Enterprises in the amount of \$1,175,704.33.

  
 Larry M. Foster

LMF/nb  
 norgewtrsys.mem

Attachment

**RESOLUTION**

**AWARD OF BID – NORGE WATER SYSTEM IMPROVEMENT**

WHEREAS, the James City Service Authority has determined that water system improvements are needed in order to serve its customers in the Norge Community; and

WHEREAS, the plans and specifications for the Norge Water System Improvements have been competitively bid with Walter C. Via Enterprises, who has been determined capable of performing the scope associated with the project submitting the low bid of \$1,175,704.33.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, awards the bid for the Norge Water System Improvements to Walter C. Via Enterprises in the amount of \$1,175,704.33.

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John J. McGlennon  
Chairman, Board of Directors

ATTEST:

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Sanford B. Wanner  
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 26th day of April, 2005.

norgewtrsys.res

**MEMORANDUM**

DATE: April 26, 2005

TO: The Board of Directors

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

SUBJECT: Stonehouse Water Storage and Supply Costs Participation Agreement

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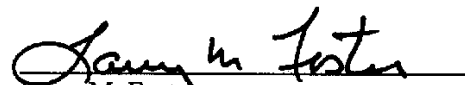
The Board of Directors, at its December 14 meeting, authorized the James City Service Authority (JCSA) to enter into a contract with Stonehouse Capital, LLC (Stonehouse) and others, providing the terms for Stonehouse to make a \$400,000 contribution to the costs of constructing a 1.25-million-gallon water tank in Stonehouse Commerce Park in lieu of building a 0.5-million-gallon tank in the development.

The Stonehouse Development is presently provided water from an independent water system supported by its own well. The water system was constructed by Stonehouse and dedicated to the JCSA in accordance with the County's Subdivision Ordinance. Under the current arrangement Stonehouse will have to provide an additional water supply as needed to support the growth of the development.

The vision for a number of years has been that eventually the Stonehouse Development water system will connect the JCSA's Central Water System, improving service to both areas and reducing operating costs. Stonehouse is in the process of constructing a waterline that, when completed, will connect the development to the Central Water System. Once the two water systems are connected, the provision of additional water by Stonehouse will be complex since it will be difficult to contain the Stonehouse water supply within the development because the two previously separate water supplies will be inter-dependent.

After much discussion, staff and representatives of Stonehouse have agreed that a cash contribution for water supply is an appropriate method for Stonehouse to address the future water needs of the development. The contribution is proposed to be based on the same amount committed by other developers in proffers for recent rezoning applications. The current contribution for a single-family home is \$1,061. At the December 14, 2004, meeting, the Board authorized the General Manager to enter into an agreement with Stonehouse providing the terms for the contribution for the water storage tank. The cash contribution for water supply was not envisioned at that time. Since the proposal is different than the original proposal presented to the Board, staff determined it appropriate to review the proposed changes and obtain Board approval.

Therefore, staff recommends that the Board approve the attached resolution authorizing the General Manager to enter into an agreement with Stonehouse Capital, LLC, providing the terms for contributions to a proposed elevated water storage tank and for the provision of future water supply.

  
Larry M. Foster

LMF/nb  
stonehsestortk.mem

Attachment

**RESOLUTION**

**STONEHOUSE WATER STORAGE AND SUPPLY COSTS PARTICIPATION AGREEMENT**

- WHEREAS, the James City Service Authority desires to construct at least a 1.0 million gallon elevated water storage tank in the Stonehouse Commerce Park to serve the water storage needs of the Central Water System; and
- WHEREAS, Stonehouse Capital, LLC and others will, in the very near future, construct a waterline in Fieldstone Parkway that will connect the Stonehouse Development to the Central Water System; and
- WHEREAS, planned growth in the Stonehouse Development will necessitate the addition of water storage in the development in the near future, and the Stonehouse Master Water Plan provides for a 500,000-gallon capacity groundwater storage facility as the next water storage component of the development at an estimated costs of \$400,000; and
- WHEREAS, the James City Service Authority staff and representatives of Stonehouse Capital, LLC, have agreed that diversion of the costs to build the planned ground-level storage tank to the larger elevated tank would be of mutual benefit; and
- WHEREAS, Stonehouse is required to provide additional water supply as necessary to support its development and connecting the two systems will make this difficult and complex; and
- WHEREAS, staff and representatives of Stonehouse have agreed that a cash contribution for water supply equivalent to the contribution proffered by developers in rezoning cases would be an acceptable alternative to providing additional water supply, and
- WHEREAS, James City Service Authority staff, in conjunction with the County Attorney and representatives of Stonehouse Capital, LLC, have prepared an agreement providing the terms for Stonehouse to make the cash contribution to the elevated tank in lieu of building a separate, smaller, ground-level water tank and proving for the water supply contribution.
- NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, authorizes the General Manager to sign the agreement providing the terms for the cash contribution for water storage capacity and water supply by Stonehouse Capital, LLC, Stonehouse Glen, LLC, Fieldstone Investment, LLC, Mount Laurel, LLC, Fairmont Investment, LLC, Six Hundred North, LLC, Tymar Capital, LLC, and Commerce Park at Stonehouse, LLC.

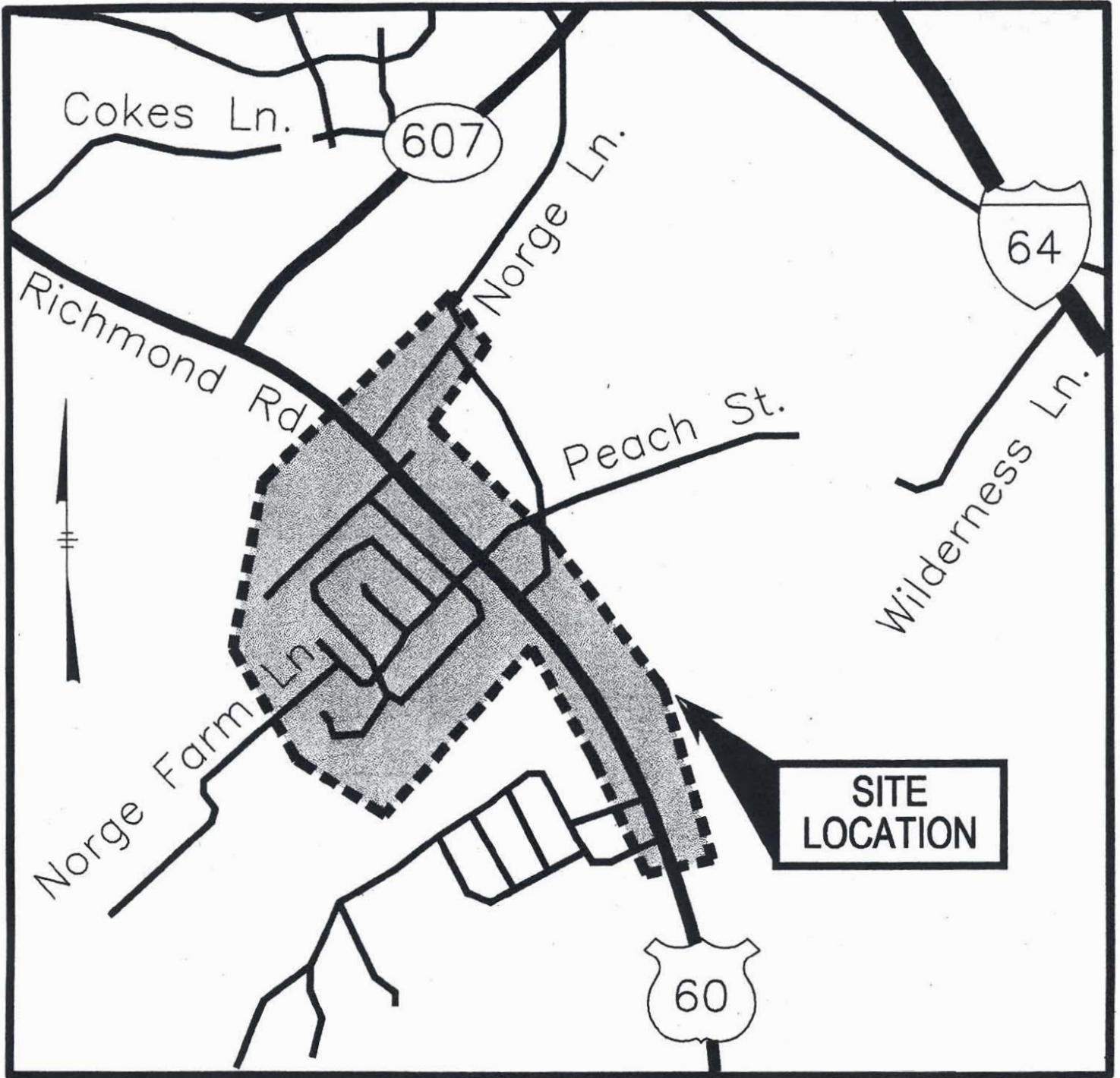
\_\_\_\_\_  
John J. McGlennon  
Chairman, Board of Directors

ATTEST:

\_\_\_\_\_  
Sanford B. Wanner  
Secretary to the Board

Adopted by the Board of Directors of James City Service Authority, James City County, Virginia, this 26th day of April, 2005.





VICINITY MAP  
1" = 2000'

## WATER FACILITIES AGREEMENT

THIS WATER FACILITIES AGREEMENT ("Agreement") made this \_\_\_\_ day of \_\_\_\_\_, 2004, by and between **JAMES CITY SERVICE AUTHORITY**, a Virginia municipal corporation ("JCSA"), and **STONEHOUSE CAPITAL, LLC**, a Virginia limited liability company, **STONEHOUSE GLEN, LLC**, a Virginia limited liability company, **FIELDSTONE INVESTMENT, LLC**, a Virginia limited liability company, **MOUNT LAUREL, LLC**, a Virginia limited liability company, **FAIRMONT INVESTMENT, LLC**, a Virginia limited liability company, **SIX HUNDRED NORTH, LLC**, a Virginia limited liability company, **TYMAR CAPITAL, LLC**, a Virginia limited liability company, and **COMMERCE PARK AT STONEHOUSE, LLC**, a Virginia limited liability company (together with the successors and assigns of each entity, collectively "Owner"), provides as follows:

### RECITALS

R-1 JCSA is an authority organized and existing for purposes of providing water and sewer service within James City County, Virginia (the "County"), as provided by the Virginia Water and Sewer Authorities Act §15.2-5100 *et seq.* of the Code of Virginia (1950), as amended.

R-2 Owner is the owner of certain real property (the "Water Tower Property") located in the County, shown generally as "Water Tank Site" on attached Exhibit A.

R-3 Owner is the owner of certain real property (the "Stonehouse Property"), including the Water Tower Property, located in the County, more particularly described on attached Exhibit B.

R-4 Potable water is provided to the Stonehouse planned unit development (the "PUD"), approved by the County in connection with County land use Case Numbers Z-01-99 and MP-01-99, via a system (the "Stonehouse Independent Water System") of water production, treatment, storage and distribution facilities now existing and to be constructed servicing only the PUD.

R-5 JCSA provides potable water to most of the portion of the County that is located within the Primary Service Area, as the same is designated in the County's Comprehensive Plan, via a central system (the "JCSA Central Water System") of water production, treatment, storage and distribution facilities that have not been connected to the Stonehouse Independent Water System despite the location of the PUD within the Primary Service Area.

R-6 In conjunction with development of that portion of the PUD that exists upon the Stonehouse Property, Owner desires to provide adequate volume, pressure, and storage capacity of potable water and fire flow for existing and future development on the Stonehouse Property.

R-7 County has determined that it is in the public interest for JCSA to own, operate, and maintain all potable water and fire flow facilities serving the Stonehouse Property and other properties in the County.

R-8 Owner desires to convey the Water Tower Property and to contribute the sum of Four Hundred Thousand and 00/100 Dollars (\$400,000.00) less an amount determined by the acreage of the Water Tower Property multiplied by the land value of One Hundred Thousand and 00/100 Dollars per acre (the "Cash Contribution") to JCSA for the purposes of JCSA constructing and operating an elevated potable water storage facility ("Water Tower") and related potable water distribution and transmission service lines ("Service Lines") (collectively, the "Water Tower Facilities") on the Water Tower Property in an effort to support the provision of adequate volume, pressure, and storage capacity of potable water for existing and future development on the Stonehouse Property, as well as other properties in the County. The aforementioned conveyance and contribution is in lieu of Owner constructing an additional 500,000 gallon storage facility at JCSA W-25 well facility (the "Existing Well Facility") located at 9400 Fieldstone Parkway, Toano, Virginia 23168.

R-9 JCSA desires to receive the Water Tower Property and the Cash Contribution from Owner for the purposes of constructing and operating the Water Tower Facilities and to provide adequate volume, pressure, and storage capacity of potable water in order to help meet the water demands of the County generally. Conveyance of the Water Tower Property and the Cash Contribution to JCSA will provide for the construction of a larger water storage facility than would otherwise be required for the currently planned development of the Stonehouse Property. The economies of scale and the reduction in operations and maintenance costs associated with the Water Tower as well as the optimum location and elevation of the Water Tower Property provide a unique benefit to JCSA and its efforts to meet the water demands of the County generally.

R-10 The conveyance by Owner to JCSA of the Water Tower Property and the Cash Contribution is the best means of i) providing adequate volume, pressure, and storage capacity of potable water for existing and future development on the Stonehouse Property, and ii) serving the water demands of the County generally.

NOW THEREFORE, in consideration of the conveyance of the Water Tower Property, payment of the Cash Contribution, and the mutual promises herein contained, the adequacy of which are hereby acknowledged, the parties agree as follows:

## PROVISIONS

### 1. Conveyance of Water Tower Property and Payment of Cash Contribution.

(a) Within 60 days after the written request by JCSA to Owner, subject to review and approval of the subdivision plat by the County in accordance with the County subdivision ordinance, Owner shall subdivide and convey to JCSA, without consideration, the Water Tower Property restricted in use to the development of only the Water Tower Facilities, a Fire/Emergency Medical Service station, and ancillary uses that do not adversely affect the use of the Water Tower Property for the primary uses previously stated. Simultaneous with the aforementioned conveyance of the Water Tower Property, the parties shall enter into such easement agreements as are desired by the parties for development of Water Tower Property and adjacent property of the Owner in accordance with that certain conceptual plan of development

attached hereto as Exhibit A, to include, but not be limited to, access easements, easements for parking, utility easements, and easements for stormwater runoff and related facilities, which easement agreements shall contain maintenance and other cost allocation provisions based on the proportionate benefit derived and/or burden assumed by each party with respect to each easement, provided that such easement agreements are mutually agreed upon by the parties which consent of either party shall not be unreasonably withheld.

(b) Within 30 days after receipt by JCSA of the first good faith payment request from its contractor for the construction activities contemplated herein and notice to Owner of the same, Owner shall pay to JCSA one-half (1/2) of the Cash Contribution,

(c) Within 30 days after receipt by JCSA of the good faith payment request from its contractor after completion of fifty percent (50%) of the Water Tower Facilities for the construction activities contemplated herein and notice to Owner of the same, Owner shall pay to JCSA the balance of the Cash Contribution.

2. Water Tower Facilities Specifications. JCSA shall design, construct, and maintain the Water Tower Facilities to the following specifications:

(a) The Water Tower shall have a minimum storage capacity of One Million (1,000,000) gallons; and

(b) The Water Tower Facilities shall allow the Stonehouse Independent Water System to be connected to the JCSA Central Water System through the extension of the sixteen (16) inch water line to be constructed by Owner in connection with the extension of Fieldstone Parkway from Mill Pond Run to State Route 600.

(c) The Water Tower Facilities shall allow the connection to both the JCSA Central Water System and the Stonehouse Independent Water System through appropriate lines and valves such that water required to fill the Water Tower Facilities may be derived from either the JCSA Central Water System or the Stonehouse Independent Water System, and such that water flowing from the Water Tower Facilities will offer beneficial use (potable water and fire flow) to the Stonehouse Property and to other property within the County.

(d) The Water Tower shall be: i) a spheroid type facility with the exterior of the storage tank to be of spherical shape, mounted on top of a proportionately slender support structure or stem; or ii) a composite type facility similar to that shown on attached Exhibit C.

Notwithstanding the minimum capacity prescribed above, it is understood that JCSA will undertake all reasonable efforts to insure that the Water Tower has the largest capacity for which applicable permits can be obtained and that is financially feasible for JCSA. Owner shall make the connection prescribed in paragraph 2(b) above.

3. Water Tower Facilities Covenants. JCSA shall operate and maintain the Water Tower Facilities in accordance with the following covenants:



(a) The Water Tower Facilities shall, subject to reasonable interruptions for maintenance and repair, provide for the unrestricted, free flow of water from the JCSA Central Water System and the Water Tower Facilities to the Stonehouse Independent Water System and all potable water and fire flow transmission and distribution lines now or in the future serving the Stonehouse Property.

(b) JCSA shall provide at all times, subject to reasonable lapses for drought and/or casualty damage, a minimum of 500,000 gallons of potable water volume in the Water Tower and associated pressure (collectively, the "Reserved Capacity") exclusively for the potable water and fire flow demands of existing and future development on the Stonehouse Property.

4. Water Obligations of Owner.

(a) JCSA agrees that it shall not impose any conditions for the construction of or contribution towards the cost of any water storage on any site plan, subdivision plan, or other development approvals for development of the Stonehouse Property nor require of the Owner or assess the Owner for the same until such time as the potable water and fire flow demands of development on the Stonehouse Property exceed the Reserved Capacity and the volume and pressure of the Existing Well Facility.

(b) JCSA agrees that it shall not impose any conditions for the construction of or contribution towards the cost of any water production on any site plan, subdivision plan, or other development approvals for development of the Stonehouse Property nor require of the Owner or assess the Owner for the same until such time as the potable water and fire flow demands of development on the Stonehouse Property exceed the maximum water production capacity of the Stonehouse Independent Water System.

(c) Owner may satisfy any conditions imposed for the construction of and contributions towards the cost of any water storage and water production on any site plan, subdivision plan, or other development approvals for development of the Stonehouse Property by:

(i) providing, in accordance with applicable laws, ordinances, and regulations, its own water production source(s) and storage facility or facilities to include, but not be limited to, a groundwater withdrawal and storage facility of facilities; or

(ii) paying to JCSA, at the time of issuance of each building permit, an amount equal to one thousand sixty-one and 00/100 dollars (\$1,061.00) per single-family residential dwelling unit, and seven hundred ninety-six and 00/100 dollars (\$796.00) per two-family and multiple-family residential dwelling unit proposed to be developed on the Stonehouse Property.

The terms "single-family", "two-family", and "multiple-family" shall be as defined in the current County Code. The above per unit cash contributions ("Contributions") shall be adjusted annually beginning January 1, 2006 to reflect any increase or decrease for the preceding year in

the Consumer Price Index, U.S. City Average, All Urban Consumers (CPI-U) All Items (1982-84 = 100) (the "CPI") prepared and reported monthly by the U.S. Bureau of Labor Statistics of the United State Department of Labor. In no event shall the Contributions be adjusted to a sum less than the amount initially established by this Agreement. The adjustment shall be made by multiplying the Contributions for the preceding year by a fraction, the numerator of which shall be the CPI as of December 1 in the year preceding the calendar year most currently expired, and the denominator of which shall be the CPI as of December 1 in the preceding year. In the event a substantial change is made in the method of establishing the CPI, then the Contributions shall be adjusted based upon the figure that would have resulted had no change occurred in the manner of computing the CPI. In the event that the CPI is not available, a reliable government or other independent publication evaluating information heretofore used in determining the CPI shall be relied upon in establishing an inflationary factor for purposes of increasing the Contributions to approximate the rate of annual inflation in the County. Acceptance by the County of a proffer statement or adoption by the County of a condition on development that imposes on any owner of the Stonehouse Property, or portion thereof, any requirement related to the provision of potable water, fire flow, and sewer for development on the Stonehouse Property, or portion thereof, shall be deemed to supercede and shall serve as full satisfaction of any obligations of Owner, its successors and assigns, contained in the provisions of paragraph 4(a), 4(b), and 4(c) of this Agreement as to such portion of the Stonehouse Property so affected.

(d) Owner shall not be precluded from applying for and obtaining any applicable permits and approvals for additional production, treatment, distribution, transmission, and/or storage facilities for potable water, fire flow, and/or sewer.

#### 5. Design and Architectural Review.

(a) Owner shall not be obligated to make any conveyances or contributions to JCSA until JCSA has submitted to Owner and Owner has approved the proposed color palette, list of materials, and example photographs (collectively, the "Design Review Standards") for any use that shall be established by JCSA on the Water Tower Property. Thereafter, JCSA shall submit to Owner construction plans, site plans, and improvement elevations for any development on the Water Tower Property which shall be approved by Owner in its discretion prior to the commencement of any land disturbing activities so as to assure conformity with the Design Review Standards and to obtain Owner's input as to: i) location and uses of improvements on the site, ii) improvement height and size, iii) architectural design, iv) improvement and/or material colors, v) signs, and vi) noise generation and attenuation. Such approval shall not be unreasonably withheld and shall not conflict with any legally enforceable conditions imposed on the Water Tower Facilities by the County through any special use permit, site plan approval, or otherwise.

(b) Plans and specifications for the Water Tower Facilities shall be developed by JCSA and approved by a licensed professional engineer with expertise in the field of water tower design and construction. Design and construction of the Water Tower Facilities shall be in accordance with all County, state, and Federal laws, regulations, and standards and specifications.

6. Timing of Water Tower Facilities.

(a) The JCSA Board of Directors shall i) adopt a capital improvements plan including an allocation for construction of the Water Tower Facilities on the Water Tower Property, and ii) JCSA shall obtain all applicable permits and approvals for completion of the Water Tower Facilities and interconnection with the Stonehouse Independent Water System as herein described on or before August 1, 2005. The failure of the JCSA Board of Directors to adopt such a capital improvements plan or the failure of JCSA to obtain such permits and approvals shall be a material breach of this Agreement and Owner shall have no obligation to perform hereunder.

(b) JCSA shall complete the Water Tower Facilities as herein described on or before December 31, 2007. For the purposes of this Agreement, completion of the Water Tower Facilities shall mean i) the completion of construction of the Water Tower Facilities in accordance with all permits, approvals, and approved plans and specifications, ii) connection of the Water Tower Facilities to the JCSA Central Water System and the Stonehouse Independent Water System, and iii) filling the Water Tower Facilities to capacity with potable water and putting the Water Tower Facilities into service.

7. Owners Association. JCSA acknowledges that the Water Tower Property is subject to that certain Declaration of Protective Covenants, Easements and Restrictions ("Declaration") recorded in the Circuit Court Clerk's Office for the County of James City and the City of Williamsburg in Deed Book 758 at Page 646 and any amendments thereto. Owner shall exercise all reasonable efforts to remove the Water Tower Property from encumbrance by the Declaration. If Owner is unable to effect such removal, then JCSA may terminate this Agreement.

8. Miscellaneous.

(a) This Agreement, including the recitals and Exhibits which are incorporated herein by reference, contains the entire agreement between the parties, and is intended as a complete integration of all prior or contemporaneous agreements, oral or written between the parties. No amendment or modification to this Agreement shall be valid unless in writing and executed by all parties hereto.

(b) This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia.

(c) In the event that any term or provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not effect the validity of the remaining terms and conditions of this Agreement.

(d) Each party hereto shall execute and deliver such further instruments, and shall undertake and do such further acts and things as may be required to carry out the intent and purposes of this Agreement.

(e) This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

(f) This Agreement is binding upon and shall inure to the benefit of JCSA and its successors. JCSA shall have no right to assign its rights and/or obligations under this Agreement except to another municipal corporation that is at least comparable to JCSA in terms of size, financial stability, expertise, volume, and proximity to the Stonehouse Property.

(g) This Agreement shall be binding upon and inure to the benefit of Owner and its assigns. Owner may assign any of its rights and/or obligations under this Agreement.

(h) The headings utilized in this Agreement are inserted for convenience only and shall not constitute a portion of the Agreement or be used in the construction or interpretation hereof.

(i) Any party defaulting hereunder shall bear all costs of enforcing this agreement, including without limitation, reasonable attorneys fees and interest on all sums collected at the prevailing rate.

(j) A defaulting party shall have 30 days to cure any default hereunder upon receipt of notice of such default from the other party.

(k) Time is of the essence as to all matters contained in this Agreement.

(l) The provisions of this Agreement shall survive any transfer of property contemplated hereby, and shall not be deemed merged into any deed.

9. Notice. All notices hereunder shall be in writing, and shall be given by hand delivery, by national overnight delivery service, by telecopier, or by first class mail, postage prepaid, and shall be deemed given when sent or mailed to the following:

(a) If to JCSA:

General Manager  
James City Service Authority  
P.O. Box 8784  
Williamsburg, VA 23187  
Fax No. (757) 253-6850



With a copy to:

County Attorney  
James City County, Virginia  
P.O. Box 8784  
Williamsburg, VA 23187-8784  
Fax No. (757) 253-6833

(b) If to Owner:

Kenneth G. McDermott  
15 Mendham Road  
Gladstone, New Jersey 07934  
Fax No. (908) 234-9508

With a copy to:

Gregory R. Davis, Esq.  
Kaufman & Canoles, P.C.  
4801 Courthouse Street, Suit 300  
Williamsburg, VA 23188  
Fax No. (757) 259-3838

(c) Either party may designate other persons or places for receipt of notice by written notification to the other party in accordance with the terms hereof.

WITNESS the following signatures and seals:

JAMES CITY SERVICE AUTHORITY

By: \_\_\_\_\_  
General Manager

STATE OF \_\_\_\_\_  
CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2004, by \_\_\_\_\_, as General Manager of the Board of Directors of the JAMES CITY SERVICE AUTHORITY, on its behalf.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

STONEHOUSE CAPITAL, LLC

By: \_\_\_\_\_  
Kenneth G. McDermott, Manager

STATE OF \_\_\_\_\_  
CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2004, by Kenneth G. McDermott, Manager of STONEHOUSE CAPITAL, LLC, a Virginia limited liability company, on behalf of the company.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

STONEHOUSE GLEN, LLC  
FIELDSTONE INVESTMENT, LLC  
MOUNT LAUREL, LLC  
FAIRMONT INVESTMENT, LLC  
SIX HUNDRED NORTH, LLC  
TYMAR CAPITAL, LLC  
COMMERCE PARK AT STONEHOUSE, LLC

By: STONEHOUSE AT WILLIAMSBURG, LLC,  
Managing Member

By: \_\_\_\_\_  
Kenneth G. McDermott, Manager

STATE OF \_\_\_\_\_  
CITY/COUNTY OF \_\_\_\_\_, to-wit:

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2004, by Kenneth G. McDermott, Manager of STONEHOUSE AT WILLIAMSBURG, LLC, a Virginia limited liability company, Managing Member of STONEHOUSE GLEN, LLC, a Virginia limited liability company, FIELDSTONE INVESTMENT, LLC, a Virginia limited liability company, MOUNT LAUREL, LLC, a Virginia limited liability company, FAIRMONT INVESTMENT, LLC, a Virginia limited liability company, SIX HUNDRED NORTH, LLC, a Virginia limited liability company, TYMAR CAPITAL, LLC, a Virginia limited liability company, and COMMERCE PARK AT STONEHOUSE, LLC, a Virginia limited liability company, on behalf of the companies.

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

## EXHIBIT B

### Stonehouse Capital, LLC

All those tracts, pieces, or parcels of land, lying, being and situate in Stonehouse District, James City County, Virginia, more particularly described below. All recording references indicate documents recorded in the Clerk's Office, Circuit Court, City of Williamsburg and County of James City.

**Parcel 1:** "William Lee" Tract No. 33-2008, containing 90 acres, more or less, being the same property conveyed to The Chesapeake Corporation of Virginia by C. W. Payne, et al., by deed dated October 9, 1946, recorded in Deed Book 38, page 546. The tract is depicted on that plat made by Girard Chambers recorded in Plat Book 10, Page 35.

**Parcel 2:** "W. P. Richardson" Tract No. 33-2009, containing 1,683 acres, more or less, being a portion of the property conveyed to The Chesapeake Corporation by Chesapeake Pulp & Paper Company, Incorporated by deed dated May 1, 1922, recorded in Deed Book 20, page 92. Subject, however, to that Boundary Line Agreement dated November 7, 1994 between Stonehouse Inc. and Horace G. Dean, Jr., recorded in Deed Book 720, Page 883.

**Parcel 3:** "Stonehouse" Tract No. 33-2010, containing 269 acres, more or less, being the same property conveyed to The Chesapeake Corporation by I. S. Waltman and wife by deed dated September 15, 1939, recorded in Deed Book 31, page 350. The property is depicted on a plat made by O. M. Chandler, Surveyor, dated October, 1917, recorded in Plat Book 6, Page 5 and Plat Book 25, Page 22.

**Parcel 4:** "Garrett Lee" Tract No. 33-2024, containing 239-3/4 acres, more or less, and being all of a tract of land known as "Barnett Jones" depicted on a plat of survey made by Geo. P. Coleman, Surveyor, as appears on a map recorded in Deed Book 6, Pages 226-227, except a portion thereof containing 1 acre which was conveyed to D. F. Ballard by deed dated May 4, 1944, recorded in Deed Book 42, page 463. Together with those easements of right of way conveyed to The Chesapeake Corporation of Virginia in the next mentioned deed. Being the same property conveyed to The Chesapeake Corporation of Virginia by B. F. Garrett, Jr., widower, by deed dated August 11, 1970, recorded in Deed Book 127, page 539.

**Parcel 5:** "James Taylor" Tract, being shown as Lot 1 containing 3.0033 acres, more or less, and Lot 2 containing 1.2174 acres, more or less, on that plat of survey made by Paul C. Small, L.S., dated May 17, 1984, a copy of which is recorded in Plat Book 39, page 66. Together with and conveying by quitclaim only all the Grantor's right, title and interest in and to that certain strip of land containing 0.3355 acres, more or less, lying between the center line of Route 607 and Lots 1 and 2, designated "25' R/W Dedication" on the aforementioned plat. Being the same property conveyed to The Chesapeake Corporation of Virginia by James H. Taylor and wife by deed dated February 9, 1974, recorded in Deed Book 150, page 229.

**Parcel 6:** "Ivydale" Tract No. 33-2007, containing 183.75 acres by survey, being more particularly shown and described on a plat of survey by R. B. Cartwright, C.L.S., dated

December 15, 1981, a copy of which is recorded in Plat Book 50, Page 6. Less and except that portion of the tract depicted on "Plat of Subdivision & Property Line Extinguishment Ivey Dell" dated 10/25/94, last revised 3/15/95, made by AES Consulting Engineers, recorded in Plat Book 61, Pages 35 - 37, leaving by estimation 58.75 acres, more or less, lying entirely on the west side of Route 607, to be conveyed by this deed. Being the same property conveyed to The Chesapeake Corporation by Chesapeake Pulp & Paper Company, Incorporated by deed dated May 1, 1922, recorded in Deed Book 16, page 226.

For information, the name of The Chesapeake Corporation was changed to The Chesapeake Corporation of Virginia by document filed with the Virginia State Corporation Commission on October 23, 1941. The name of The Chesapeake Corporation of Virginia was changed to Chesapeake Corporation by stockholder approval on April 25, 1984, filed with the Virginia State Corporation Commission on April 27, 1984.

### **Stonehouse Glen, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

#### **Tract I**

"Hicks" Tract, containing 131.03 acres by survey, being more particularly shown and described on survey by V. D. McManus, Jr., dated February 1947, recorded in Plat Book 10, Page 42. Being the same property conveyed to the Chesapeake Corporation of Virginia, by Vincent D. McManus, Jr., widower, by deed dated February 5, 1973, recorded in Deed Book 142, Page 229.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 15 in said Deed.

#### **Tract II**

"LaGrange" Tract, containing 203.29 acres, more or less, being Parcels A, B and C on a plat of survey made by John B. Vance, Jr., C.L.S., dated February 5, 1972, recorded in Plat Book 29, Page 40. Being the same land conveyed to the Chesapeake Corporation of Virginia by Littleberry James Haley, Jr., et als., by deed dated March 30, 1981, recorded in Deed Book 212, Page 411.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 18 in said Deed.

For information, the name of the Chesapeake Corporation was changed to The Chesapeake Corporation of Virginia by document filed with the Virginia State Corporation Commission on October 23, 1941. The name of The Chesapeake Corporation of Virginia was changed to Chesapeake Corporation by stockholder approval on April 25, 1984, and filed with the Virginia State Corporation Commission on April 27, 1984.

### **Fieldstone Investment, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

#### **Tract I**

100.9465 acres, shown as Parcel B on a "Boundary Line Adjustment Plat of Property Owned by Stonehouse, Inc. and Golf Trust of America, L.P." made by Langley and McDonald, P.C., dated 5/5/97, recorded in Plat Book 66, Pages 89-93. Less and except: Parcel B-1 containing 8.9547 acres and Parcel B-2 containing 12.3998 acres, both depicted on "Subdivision Plat of Stonehouse Development Area One, Phase 1, Section I-B, Section II-A, Section III-C, Being a Subdivision of Properties Owned by Stonehouse Limited Liability Company and Stonehouse, Inc.", made by Langley and McDonald, Inc., dated November 19, 1999, last revised December 9, 1999, recorded in Plat Book 75, Pages 93-97, and being the same Parcels conveyed to Stonehouse Development Company, LLC by deed dated December 27, 1999, from Stonehouse Inc., recorded as Document No. 99-26874. Subject to the rights of others to use, and together with the right to use, the "Area To Be Reserved For Future 120' VDOT Right Of Way" depicted on the aforementioned plat, the terms of which are set out in the last mentioned deed and which easement was reserved by the Grantor by instrument recorded as Document No. 960003568.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 26 in said Deed.

#### **Tract II**

12.5757 acres, shown as Parcel C on a "Boundary Line Adjustment Plat of Property Owned by Stonehouse Inc. and Golf Trust of America, L.P." made by Langley and McDonald, P.C., dated 5/5/97, recorded in Plat Book 66, Pages 89-93. Less and except 5.2428 acres shown as Parcel C-1 on "Subdivision Plat of Stonehouse Development Area One, Phase 1, Section I-B, Section II-A, Section III-C, Being a Subdivision of Properties Owned by Stonehouse Limited Liability Company and Stonehouse, Inc.", made by Langley and McDonald, Inc., dated November 19, 1999, last revised December 9, 1999, recorded in Plat Book 75, Pages 93-97, and being the same 5.2428 acres conveyed to Stonehouse Development Company, LLC by deed dated December 27, 1999 from Stonehouse, Inc. recorded as Document No. 99-26875. Subject to and together with an easement depicted as "Area To Be Dedicated As A Temporary Easement For Grounds Maintenance" on the aforesaid November 19, 1999 plat, the terms of which are set out in the last mentioned deed.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 27 in said Deed.

### **Tract III**

5.0538 acres shown as Parcel D on a "Boundary Line Adjustment Plat of Property Owned by Stonehouse Inc. and Golf Trust of America, L.P." made by Langley and McDonald, P.C., dated 5/5/97, recorded in Plat Book 66, Pages 89-93.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 28 in said Deed.

### **Tract IV**

13.1105 acres shown as Parcel E on a "Boundary Line Adjustment Plat of Property Owned by Stonehouse Inc. and Golf Trust of America, L.P." made by Langley and McDonald, P.C., dated 5/5/97, recorded in Plat Book 66, Pages 89-93.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 29 in said Deed.

### **Tract V**

Section I-B containing 19.1500 acres, Section II-A containing 5.8844 acres and Section III-C containing 16.0620 acres, all as shown on "Subdivision Plat of Stonehouse Development Area One, Phase 1, Section I-B, Section II-A, Section III-C, Being a Subdivision of Properties Owned by Stonehouse Limited Liability Company and Stonehouse Inc.", made by Langley and McDonald, Inc., dated November 19, 1999, last revised December 9, 1999, recorded in Plat Book 75, Pages 93-97. Together with an easement of right of way 120 feet in width across property of Stonehouse Development Company, LLC along the extension of Fieldstone Parkway to construct and provide access and utilities to the additional property owned by Stonehouse Inc., which easement was reserved by the Grantor by instrument recorded as Document No. 960003568. The three sections were conveyed to Stonehouse Inc. by deed dated December 27, 1999 from Stonehouse Development Company, LLC, recorded as Document No. 99-26876.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of



Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 30 in said Deed.

Tracts I, II, III, and IV are conveyed subject to, and modified by: (i) that Deed of Boundary Adjustment and Easement dated June 6, 1997 between Stonehouse Inc. and Golf Trust of America, L.P., recorded as Document No. 97-9627.

Tracts I, II, III and IV were conveyed to Stonehouse Inc. by the following deeds: (1) from Chesapeake Corporation dated December 22, 1988, recorded in Deed Book 420, Page 712; (2) from Frank L. Fernandez dated June 1, 1994, Deed Book 696, Page 731; and (3) from Rodgers Enterprises, Inc., dated April 13, 1990, recorded in Deed Book 471, Page 96.

### **Mount Laurel, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

#### **Tract I**

“Enos” Tract, containing 168.60 acres by survey, being more particularly shown and described on a plat of survey by R. B. Cartwright, C.L.S., dated August 15, 1980, a copy of which is recorded in Plat Book 50, Page 12. Being the same property conveyed to the party of the first part by Elsie M. Slater, et als., by deed dated January 23, 1980, recorded in Deed Book 202, Page 752.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 14 in said Deed.

#### **Tract II**

“Clopton” Tract No. 33-2015, containing 158.83 acres by survey, being more particularly shown and described on a plat of survey by R. B. Cartwright, C.L.S., dated February 20, 1981, a copy of which is recorded in Plat Book 50, Page 13. Being a portion of the property conveyed to The Chesapeake Corporation by W. F. Woodward, et al., by deed dated March 11, 1952, recorded in Deed Book 47, Page 172.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 8 in said Deed.

### **Tract III**

“Tankard” Tract No. 33-2011 (part of), containing 80.05 acres by survey, being that portion of the Tankard Tract lying to the northeast of Interstate 64, as more particularly shown and described on a plat of survey by R. B. Cartwright, C.L.S., a copy of which is recorded in Plat Book 50, Page 14. Being a portion of the property conveyed to The Chesapeake Corporation of Virginia by R. M. Hazelwood and wife by deed dated April 7, 1949, recorded in Deed Book 42, Page 97.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 5 in said Deed.

### **Fairmont Investment, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

#### **Tract I**

“Ashlock #1” Tract No. 33-2201, containing 152 acres by survey, being more particularly shown and described on a plat of survey by R.H. Highland, C.L.S., dated April 13, 1951, a copy of which is recorded in Plat Book 50, Page 7, and 43 acres, more or less, bounded on the south by land now or formerly belonging to B.F. Garrett, on the east by the Stonehouse Tract, on the North and west by a swamp. Being the same property conveyed to The Chesapeake Corporation by Mattie B. Lewis, widow, by deed dated June 4, 1941, recorded in Deed Book 33, Page 386.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 1 in said Deed.

#### **Tract II**

“Ashlock #2” Tract No. 33-2002, containing 14 acres by survey, being more particularly shown and described on a plat of survey by R.H. Highland, C.L.S., dated April 13, 1951, revised December 16, 1988, a copy of which is attached in Plat Book 50, Page 8. The property is depicted on the aforesaid plat as part of a 24.42 acre tract. The 14 acres being the same property conveyed to The Chesapeake Corporation of Virginia by John G. Warburton and wife by deed dated May 5, 1947, recorded in Deed Book 39, Page 25.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of

Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 2 in said Deed.

### **Tract III**

“Ashlock #3 Tract No. 33-2020, containing 10 acres by survey, being more particularly shown and described on a plat of survey by R.H. Highland, C.L.S., dated April 13, 1951, revised December 16, 1988, a copy of which is recorded in Plat Book 50, Page 8. The property is depicted on the aforesaid plat as part of a 24.42 acre tract. The 10 acre tract is the same property conveyed to The Chesapeake Corporation of Virginia by Andrew B. Brookes and wife by deed dated August 1, 1957, recorded in Deed Book 62, Page 93.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 3 in said Deed.

### **Tract IV**

“Bateman-Tyler” Tract No. 33-2013, containing 49.98 acres as depicted on a plat of survey dated April 6, 1951, revised, stamped and signed by Charles J. Kerns, Jr., L.S., which is recorded in Plat Book 50, Page 8, less and except 1.11 acres conveyed to the Commonwealth of Virginia by deed dated January 3, 1955. The 49.98 acre tract being the same property conveyed to The Chesapeake Corporation of Virginia by the following:

(a) Deed from Margaret Tyler, dated June 3, 1949, recorded in Deed Book 42, page 539;  
and

(b) Deed from Evoid Tyler, et als., dated June 3, 1949, recorded in Deed Book 42, page 536.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 6 in said Deed.

### **Tract V**

“Henley” Tract No. 33-2014, containing 26 acres, more or less, as depicted on a plat of survey made by R.H. Highland, C.L.S., dated May 29, 1951, recorded in Plat Book 12, Page 37. Being the same property conveyed to The Chesapeake Corporation of Virginia by J. Turner Henley, et al., by deed dated June 7, 1951, recorded in Deed Book 45, page 162.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of

Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 7 in said Deed.

#### **Tract VI**

“Banks” Tract, containing 17 acres, more or less, and being made up of two tracts containing 8 ½ acres each, of which John Ashlock died seized, less and except 2 ½ acres conveyed to Solomon Ashlock by deed recorded in Deed Book 23, Page 6, one acre conveyed to Rebecca Walker by deed recorded in Deed Book 22, Page 382, and such of the property as may lie within the bounds of Route 600. Being the same property conveyed to The Chesapeake Corporation of Virginia by Elizabeth H. Banks, et als., by deed dated October 10, 1974, recorded in Deed Book 156, Page 584.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 11 in said Deed.

#### **Tract VII**

“Bowman” Tract, containing 2 ½ acres, more or less, as depicted on that plat of survey dated September 21, 1923 made by R.N. Crawford. Being the same property conveyed to The Chesapeake Corporation of Virginia by A.H. Bowman and wife by deed dated January 10, 1974, recorded in Deed Book 149, Page 724.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 12 in said Deed.

#### **Tract VIII**

“Slater” Tract, containing 158 acres, more or less, as depicted on a plat thereof dated May 4, 1914, made by Sidney Smith, Surveyor, recorded in Plat Book 2, Page 50, including the church lot and the James Taylor Lot shown on the plat. Less and except that portion of the property conveyed to the Commonwealth of Virginia for Route 600 recorded in Deed Book 53, Page 186. Being the same property conveyed to The Chesapeake Corporation of Virginia by A.D. Slater and wife by deed dated December 13, 1972, recorded in Deed Book 143, Page 425.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 16 in said Deed.

### Tract IX

“Ware Ashlock #2” Tract, containing 1 ½ acres, more or less. Being the same property conveyed to The Chesapeake Corporation of Virginia by D.W. Ware and wife by deed dated September 4, 1980, recorded in Deed Book 206, Page 621, and Solomon Ashlock by deed dated December 17, 1973, recorded in Deed Book 149, Page 202.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 20 in said Deed.

### Tract X

“Filichko” Tract, containing 10.238 acres, being more particularly shown and described on a plat of survey by B.C. Littlepage, C.L.S., dated November 5, 1971, recorded in Plat Book 29, Page 6, being the same property conveyed to Chesapeake Corporation by John R. Filichko and wife by deed dated April 11, 1988, recorded in Deed Book 387, Page 143.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 21 in said Deed.

### Tract XI

“Stinnette” Tract, containing 4 1/6 acres, and being bounded and described as follows: Commencing at the southeasterly fork between State Secondary Road 600 and State Secondary Road 606; proceeding thence in an easterly direction along the southerly side of Route 600 to the point where the line between the property here conveyed and the property now or formerly of Chesapeake Corporation strikes the said road; proceeding thence in a southeasterly direction along the line of Chesapeake Corporation 800 to 900 feet, more or less, along the bottom of a ravine; thence along the bottom of the ravine in a southwesterly direction, the line of Chesapeake Corporation, to the easterly side of Route 606; thence with Route 606 to the southeasterly fork of Route 606 and Route 600, the point of beginning. Being the same land conveyed to Chesapeake Corporation by deed dated February 19, 1999, from Brake & Associates, Inc., recorded as Document #99-4844. The boundaries of the property are more particularly shown on that plat of survey dated 11/15/85 made by Buchart-Horn, Inc. recorded in Plat Book 50 at Page 8.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 24 in said Deed.



## **Six Hundred North, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

### **Tract I**

“Cedar Point” Tract No. 33-2023, containing 96.58 acres by survey, being more particularly shown and described on plat of survey by O.M. Chandler, C.L.S., dated October 1917, recorded in Plat Book 25, Page 22 and Plat Book 6, Page 5. Less and except that portion of the property conveyed to the Commonwealth of Virginia for Route 600 recorded in Deed Book 53, Page 186. Being the same property conveyed to the party of the first part by A.D. Slater and wife by deed dated November 14, 1967, recorded in Deed Book 114, Page 193.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 10 in said Deed.

### **Tract II**

“Ware Ashlock #1” Tract, containing 22 acres, more or less, in the aggregate and consisting of two tracts containing 7 ½ acres, 4 ½ acres and two tracts of unstated acreage. Being the same property conveyed to The Chesapeake Corporation of Virginia by D.W. Ware and wife by deed dated September 4, 1980, recorded in Deed Book 206, Page 621 and by William Arthur Ashlock, et als., by deed dated March 1, 1973, recorded in Deed Book 146, Page 281.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 19 in said Deed.

### **Tract III**

That portion of “Richardson’s Mill Pond” Tract, containing 41 acres, more or less, which lies in James City County, and is the James City part of the 58.99 acres depicted on that plat of survey by R.H. Highland, C.L.S., dated November 8, 1951, recorded in Plat Book 9, page 18. Being a portion of the property conveyed to Chesapeake Corporation by deed from David Nelson, Jr., Executor, et als., dated July 3, 1987, recorded in Deed Book 395, Page 59. Subject, however, to rights of others in and to the use and enjoyment of the millpond and rights of others to withdraw water from the millpond.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of

Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 22 in said Deed.

#### **Tract IV**

“Farinholt” Tract, containing 146 acres, more or less, being more particularly shown and described on plat of survey by G.L. Evans, C.L.S., dated January 19, 1934, which plat is recorded in Plat Book 50, Page 9, less and except 1.59 acres, more or less, conveyed to the Commonwealth of Virginia by deed dated January 3, 1955. Being the residue of the tract conveyed to The Chesapeake Corporation by T.H. Geddy, Jr., Special Commissioner, by deed dated August 1, 1929, recorded in Deed Book 25, Page 239.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 23 in said Deed.

#### **Tymar Capital, LLC**

Those certain parcels of land located in James City County, Virginia and described as follows:

#### **Tract I**

“Garretts” Tract No. 33-2004, containing 534.24 acres, more or less, being the same property conveyed to The Chesapeake Corporation by C. L. Woodward and wife by deed dated March 18, 1925, recorded in Deed Book 22, Page 5. The tract is comprised of five tracts containing 25 acres, 86 acres, 50 acres, 213.41 acres and 159.83 acres, all as described on the aforementioned deed.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 4 in said Deed.

#### **Tract II**

All right, title and interest of the party of the first part in and to the “Miles Braxton” Tract, containing 16 acres, more or less, as depicted on that plat of survey dated April 15, 1974, made by R. B. Cartwright, C.L.S., recorded in Deed Book 152, Page 163. Being the same property conveyed to The Chesapeake Corporation of Virginia by the following:

(a) Deed from James Clarke and wife, et als., dated April 18, 1974, recorded in Deed Book 152, Page 159;

(b) Deed from Carry Lee Clarke dated May 13, 1974, recorded in Deed Book 152, Page 344: and.

(c) Deed from Ida Mae Braxton dated May 24, 1974, recorded in Deed Book 152, Page 581.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 13 in said Deed.

### Tract III

“Woodward” Tract No. 33-2022, containing 9.75 acres by survey, being more particularly shown and described on plat of survey by R. H. Highland, C.L.S., recorded in Plat Book 22, Page 35. Being the same property conveyed to the party of the first part by C. L. Woodward, et al., by deed dated December 6, 1963, recorded in Deed Book 93, Page 564.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 9 in said Deed.

### Tract IV

All of the right, title and interest of the party of the first part in and to the “James Taylor #2” Tract, containing 9 ¾ acres, more or less. The tract is bounded on the north and east by the Garretts Tract (Tract I above), on the south by the Woodward Tract (Parcel 12 in the deed recorded on December 11, 2002 referenced below) and on the west by Route 606. Being the same property conveyed to The Chesapeake Corporation of Virginia by the following:

(a) Deed from James Wallace and wife dated May 12, 1976, recorded in Deed Book 172, Page 617;

(b) Deed from Horace Taylor, et als., dated March 15, 1976, recorded in Deed Book 172, Page 619;

(c) Deed from Wilbert Wallace, et als., dated March 15, 1976, recorded in Deed Book 172, Page 622;

(d) Deed from Forest Ashby, et als., dated March 15, 1976, recorded in Deed Book 172, Page 626;

(e) Deed from Calvin Taylor, et als., dated March 1, 1976, recorded in Deed Book 172, Page 629;

(f) Deed from Richard Roberts, et als., dated February 13, 1976, recorded in Deed Book 166, Page 483.

Being a portion of the property conveyed from Stonehouse, Inc., a Virginia corporation to Stonehouse at Williamsburg, LLC, a Virginia limited liability company, by Deed dated December 11, 2002 and recorded in the Office of the Clerk of the Circuit Court for the City of



Williamsburg and County of James City, Virginia, on December 13, 2002 as Instrument No. 020030024 and more particularly described as Parcel 17 in said Deed.

### **Commerce at Stonehouse, LLC**

"LaGrange" Tract, containing: (i) 223.89 acres as depicted on that plat of survey dated August 26, 1988 made by Charles J. Kerns, Jr., L.S., recorded in Plat Book 50, Page 11, as conveyed to Chesapeake Corporation by Sheldon Lumber Company, Incorporated, dated April 29, 1987, recorded in Deed Book 393, Page 285, and (ii) 4.75 acres, depicted as Parcel B on plat of survey dated 3/251/84 made by AES, recorded in Deed Book 246, page 313, as conveyed to Stonehouse Inc. by deed from Howard V. Clayton and Marion P. Clayton dated January 28, 1992, recorded in Deed Book 549, Page 59. Less and except: (1) 15.00 acres depicted on Plat of Section A of Stonehouse Commerce Park at Stonehouse for Stonehouse Inc." dated 10/10/95, made by Langley and McDonald, P.C., recorded in Plat Book 82, Pages 94-9, as conveyed to Amoco/Enron Solar by deed dated October 12, 1995, recorded in Deed Book 758, Page 721; (2) 11.1906 acres, depicted as Parcel A on "Plat of Section A of Stonehouse Commerce Park at Storehouse for Stonehouse Inc." dated 10/10/95, made by Langley and McDonald, P.C., recorded in Plat Book 62, Pages 94-96, as conveyed to The Industrial Development Authority of James City County by deed dated September 30, 1996, recorded in Deed Book 609, Page 728; (3) 4.600 acres, depicted as Stonehouse Commerce Park, Section B, Parcel A on that plat entitled "Plat of Section B of Stonehouse Commerce Park at Stonehouse Commerce Park at Stonehouse for Stonehouse Inc.," made by Langley and McDonald, P.C., dated 1/23/98, recorded in Plat Book 68, Pages 80-61, as conveyed to The Barre Company, L.L.C., by deed dated March 3, 1998, recorded as Document No. 98-4099; (4) 6.245 acres, as depicted on "Plat of Boundary Line Adjustment Stonehouse Commerce Park Between Avid Realty, L.L.C. and Stonehouse Inc." dated May 2, 2002; made by AES Consulting Engineers, recorded in the Clerk's Office aforesaid in Plat Book 87, Page 89, of which 3.100 acres, depicted as Stonehouse Commerce Park, Section B, Parcel B on that plat entitled "Plat of Section B of Stonehouse Commerce Park at Stonehouse Commerce Park at Stonehouse for Stonehouse Inc." made by Langley and McDonald, P.C., dated 1/23/98, recorded in Plat Book 68, Pages 60-61, was conveyed to Avid Realty, L.L.C., by deed from Stonehouse Inc., dated June 23, 1998, recorded as Document No. 98-11721; (5) 74.3712 acres, depicted as "Stonehouse Commerce Park, Section C, Parcel A" on the plat entitled "Plat of Section C of Stonehouse Commerce Park at Stonehouse Commerce Park at Stonehouse for Stonehouse Inc." made by Langley and McDonald, P.C., dated 3/22/89, recorded in Plat Book 73, Pages 38-39, as conveyed to Wachovia Capital Investments, Inc., by deed from Stonehouse Inc. dated May 17, 1999, recorded as Document No. 99-11248; (6) 4.1278 acres, depicted as "Stonehouse Commerce Park, New Parcel B-1, Section C" on the plat entitled "Resubdivision Plat of Section C, Parcel 8 of Stonehouse Commerce Park at Stonehouse Commerce Park at Stonehouse for Stonehouse Inc." made by Landmark Design Group, dated 4/5/00, recorded in Plat Book 77, Pages 28-29, as conveyed to Friendship Partnership, LLC, by deed from Stonehouse Inc. dated April 6, 2000, recorded as Document No. 00-7666; (7) Parcel A-2B containing 4151 S.F., Parcel A-2A containing 2750 S.F. and Parcel A- 1A containing 2050 S.F., all as depicted on "Resubdivision Plat of Section A, Parcel A of Stonehouse Commerce Park at Stonehouse for the Industrial Development Authority of the County of James City, Virginia" made by Landmark Design Group, dated March 17, 2000, last revised June 23, 2000, recorded in Plat Book 78, Pages 4-5,

and as conveyed to The Industrial Development Authority of James City County by three deeds from Stonehouse Inc. dated June 26, 2000, June 23, 2000 and June 28, 2000,. recorded as Document Numbers 00-12706.00-12707 and 00-12708, respectively.

Less and except all that certain lot, piece or parcel of land with all improvements thereon and appurtenances thereunto belonging, situate, lying and being in the County of James City, Virginia, known and designated as "New Parcel," consisting of 10.3+/- acres, more or less, as shown on that certain plat entitled, "SUBDIVISION OF THE PROPERTY OR STONEHOUSE AT WILLIAMSBURG, LLC AT STONEHOUSE COMMERCE PARK STONEHOUSE DISTRICT, JAMES CITY COUNTY, VIRGINIA, made by Landmark Design Group, dated October 24, 2003, and revised October 28, 2003, and recorded in the Clerk's Office of the Circuit Court for the County of James City, Virginia as Instrument No. 030039997, to which reference is here made, conveyed by Commerce Park at Stonehouse, LLC to Liberty Property Limited Partnership by deed dated January 29, 2004, recorded in the Circuit Court Clerk's Office for Williamsburg and James City County as Instrument Number 040003209.

**EXHIBIT C**

[PICTURE OF COMPOSITE TYPE WATER STORAGE FACILITY]



## JAMES CITY SERVICE AUTHORITY

101-E MOUNTS BAY ROAD, P.O. BOX 8784, WILLIAMSBURG, VIRGINIA 23187-8784  
(757) 253-6805

E-MAIL: [jcsa@james-city.va.us](mailto:jcsa@james-city.va.us)  
FAX: (757) 253-6850

March 08, 2005

Norge Area Homeowners

RE: James City Service Authority  
Norge Water System Improvements

Dear Adjacent Property Owner:

A site plan has been submitted to James City County on the behalf of James City Service Authority (JCSA). The site plan identifies a project that may affect your property.

The project consist of the installation of approximately 10,440 L.F. of 4" thru 12" water main and 146 water service connections. The project will provide service to the existing homes along the new JCSA water main in the Norge area.

During construction every effort will be made to have minimal impact on adjoining properties.

The plans may be inspected by the public during regular business hours at the Planning Department, County Government Center, 101-E Mounts Bay Road. All planning related questions concerning this project should be directed to 253-6685. I would be happy to answer any questions you may have relating to design or construction. I can be reached at 253-6814.

Sincerely;  
James City Service Authority

B. Keith Letchworth  
Engineering Specialist

**MEMORANDUM**

DATE: April 26, 2005  
TO: The Board of Directors  
FROM: Robert H. Smith, Assistant Manager, James City Service Authority  
SUBJECT: Resolution of Appropriation - James City Service Authority - FY 06

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Attached for consideration and adoption is the resolution for the FY 06 appropriations for the James City Service Authority:

Water Fund  
Sewer Fund  
Administration Fund  
Capital Improvement Program  
Debt Service Fund

Staff recommends adoption of the attached resolution.

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Robert H. Smith

CONCUR:

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Larry M. Foster

RHS/gs  
fy06app.mem

Attachment

**RESOLUTION OF APPROPRIATION -**

**JAMES CITY SERVICE AUTHORITY - FY 06**

WHEREAS, the Secretary has prepared a proposed budget for the fiscal year beginning July 1, 2005, and ending June 30, 2006; and

WHEREAS, the Board of Directors has considered said budget and does now propose to adopt the budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, that the following amounts are hereby adopted and appropriated for operations and activities in the amounts as shown below:

1. The following amounts are hereby appropriated in the Water Fund:

Water Fund - Revenues:

Service Charges	<u>\$6,171,737</u>
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Water Fund - Expenditures:

Administration Fund Allocation	\$2,022,499
Operations and Maintenance	2,631,839
Capital Equipment Outlay	78,000
Capital Improvements Program (3R)	57,517
Debt Services Fund	<u>1,381,882</u>
	<u>\$6,171,737</u>

2. The following amounts are hereby appropriated in the Sewer Fund:

Sewer Fund - Revenues:

Service Charges	<u>\$4,958,393</u>
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Sewer Fund - Expenditures:

Administration Fund Allocation	\$2,792,974
Operations and Maintenance	1,724,620
Capital Equipment Outlay	86,800
Operating Reserve	134,802
Capital Improvements Program (3R)	<u>219,197</u>
	<u>\$4,958,393</u>

3. That the following amounts are hereby appropriated for the funds as indicated below:

ADMINISTRATIVE FUND

Revenues:

Allocated to Water Fund	\$2,022,499
Allocated to Sewer Fund	<u>2,792,974</u>
	<u>\$4,815,473</u>

Expenditures:

Personnel Expenses	\$3,482,637
Operating Expenses	1,234,136
Capital Outlay	<u>98,700</u>
	<u>\$4,815,473</u>

CAPITAL IMPROVEMENTS PROGRAM

Revenues:

Operating Fund Transfer	\$ 276,714
Facility Charges	3,230,640
Stonehouse Well Contribution	<u>350,000</u>
	<u>\$3,857,354</u>

Expenditures:

Water Supply	\$ 107,517
Water Distribution	150,000
Water Storage	2,365,640
Sewer System Improvements	909,197
Other Projects	<u>325,000</u>
	<u>\$3,857,354</u>

DEBT SERVICE FUND

Revenue:

Water Fund Contribution	<u>\$1,381,882</u>
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Expenditure:

Revenue Bonds, Series 2003	<u>\$1,381,882</u>
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John J. McGlennon  
Chairman, Board of Directors

ATTEST:

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Sanford B. Wanner  
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City  
County, Virginia, this 26th day of April, 2005.

fy06app.res