

A G E N D A

JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS

County Government Center Board Room

July 27, 2010

7:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. CONSENT CALENDAR

1. Minutes –
 - a. May 25, 2010, Regular Meeting
 - b. June 22, 2010, Regular Meeting
2. Bid Award – Ironbound Water Storage and Booster Facility – \$725,000
3. Contract Award – Small Jet Vactor Truck – \$204,424
4. Formal Acceptance of Water and Sewer Systems – FY 2010
5. Virginia American Recovery and Reinvestment Act (ARRA) Contract
6. Bank Resolution Amendment
7. Optional Long-Term Care Insurance

D. PUBLIC HEARINGS

1. Extinguishment of Easement – 5560 – Williamsburg Landing Drive
2. Extinguishment of Easement – 3316, 3320, and 3324 Hillcrest Trail

E. BOARD CONSIDERATIONS

1. Amend Section 32-D, Independent Water Systems Connection Fees to Increase the Fee from \$4,000 to \$8,000 (deferred from June 22, 2010)
2. Amendments to Section 34, Withdrawal Impact Mitigation Plan – Regulations Governing Utility Service

F. BOARD REQUESTS AND DIRECTIVES

G. ADJOURNMENT to August 10, 2010

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AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 25TH DAY OF MAY 2010, 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

Bruce C. Goodson, Chairman
John J. McGlennon, Vice Chairman
Mary Jones
James O. Icenhour, Jr.
James Kennedy

Doug Powell, Deputy Secretary
Leo P. Rogers, County Attorney
Larry Foster, General Manager

C. CONSENT CALENDAR

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

The motion passed by a unanimous voice vote.

1. Minutes –
 - a. April 27, 2010, Regular Meeting
 - b. May 5, 2010, Budget Work Session
2. Bid Award – Stonehouse W-25 and W-26 Water Facility Improvements

RESOLUTION

BID AWARD – STONEHOUSE W-25 AND W-26 WATER FACILITY IMPROVEMENTS

WHEREAS, the plans and specifications for the Stonehouse W-25 and W-26 Water Facility Improvements have been publicly advertised and competitively bid with One (1) firm submitting a bid for \$211,919; and

WHEREAS, Systems East Inc. submitted the low bid and has been determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Stonehouse W-25 and W-26 Water Facility Improvements to Systems East Inc., for a bid of \$211,919.

3. Bid Award – Longhill Connector Road Water Main Extension

RESOLUTION

BID AWARD – LONGHILL CONNECTOR ROAD WATER MAIN EXTENSION

WHEREAS, plans and specifications for the Longhill Connector Road Water Main Extension were advertised and bids ranging from \$534,057 to \$836,932 were submitted by ten firms and publicly opened; and

WHEREAS, Jamestown Contracting, LLC, who submitted the low bid of \$534,057, has been determined capable of providing the services necessary for the successful completion of the projects; and

WHEREAS, the project bid is below the design engineer's estimate and funds are available in the James City Service Authority budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the contract for the Longhill Road Connector Road Water Main Extension to Jamestown Contracting, LLC for a contract amount of \$534,057.

D. BOARD CONSIDERATION

1. Resolution of Appropriation – James City Service Authority – FY 2011

Mr. Foster stated that the resolution of appropriation adopted the budget discussed by the Board of Directors at two work sessions. He recommended approval of the resolution.

Mr. McGlennon made a motion to adopt the resolution.

The motion passed by a unanimous voice vote.

RESOLUTION OF APPROPRIATION

JAMES CITY SERVICE AUTHORITY - FY 2011

WHEREAS, the Assistant General Manager has prepared a proposed budget for the fiscal year beginning July 1, 2010, and ending June 30, 2011; 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**:

<u>Water Fund - Revenue:</u>	
Service Charges	<u>\$6,609,476</u>
<u>Water Fund - Expenditures:</u>	
Administration Fund Allocation	\$2,350,428
Operations and Maintenance	2,749,416
Capital Equipment Outlay	10,000
Debt Services Fund	1,384,632
PDA Operating Costs	<u>115,000</u>
	<u>\$6,609,476</u>

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

<u>Sewer Fund - Revenue:</u>	
Service Charges	<u>\$5,799,838</u>
<u>Sewer Fund - Expenditures:</u>	
Administration Fund Allocation	\$3,245,830
Operations and Maintenance	2,200,008
Grinder Pump Expenses	309,000
Capital Equipment Outlay	<u>45,000</u>
	<u>\$5,799,838</u>

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

ADMINISTRATIVE FUND

<u>Revenues:</u>	
Allocated to Water Fund	\$2,350,428
Allocated to Sewer Fund	<u>3,245,830</u>
	<u>\$5,596,258</u>
<u>Expenditures:</u>	
Personnel Expenses	\$4,060,947
Operating Expenses	1,508,311
Capital Outlay	<u>27,000</u>
	<u>\$5,596,258</u>

CAPITAL IMPROVEMENTS PROGRAM

<u>Revenues:</u>	
Water Facility Charges	\$1,843,000
Sewer Facility Charges	<u>1,276,800</u>
	<u>\$3,119,800</u>
<u>Expenditures:</u>	
Water Supply	\$1,646,000
Sewer System Improvements	983,800
Other Projects	<u>490,000</u>
	<u>\$3,119,800</u>

DEBT SERVICE FUND

Revenues:

Water Fund Contribution	\$1,384,632
Capital Improvements Program Contribution	<u>1,646,000</u>
	<u>\$3,030,632</u>

Expenditures:

Revenue Bonds, Series 2003	\$1,384,632
Revenue Bonds, Series 2008	<u>1,646,000</u>
	<u>\$3,030,632</u>

E. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon asked about progress on addressing water use of large families.

Mr. Foster stated that a letter was drafted for the Board based on staff level discussion with two options. He stated consideration of a rate change would require a 60-day notification period, which would mean it would come before the Board in September 2010.

F. ADJOURNMENT to June 22, 2010, at 7 p.m.

Mr. Icenhour made a motion to adjourn until 7 p.m. on June 22, 2010.

The motion passed by a unanimous voice vote.

At 8:41 p.m., Mr. Goodson recessed the Board of Directors.



Doug Powell
Deputy Secretary to the Board

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 JUNE 2010, 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

Bruce C. Goodson, Chairman
John J. McGlennon, Vice Chairman
Mary Jones
James O. Icenhour, Jr.
James Kennedy

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

C. CONSENT CALENDAR

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

The motion passed by a unanimous voice vote.

1. Bid Award - Powhatan Creek Interceptor Sewer Rehabilitation

RESOLUTION

BID AWARD – LIFT STATION 1-2 FLEXTRAN REHABILITATION PROJECT

WHEREAS, the plans and specifications for the Lift Station 1-2 Flextran Rehabilitation Project have been publicly advertised and competitively bid with three firms submitting bids, ranging from \$1,616,966 to \$2,940,922; and

WHEREAS, Reynolds Inliner, LLC submitted the low bid and has been determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Lift Station 1-2 Flextran Rehabilitation Project to Reynolds Inliner, LLC for a bid of \$1,616,966.

D. PUBLIC HEARING

1. Amend Section 32-D Independent Water System Connection Fee to Increase the Fee from \$4,000 to \$8,000

Mr. Foster gave a presentation to the Board of Directors about amending Section 32-D Independent Water System Connection Fee to increase the fee from \$4,000 to \$8,000 in order to cover the entire cost of independent water systems operated by the James City Service Authority (JCSA). He explained that the County's Subdivision Ordinance requires the installation of a Central Water System for any parcel that is subdivided to create six or more residential lots or requires the installation of a new access street/road. Mr. Foster stated the JCSA currently operates six independent water systems that were installed in compliance with this requirement and three new water systems to meet this requirement are in progress. Mr. Foster stated that after conducting a public hearing on the proposed fee increase, he recommended approval of the resolution amending Section 32-D of the Regulations Governing Utility Service to increase the fee from \$4,000 to \$8,000 per lot.

Mr. Goodson opened the Public Hearing.

1. Mr. Branch Lawson, 6545 Centerville Road, on behalf of JCC, LLC, developer of Liberty Ridge, suggested other fees be corrected before approving an increase in connection fees.

2. Mr. Dean Vincent, 6545 Centerville Road, on behalf of JCC, LLC, developer of Liberty Ridge, requested denial of the resolution increasing the connection fees.

As no one else wished to speak to this matter, Mr. Goodson closed the Public Hearing.

Mr. McGlennon made a motion to adopt the resolution.

Mr. Kennedy asked if the Board would be willing to defer action for a month to review additional information he received.

Mr. McGlennon asked if a deferral would be detrimental.

Mr. Foster stated that he did not believe it would be a problem to defer action on this item.

Mr. Goodson stated that he spoke with the Liberty Ridge developer. Mr. Goodson stated he would like for staff to investigate the procedure for collecting the fee as lots are subdivided after the facility is transferred to JCSA. He also stated he believed that the easiest way to do this would be to collect fees based on building permits.

Mr. Foster stated there would be no problem with having the fees paid at the time of recordation or at issuance of the building permit due to phased development.

Mr. Goodson stated it was important to know how many lots would be used by a system.

Mr. Foster stated he would communicate with Mr. Kennedy to get more information on his concerns.

Mr. Icenhour stated that in dealing with a central well facility, the JCSA is ultimately responsible. He stated that he was willing to look at any changes in process. He stated he wanted to make sure the water systems outside the Primary Service Area (PSA) were not being subsidized by customers inside the PSA.

Action was deferred until the July 27, 2010, Board of Directors meeting.

E. BOARD CONSIDERATION

1. Contribution to VRS (Virginia Retirement System) Plan 2

Mr. Foster commented this was a companion resolution that would authorize JCSCA to pay the five percent share under the new Plan 2 of the Virginia Retirement System (VRS) legislation.

Mr. McGlennon made a motion to adopt the resolution.

On a roll call vote, the vote was AYE: McGlennon, Icenhour, Kennedy (3). NAY: Jones, Goodson (2)

RESOLUTION

CONTRIBUTION TO VRS (VIRGINIA RETIREMENT SYSTEM) PLAN 2

WHEREAS, the Virginia General Assembly in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as "Plan 2 Employees"). The legislation stipulates that Plan 2 Employees will pay their five-percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414 (h) on a pre-tax basis; and

WHEREAS, the legislation allows certain employers, including James City County, to pick up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary; and

WHEREAS, the election to pick up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary shall, once made, remain in effect for the applicable fiscal year (July 1 - June 30) and shall continue in effect beyond the end of such fiscal year absent a subsequent resolution changing the way the five-percent member contribution is paid; and

WHEREAS, employee contributions that are picked up as an additional benefit not paid as salary are not considered wages for purposes of VA Code § 51.1-700 et seq. nor shall they be considered salary for purposes of VA Code § 51.1-100 et seq.; and

WHEREAS, the County desires to pick up and pay its Plan 2 Employees' member contributions to VRS as an additional benefit not paid as salary in an amount equal to five percent of creditable compensation; and

WHEREAS, VRS tracks such picked-up member contributions and is prepared to treat such contributions as employee contributions for all purposes of VRS.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of James City County, Virginia, that effective the first day of July 2010, the Board of Supervisors for James City County shall pick up member contributions of its Plan 2 Employees to VRS as an additional benefit not paid as salary in an amount equal to five percent of creditable compensation subject to the terms and

conditions described above.

NOW, THEREFORE, BE IT FURTHER RESOLVED that such contributions, although designated as member contributions, are to be made by James City County in lieu of member contributions. Nothing herein shall be construed so as to permit or extend an option to VRS members to receive the picked-up contributions made by the County directly instead of having them paid to VRS.

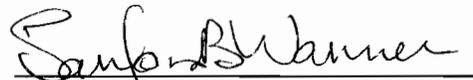
F. BOARD REQUESTS AND DIRECTIVES – None.

G. ADJOURNMENT to 7 p.m. on July 27, 2010.

Mr Kennedy made a motion to adjourn until July 27, 2010, at 7 p.m.

The motion passed by a unanimous voice vote.

At 10:46 p.m., Mr. Goodson adjourned the Board.



Sanford B. Wanner
Secretary to the Board

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 25TH DAY OF MAY 2010, 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

Bruce C. Goodson, Chairman
John J. McGlennon, Vice Chairman
Mary Jones
James O. Icenhour, Jr.
James Kennedy

Doug Powell, Deputy Secretary
Leo P. Rogers, County Attorney
Larry Foster, General Manager

C. CONSENT CALENDAR

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

The motion passed by a unanimous voice vote.

1. Minutes –
 - a. April 27, 2010, Regular Meeting
 - b. May 5, 2010, Budget Work Session
2. Bid Award – Stonehouse W-25 and W-26 Water Facility Improvements

RESOLUTION

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WHEREAS, the plans and specifications for the Stonehouse W-25 and W-26 Water Facility Improvements have been publicly advertised and competitively bid with One (1) firm submitting a bid for \$211,919; and

WHEREAS, Systems East Inc. submitted the low bid and has been determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Stonehouse W-25 and W-26 Water Facility Improvements to Systems East Inc., for a bid of \$211,919.

3. Bid Award – Longhill Connector Road Water Main Extension

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WHEREAS, plans and specifications for the Longhill Connector Road Water Main Extension were advertised and bids ranging from \$534,057 to \$836,932 were submitted by ten firms and publicly opened; and

WHEREAS, Jamestown Contracting, LLC, who submitted the low bid of \$534,057, has been determined capable of providing the services necessary for the successful completion of the projects; and

WHEREAS, the project bid is below the design engineer’s estimate and funds are available in the James City Service Authority budget.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the contract for the Longhill Road Connector Road Water Main Extension to Jamestown Contracting, LLC for a contract amount of \$534,057.

D. BOARD CONSIDERATION

1. Resolution of Appropriation – James City Service Authority – FY 2011

Mr. Foster stated that the resolution of appropriation adopted the budget discussed by the Board of Directors at two work sessions. He recommended approval of the resolution.

Mr. McGlennon made a motion to adopt the resolution.

The motion passed by a unanimous voice vote.

RESOLUTION OF APPROPRIATION

JAMES CITY SERVICE AUTHORITY - FY 2011

WHEREAS, the Assistant General Manager has prepared a proposed budget for the fiscal year beginning July 1, 2010, and ending June 30, 2011; 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**:

<u>Water Fund - Revenue:</u>	
Service Charges	<u>\$6,609,476</u>
 <u>Water Fund - Expenditures:</u>	
Administration Fund Allocation	\$2,350,428
Operations and Maintenance	2,749,416
Capital Equipment Outlay	10,000
Debt Services Fund	1,384,632
PDA Operating Costs	<u>115,000</u>
	<u>\$6,609,476</u>

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

<u>Sewer Fund - Revenue:</u>	
Service Charges	<u>\$5,799,838</u>
 <u>Sewer Fund - Expenditures:</u>	
Administration Fund Allocation	\$3,245,830
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Grinder Pump Expenses	309,000
Capital Equipment Outlay	<u>45,000</u>
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3. That the following amounts are hereby appropriated for the funds as indicated below:

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	<u>\$5,596,258</u>
 <u>Expenditures:</u>	
Personnel Expenses	\$4,060,947
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CAPITAL IMPROVEMENTS PROGRAM

<u>Revenues:</u>	
Water Facility Charges	\$1,843,000
Sewer Facility Charges	<u>1,276,800</u>
	<u>\$3,119,800</u>
 <u>Expenditures:</u>	
Water Supply	\$1,646,000
Sewer System Improvements	983,800
Other Projects	<u>490,000</u>
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DEBT SERVICE FUND

Revenues:

Water Fund Contribution	\$1,384,632
Capital Improvements Program Contribution	<u>1,646,000</u>
	<u>\$3,030,632</u>

Expenditures:

Revenue Bonds, Series 2003	\$1,384,632
Revenue Bonds, Series 2008	<u>1,646,000</u>
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E. BOARD REQUESTS AND DIRECTIVES

Mr. McGlennon asked about progress on addressing water use of large families.

Mr. Foster stated that a letter was drafted for the Board based on staff level discussion with two options. He stated consideration of a rate change would require a 60-day notification period, which would mean it would come before the Board in September 2010.

F. ADJOURNMENT to June 22, 2010, at 7 p.m.

Mr. Icenhour made a motion to adjourn until 7 p.m. on June 22, 2010.

The motion passed by a unanimous voice vote.

At 8:41 p.m., Mr. Goodson recessed the Board of Directors.

Doug Powell
Deputy Secretary to the Board

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 JUNE 2010, 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

Bruce C. Goodson, Chairman
John J. McGlennon, Vice Chairman
Mary Jones
James O. Icenhour, Jr.
James Kennedy

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

C. CONSENT CALENDAR

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

The motion passed by a unanimous voice vote.

1. Bid Award - Powhatan Creek Interceptor Sewer Rehabilitation

RESOLUTION

BID AWARD – LIFT STATION 1-2 FLEXTRAN REHABILITATION PROJECT

WHEREAS, the plans and specifications for the Lift Station 1-2 Flextran Rehabilitation Project have been publicly advertised and competitively bid with three firms submitting bids, ranging from \$1,616,966 to \$2,940,922; and

WHEREAS, Reynolds Inliner, LLC submitted the low bid and has been determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Lift Station 1-2 Flextran Rehabilitation Project to Reynolds Inliner, LLC for a bid of \$1,616,966.

D. PUBLIC HEARING

1. Amend Section 32-D Independent Water System Connection Fee to Increase the Fee from \$4,000 to \$8,000

Mr. Foster gave a presentation to the Board of Directors about amending Section 32-D Independent Water System Connection Fee to increase the fee from \$4,000 to \$8,000 in order to cover the entire cost of independent water systems operated by the James City Service Authority (JCSA). He explained that the County's Subdivision Ordinance requires the installation of a Central Water System for any parcel that is subdivided to create six or more residential lots or requires the installation of a new access street/road. Mr. Foster stated the JCSA currently operates six independent water systems that were installed in compliance with this requirement and three new water systems to meet this requirement are in progress. Mr. Foster stated that after conducting a public hearing on the proposed fee increase, he recommended approval of the resolution amending Section 32-D of the Regulations Governing Utility Service to increase the fee from \$4,000 to \$8,000 per lot.

Mr. Goodson opened the Public Hearing.

1. Mr. Branch Lawson, 6545 Centerville Road, on behalf of JCC, LLC, developer of Liberty Ridge, suggested other fees be corrected before approving an increase in connection fees.

2. Mr. Dean Vincent, 6545 Centerville Road, on behalf of JCC, LLC, developer of Liberty Ridge, requested denial of the resolution increasing the connection fees.

As no one else wished to speak to this matter, Mr. Goodson closed the Public Hearing.

Mr. McGlennon made a motion to adopt the resolution.

Mr. Kennedy asked if the Board would be willing to defer action for a month to review additional information he received.

Mr. McGlennon asked if a deferral would be detrimental.

Mr. Foster stated that he did not believe it would be a problem to defer action on this item.

Mr. Goodson stated that he spoke with the Liberty Ridge developer. Mr. Goodson stated he would like for staff to investigate the procedure for collecting the fee as lots are subdivided after the facility is transferred to JCSA. He also stated he believed that the easiest way to do this would be to collect fees based on building permits.

Mr. Foster stated there would be no problem with having the fees paid at the time of recordation or at issuance of the building permit due to phased development.

Mr. Goodson stated it was important to know how many lots would be used by a system.

Mr. Foster stated he would communicate with Mr. Kennedy to get more information on his concerns.

Mr. Icenhour stated that in dealing with a central well facility, the JCSA is ultimately responsible. He stated that he was willing to look at any changes in process. He stated he wanted to make sure the water systems outside the Primary Service Area (PSA) were not being subsidized by customers inside the PSA.

Action was deferred until the July 27, 2010, Board of Directors meeting.

E. BOARD CONSIDERATION

1. Contribution to VRS (Virginia Retirement System) Plan 2

Mr. Foster commented this was a companion resolution that would authorize JCSA to pay the five percent share under the new Plan 2 of the Virginia Retirement System (VRS) legislation.

Mr. McGlennon made a motion to adopt the resolution.

On a roll call vote, the vote was AYE: McGlennon, Icenhour, Kennedy (3). NAY: Jones, Goodson (2)

RESOLUTION

CONTRIBUTION TO VRS (VIRGINIA RETIREMENT SYSTEM) PLAN 2

WHEREAS, the Virginia General Assembly in its 2010 session passed legislation creating a separate retirement plan for employees hired on or after July 1, 2010 (hereafter referred to as “Plan 2 Employees”). The legislation stipulates that Plan 2 Employees will pay their five-percent member contribution and that, absent other action by the employer, such contribution will be paid through salary reduction according to Internal Revenue Code § 414 (h) on a pre-tax basis; and

WHEREAS, the legislation allows certain employers, including James City County, to pick up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary; and

WHEREAS, the election to pick up and pay all or a portion of the member contributions on behalf of its Plan 2 Employees as an additional benefit not paid as salary shall, once made, remain in effect for the applicable fiscal year (July 1 - June 30) and shall continue in effect beyond the end of such fiscal year absent a subsequent resolution changing the way the five-percent member contribution is paid; and

WHEREAS, employee contributions that are picked up as an additional benefit not paid as salary are not considered wages for purposes of VA Code § 51.1-700 et seq. nor shall they be considered salary for purposes of VA Code § 51.1-100 et seq.; and

WHEREAS, the County desires to pick up and pay its Plan 2 Employees’ member contributions to VRS as an additional benefit not paid as salary in an amount equal to five percent of creditable compensation; and

WHEREAS, VRS tracks such picked-up member contributions and is prepared to treat such contributions as employee contributions for all purposes of VRS.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of James City County, Virginia, that effective the first day of July 2010, the Board of Supervisors for James City County shall pick up member contributions of its Plan 2 Employees to VRS as an additional benefit not paid as salary in an amount equal to five percent of creditable compensation subject to the terms and conditions described above.

NOW, THEREFORE, BE IT FURTHER RESOLVED that such contributions, although designated as member contributions, are to be made by James City County in lieu of member contributions. Nothing herein shall be construed so as to permit or extend an option to VRS members to receive the picked-up contributions made by the County directly instead of having them paid to VRS.

F. BOARD REQUESTS AND DIRECTIVES – None.

G. ADJOURNMENT to 7 p.m. on July 27, 2010.

Mr Kennedy made a motion to adjourn until July 27, 2010, at 7 p.m.

The motion passed by a unanimous voice vote.

At 10:46 p.m., Mr. Goodson adjourned the Board.

Sanford B. Wanner
Secretary to the Board

MEMORANDUM

DATE: July 27, 2010
 TO: The Board of Directors
 FROM: Michael D. Vergakis, P.E., Chief Engineer - Water, James City Service Authority
 SUBJECT: Bid Award - Ironbound Water Storage and Booster Facility - \$725,000

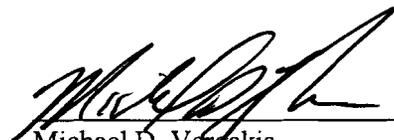
The plans and specifications for the Ironbound Water Storage and Booster Facility Improvements were publicly advertised and competitively bid. The project consists of replacing the existing pumps, variable frequency drives, and generator with higher-capacity pumps. The project is necessary to move more water during peaking demand periods and meet the long-term needs of the James City Service Authority Central System. Three bids were received as follows:

<u>Firm</u>	<u>Amount</u>
Shaw Construction Corporation	\$725,000
J. Sanders Construction	797,600
Mid Eastern Builders, Inc.	886,800

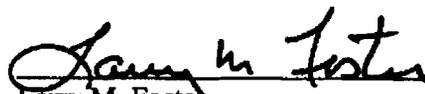
Shaw Construction Corporation's bid was determined to be responsive and responsible.

The bid is below the engineer's final cost estimate of \$984,000 and adequate funds are available for the project.

Staff recommends approval of the attached resolution authorizing the Ironbound Water Storage and Booster Facility Improvements to Shaw Construction Corporation for \$725,000.


 Michael D. Vergakis

CONCUR:


 Larry M. Foster

MDV/gb
 BA_IroundbdFac_mem

Attachment

RESOLUTION

BID AWARD - IRONBOUND WATER STORAGE AND BOOSTER FACILITY - \$725,000

WHEREAS, the plans and specifications for the Ironbound Water Storage and Booster Facility were publicly advertised and competitively bid with three firms submitting a bid; and

WHEREAS, Shaw Construction Corporation submitted the low bid and was determined capable of completing the project.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the Ironbound Water Storage and Booster Facility Improvements to Shaw Construction Corporation for a bid of \$725,000.

Bruce C. Goodson
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 July.

BA_IronbdFac_res

M E M O R A N D U M

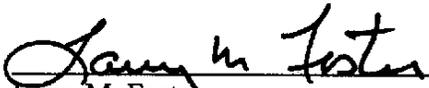
DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Contract Award – Small Jet Vactor Truck – \$204,424

Replacement of the James City Service Authority's Small Jet Vactor Truck, which is used for sewer cleaning and flushing, has been programmed in the FY 2011 Capital Improvement Program Budget in the amount of \$230,000, because the existing unit reached the end of its useful life.

The Utility Operations Superintendent, County Fleet Maintenance Administrator, and Purchasing Division staff determined the most efficient procurement method for this purchase was to use a cooperative purchasing contract issued by the Houston-Galveston Area Council (HGAC) to Vac-Con. This purchase was the result of a competitive sealed Invitation to Bid. The HGAC contract contains language that allows other localities to purchase from the contracts.

This cooperative procurement procedure is authorized by Chapter 1, Section 5 of the James City County Purchasing Policy and the Virginia Public Procurement Act. By participating in the type of cooperative procurement procedure, staff believes the County will increase efficiency, reduce administrative expenses, and benefit from an accelerated delivery process.

Staff recommends approval of the attached resolution authorizing the contract award to Vac-Con in the amount of \$204,424 for the Small Jet Vactor Truck.


Larry M. Foster

LMF/nb
CA_Truck_mem

Attachment

RESOLUTION

CONTRACT AWARD – SMALL JET VACTOR TRUCK – \$204,424

WHEREAS, funds are available in the James City Service Authority's FY 2011 Capital Improvement Program budget for the purchase of a Small Jet Vactor Truck; and

WHEREAS, cooperative purchasing procedure 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 Vac-Con as a result of a competitive sealed Invitation to Bid.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby awards the contract for the Small Jet Vactor Truck to Vac-Con in the amount of \$204,424.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Clerk to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 27th day of July, 2010.

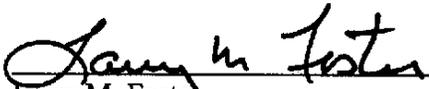
CA_Truck_res

MEMORANDUM

DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Formal Acceptance of Water and Sewer Systems – FY 2010

Attached is a resolution formally accepting water and sewer systems constructed and contributed to the James City Service Authority by developers during FY 2010. The resolution lists the value of the infrastructure at the time of completion.

Staff recommends adoption of the attached resolution accepting the dedication of the infrastructure.


Larry M. Foster

LMF/nb
AcptWtrSwr10_mem

Attachment

RESOLUTION

FORMAL ACCEPTANCE OF WATER AND SEWER SYSTEMS – FY 2010

WHEREAS, certain water and sewer infrastructures have been constructed by developers and dedicated to the James City Service Authority (JCSA); and

WHEREAS, these water and sewer infrastructures have been constructed in accordance with technical requirements of the JCSA.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, does hereby formally accept the dedication of the water and sewer systems listed below, as of June 30, 2010.

Water Dedications

<u>Development</u>	<u>Value</u>
Avid Medical Expansion	\$ 10,100
New Town – Block 8, Phase 1A	85,350
New Town – Block 8, Phase 1B	164,475
Pleasant Hill Carwash	45,070
Prime Outlets – Phase 7	125,550
Stonehouse Glen – Phase 2	223,850
Weatherly at White Hall	226,350
Windmill Meadows	258,350
WindsorMeade Villas	<u>128,705</u>
Total:	<u>\$1,267,800</u>

Sewer Dedications

<u>Development</u>	<u>Value</u>
New Town – Block 8, Phase 1A	\$ 116,570
New Town – Block 8, Phase 1B	227,360
Pleasant Hill Carwash	1,205
Prime Outlets – Phase 7	7,185
Stonehouse Glen – Phase 2	445,070
Stonehouse Presbyterian Church Sewer	54,000
Weatherly at White Hall	240,230
Windmill Meadows	947,835
WindsorMeade Villas	<u>128,615</u>
Total:	<u>\$2,168,070</u>

Bruce C. Goodson
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 July, 2010.

AcptWtrSwr10_res

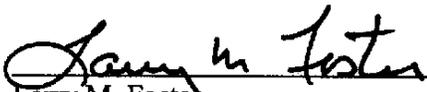
MEMORANDUM

DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Virginia American Recovery and Reinvestment Act (ARRA) Contract

The James City Service Authority (JCSA) partnered with the Department of Mines, Minerals, and Energy (DMME) in applying for American Recovery and Reinvestment Act (ARRA) funds for energy conservation rebates. The ARRA funding request was approved by the Department of Energy (DOE). JCSA's portion is \$30,000 which began April 28, 2010, for our existing Energy Star Washing Machine (Clothes Washer) Rebate Program.

Initially, a Letter of Commitment, which committed matching non-Federal funds and pledged support for the Virginia Appliance Rebate Program, was thought to be adequate by the DMME to bind utility partners to the terms of DMME's agreement with the DOE. However, this approach does not explicitly comply with special provisions required by the DOE and Virginia which apply to all ARRA sub recipients. As a result, a contract that outlines our participation in the Virginia Appliance Rebate Program is now required.

Approval of the attached resolution authorizing the General Manager's signature on the Virginia ARRA contract is recommended.


Larry M. Foster

LMF/nb
VaARRAContrt_mem

Attachment

RESOLUTION

VIRGINIA AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) CONTRACT

WHEREAS, the James City Service Authority (JCSA) partnered with the Department of Mines, Minerals, and Energy (DMME) in applying for American Recovery and Reinvestment Act (ARRA) funds for energy conservation rebates; and

WHEREAS, the ARRA funding request was approved by the Department of Energy (DOE) and initially accepted through a Letter of Commitment (LOC); and

WHEREAS, the LOC does not explicitly “flow down” special provisions required by the DOE and Virginia which apply to all ARRA sub-recipients; and

WHEREAS, a contract that outlines JCSA’s participation in the Virginia Appliance Rebate Program is now required.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes the General Manager’s signature on the Virginia ARRA contract.

Bruce C. Goodson
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 July, 2010.

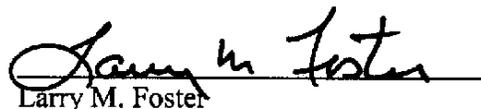
VaARRAContrt_res

MEMORANDUM

DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Bank Resolution Amendment

The James City Service Authority (JCSA) bank resolution needs to be updated to reflect the new County Administrator as an authorized signatory.

The attached resolution amending the JCSA bank resolution to include Robert C. Middaugh, Jr., as an authorized signer of checks is recommended for approval.


Larry M. Foster

JEM/gb
BankResBod_mem

Attachment

Bruce C. Goodson
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 July, 2010.

BankResBod_res

MEMORANDUM

DATE: July 27, 2010

TO: The Board of Directors

FROM: Carol M. Luckam, Human Resource Manager

SUBJECT: Optional Long-Term Care Insurance

The State has established, and the Virginia Retirement System (VRS) has assumed responsibility for, the Commonwealth of Virginia Voluntary Group Long Term Care Insurance Program, currently underwritten by Genworth Life Insurance Company and available to State employees. Employees of local governments, local officers, and teachers may participate by resolution of their Governing Body. Regular, Limited-Term, and other employees who work at least 20 hours per week would be eligible to participate as well as employee spouses, parents, grandparents, and adult children.

Why offer Long-Term Care Insurance?

Most financial planners recommend it as a means to protect one's assets should the need arise for long-term care in a nursing home, assisted living facility, or at home. Choosing a plan can be complicated. It is simpler for some employees when the employer offers a plan because steps have been taken to ensure it's a reputable plan and there are fewer choices to make. A list of local governments and school divisions who have elected to participate in the fall open enrollment is in your reading file.

Why offer this Long Term Care Insurance?

Genworth Life Insurance Company is a reputable company in the long-term care arena and employees will be able to take advantage of group rates negotiated by VRS through the bid process. In addition, if the James City Service Authority notifies the VRS by August 1, 2010, that the Board has adopted a resolution to offer the insurance during its September/October Open Enrollment period, there is guaranteed issue for employees and limited underwriting for employee spouses under the age of 66. This means that no physical exam or doctor certification is required.

What are the costs to the County?

This is strictly voluntary and 100 percent employee paid; there is no employer contribution. Contacting employees, explaining the benefits, and processing claims are done by Genworth. The James City Service Authority's role is limited to sending a file to Genworth with the mailing addresses of all eligible employees, allowing Genworth to promote the product to employees. Of course, we can choose to educate employees as well. The James City Service Authority may also elect to offer premium payroll deduction for employees who select this option. Participants may decide to make premium payments on a quarterly/semiannual/annual basis directly to Genworth with a corresponding reduction in the premium.

Is the decision to offer this optional coverage irrevocable?

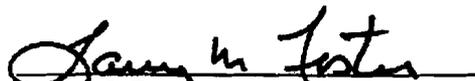
No. The contract is for three years after which time we may terminate it. In addition, if the employee leaves employment for any reason or if we terminate our contract with VRS for this coverage, the employee may continue the coverage at the same price as when he/she was employed.

Staff recommends approval of the attached resolution to offer optional, employee-paid, long-term care insurance to employees.

Optional Long-Term Care Insurance
July 27, 2010
Page 2


Carol M. Luckam

CONCUR:


Larry M. Foster

CML/nb
OptLTCInsur-JCSA_mem

Attachment

RESOLUTION

OPTIONAL LONG-TERM CARE INSURANCE

WHEREAS, the Virginia Retirement System (VRS) is allowing local governments to participate in their optional long-term care insurance; and

WHEREAS, long-term care insurance may be beneficial to employees to protect their assets if they need long-term care in a nursing home, assisted living facility, or at home; and

WHEREAS, employees will be able to take advantage of group rates, payroll deduction, and guaranteed issue; and

WHEREAS, the benefit is 100 percent employee paid and revocable after three years.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, does hereby authorize the General Manager to enter into an agreement with VRS to offer Long-Term Care Insurance.

Bruce C. Goodson
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 July.

OptLTCInsur-JCSA_res

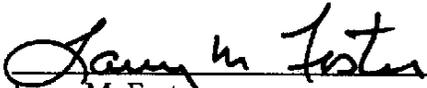
MEMORANDUM

DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Extinguishment of Easement – 5560 Williamsburg Landing Drive

This meeting has been advertised as a public hearing on a proposal to extinguish a waterline easement located on Williamsburg Landing Drive. As a result of modification to the main entrance into the Williamsburg Landing Complex, portions of the original waterline easement are no longer needed.

The areas of the easement no longer needed are identified on a plat prepared by AES Consulting Engineers and dated June 23, 2010.

After receiving public comment, it is recommended that the Board approve the attached resolution authorizing extinguishment of the easement identified in the above-mentioned plat.


Larry M. Foster

LMF/gb
ExtingEasemt_mem

Attachments

RESOLUTION

EXTINGUISHMENT OF EASEMENT – 5560 WILLIAMSBURG LANDING DRIVE

WHEREAS, after receiving comment at a public hearing held on July 27, 2010, the Board of Directors of the James City Service Authority determined that portions of the waterline easement located at 5560 Williamsburg Landing Drive, Parcel No. 4820100003 and identified on a plat prepared by AES Consulting Engineers, and dated June 23, 2010, are no longer needed.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby extinguishes the above-mentioned easement.

Bruce C. Goodson
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 July, 2010.

ExtingEasemt_res

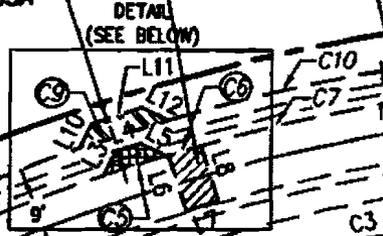
BASED ON
 JAMES CITY COUNTY
 GEODETIC CONTROL NETWORK
 VIRGINIA STATE PLANE
 COORDINATE SYSTEM
 SOUTH ZONE (NAD83)(1986)

ADDITIONAL 10' JCSA
 WATERLINE EASEMENT
 HEREBY CONVEYED TO JCSA
 AREA = 176 S.F. / 0.004 ACRES
 (SEE DETAIL BELOW)

WILLIAMSBURG LANDING, INC.
 T.M. # (48-2)(1-3)
 ADDRESS: 5560 WILLIAMSBURG
 LANDING DRIVE
 D.B. 809, PG. 797

RELOCATED & ADDITIONAL 10'
 JCSA WATERLINE EASEMENT
 HEREBY CONVEYED TO JCSA
 (SEE DETAIL BELOW)

EXISTING
 RIGHT OF WAY
 CENTERLINE



WILLIAMSBURG LANDING DRIVE
 60' PRIVATE R/W
 (P.B. 39, PGS 20-21)
 (P.B. 56, PG. 72)

LAKE POWELL ROAD
 VAR. WIDTH PUBLIC R/W
 STATE ROUTE NO. 617

EXISTING 10' JCSA
 WATERLINE EASEMENT
 P.B. 48, PG. 2

EXISTING 15' VIRGINIA
 POWER EASEMENT
 D.B. 262, PG. 356

EXISTING 10' JCSA SANITARY
 SEWER EASEMENT
 P.B. 48, PG. 5

EXISTING 24' JCSA
 INGRESS/ EGRESS EASEMENT
 D.B. 48, PG. 1

WILLIAMSBURG LANDING, INC.
 T.M. # (48-1)(1-63)
 ADDRESS: 5550 WILLIAMSBURG
 LANDING DRIVE
 D.B. 598, PG. 279

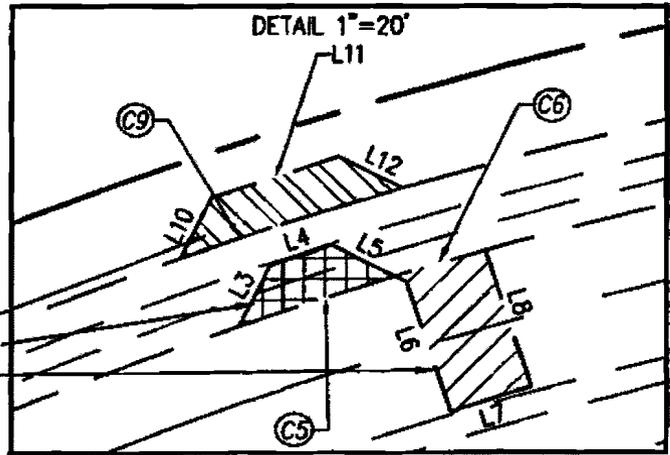
NEW 20' JCSA UTILITY EASEMENT
 HEREBY CONVEYED TO JCSA
 AREA = 5,110 S.F. / 0.117 ACRES

EXISTING 10' JCSA
 WATERLINE EASEMENT
 D.B. 232, PG. 34

PORTIONS OF EXISTING
 EASEMENT LINES C5, C6 & C9
 ARE HEREBY EXTINGUISHED.

LEGEND & AREA TABULATION

	ORIGINAL JCSA WATERLINE EASEMENT	AREA = 362 S.F. / 0.008 AC.
	RELOCATED JCSA WATERLINE EASEMENT	AREA = 123 S.F. / 0.003 AC.
	EXTINGUISHED JCSA WATERLINE EASEMENT	AREA = 78 S.F. / 0.002 AC.
	ADDITIONAL JCSA WATERLINE EASEMENT	AREA = 176 S.F. / 0.004 AC.



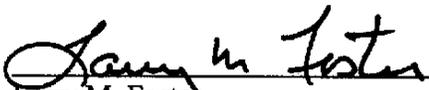
MEMORANDUM

DATE: July 27, 2010
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Extinguishment of Easement – 3316, 3320, and 3324 Hillcrest Trail

This meeting has been advertised as a public hearing on a proposal to extinguish a sewer easement located on 3316, 3320, and 3324 Hillcrest Trail in the Stonehouse Development. The easement was placed on the original subdivision plat for the street in anticipation of a sewer line being installed to serve the newly created lots.

Subsequently, the sewer line was redesigned/relocated and the easement never used. One of the property owners brought the issue to the attention of the James City Service Authority and asked that the easement be extinguished to remove the encumbrance on the property.

There is no reason to retain the easement and thus it is recommended that after receiving public comment, the Board approve the attached resolution extinguishing the easement on the three parcels. The easement was established on a plat prepared by AES consulting Engineers and dated November 2, 2001.


Larry M. Foster

LMF/nb
ExtEasemt_mem

Attachment

RESOLUTION

EXTINGUISHMENT OF EASEMENT – 3316, 3320, AND 3324 HILLCREST TRAIL

WHEREAS, after receiving comment at a public hearing held on July 27, 2010, the Board of Directors of the James City Service Authority determined that the sewer easement that was established by a subdivision plat, prepared by AES Consulting Engineers, and dated November 2, 2001, on Parcel Nos. 0540200008 (3316 Hillcrest Trail), 0540200009 (93320 Hillcrest Trail), and 0540200010 (3324 Hillcrest Trail) is no longer needed.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby extinguishes the above-mentioned easements.

Bruce C. Goodson
Chairman, Board of Directors

ATTEST:

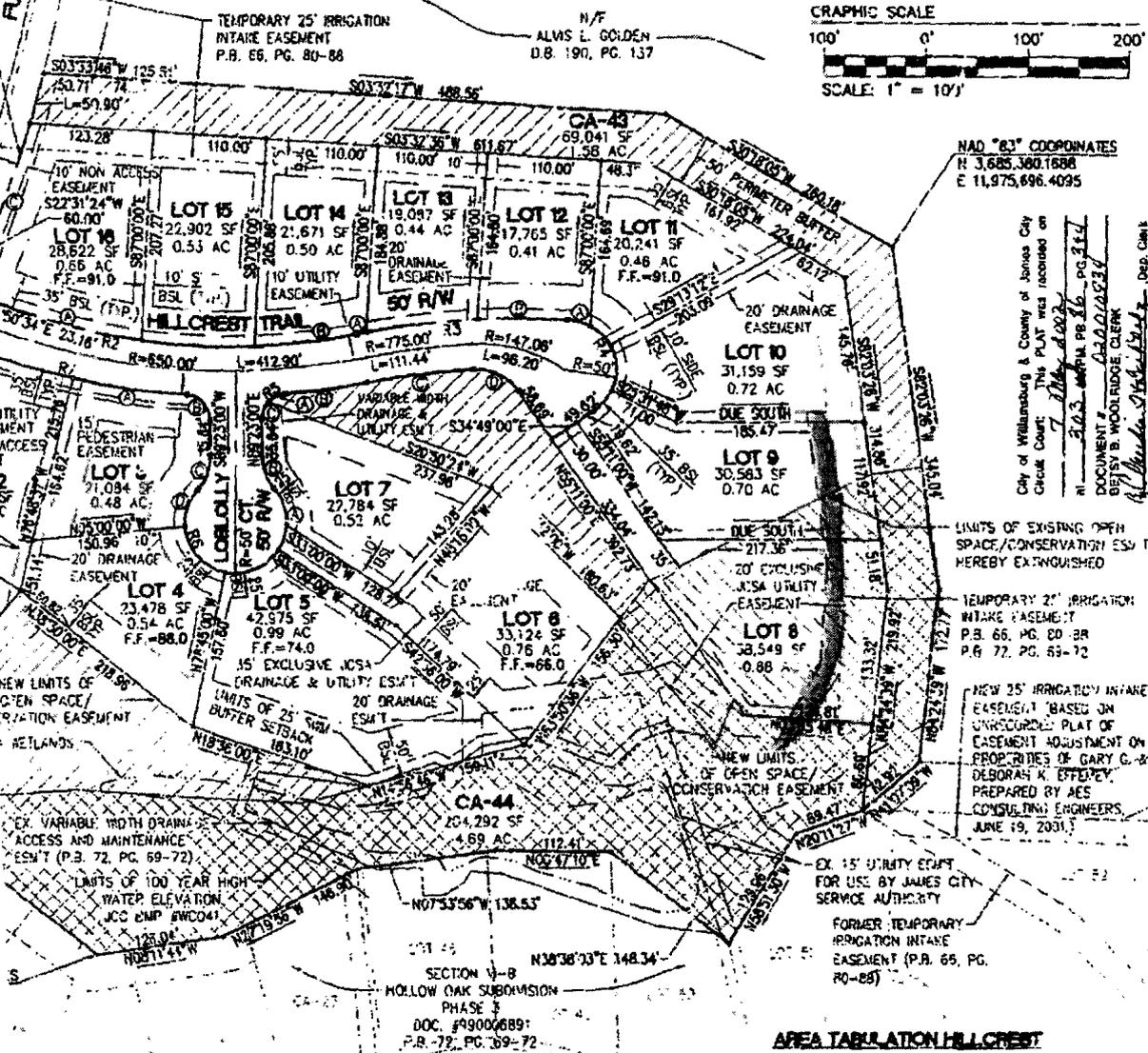
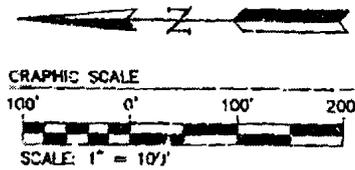
Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 27th day of July, 2010.

ExtEasemt_res

-  AREA OF EXISTING CONSERVATION EASEMENT FOR NATURAL OPEN SPACE TO REMAIN (144,069 S.F. OR 3.31 AC.)
-  AREA OF EXISTING CONSERVATION EASEMENT FOR NATURAL OPEN SPACE HEREBY VACATED (37,098 S.F. OR 0.85 AC.)
-  AREA OF PROPOSED CONSERVATION EASEMENT FOR NATURAL OPEN SPACE TO BE ADDED (129,244 S.F. OR 2.97 AC.)

EXISTING CONSERVATION EASEMENT FOR NATURAL OPEN SPACE = 181,187 S.F. OR 4.16 AC.
 - 37,098 S.F. OR 0.85 AC.
 + 129,244 S.F. OR 2.97 AC.
 TOTAL CONSERVATION EASEMENT FOR NATURAL OPEN SPACE = 273,333 S.F. OR 6.23 AC.



NAD '83' COORDINATES
 N 3,685,300.1688
 E 11,975,696.4095

City of Williamsburg & County of James City
 Circuit Court: This PLAT was recorded on
 7/15/01
 DOCUMENT # 2001-01001-0000
 BETSY B. WOOLRIDGE CLERK
 J. Gordon Spivey, Jr. - Dep. Clerk

LIMITS OF EXISTING OPEN SPACE/CONSERVATION EASEMENT HEREBY EXTINGUISHED

TEMPORARY 25' IRRIGATION INTAKE EASEMENT P.B. 66, PG. 60-68 P.B. 77, PG. 63-70

NEW 25' IRRIGATION INTAKE EASEMENT BASED ON UNRECORDED PLAT OF EASEMENT ADJUSTMENT ON PROPERTIES OF GARY G. & DEBORAH K. EFFLEY, PREPARED BY AES CONSULTING ENGINEERS, JUNE 19, 2001.

EX 15' UTILITY EASEMENT FOR USE BY JAMES CITY SERVICE AUTHORITY

FORMER TEMPORARY IRRIGATION INTAKE EASEMENT (P.B. 65, PG. 60-68)

AREA TABULATION HILLCREST

AREA OF RESIDENTIAL LOTS	511,407 SF	11.74 AC
AREA OF PUBLIC RIGHT-OF-WAY	86,821 SF	1.99 AC
AREA OF OPEN SPACE	273,333 SF	6.28 AC
TOTAL AREA SUBDIVIDED	871,561 SF	20.01 AC
NUMBER OF LOTS	18	
AVERAGE LOT SIZE	28,412 SF	0.65 AC
LARGEST LOT (LOT 5)	42,975 SF	0.99 AC
SMALLEST LOT (LOT 12)	17,765 SF	0.41 AC
GROSS LOTS PER ACRE	0.90 LOTS / ACRE	



W. LLC.
 VIRGINIA

NO	DATE	REVISION / COMMENT / NOTE	BY
6	4/21/02	REVISED 20' EXCLUSIVE JCSA UTILITY EASEMENT	WBT
5	3/19/02	REVISED NOTES PER OWNER'S COMMENTS	WBT
4	1/22/02	ADDED 20' DRAINAGE EASEMENT TO LOTS 12 AND 15 & ADDED LABEL FOR LIMITS OF 25' BUFFER SETBACK	WBT
3	1/24/02	REVISED NOTE #20 PER JCC COMMENTS	WBT
2	1/23/02	REVISED PER JCC COMMENTS	WBT
1	11/26/01	REVISED PER OWNERS COMMENTS	WBT

Designed	Drawn
AES	AWT
Scale	Date
1"=100'	11/2/01
Project No	
9028-09	
Drawing No.	
2 OF 2	

MEMORANDUM

DATE: July 27, 2010

TO: The Board of Directors

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

SUBJECT: Amend Section 32-D Independent Water Systems Connection Fees to Increase the Fee from \$4,000 to \$8,000

At its June 22, 2010, meeting the Board conducted a public hearing on the Amendment of Section 32-D of the Regulations Governing Utility Service by increasing the per lot fee from \$4,000 to \$8,000 for all developments required by the County's Subdivision Ordinance to have an independent water system. The fee was implemented in 2004 to create an escrow fund to generate revenue to offset the expenses over revenues for the operation of independent water systems. After receiving public comment at the public hearing, the Board deferred action on the proposed fee increase until the July 27, 2010, meeting.

To establish the recommended fee, all revenues and only operating expenses were calculated for the six existing independent water systems. No capital costs or administrative fees were used in the calculation except for an allocation of \$10,000 per year, per facility, to cover capital expenses. This appeared reasonable since water tanks have to be painted approximately every ten years at a cost of approximately \$50,000. Department of Environmental Quality (DEQ) permits have to be renewed every ten years at a cost of \$6,000 and motor/pumps and wells have to be replaced at random intervals at an estimated cost of \$100,000 each. Revenue was based on actual receipts from each system over the most recent 12 months. Once compiled, revenues and expenses were divided by the combined total number of customers for all six systems to establish a per customer average for revenues and expenses (\$257/\$557).

Receipts from the fee were directed to be placed into an interest-bearing account where the proceeds of which would be used to offset the costs of operating the independent water systems. Because local governments are limited to conservative investment practices, a 3.5 percent return was calculated which is currently considerably higher than can be expected but is hopefully consistent with returns in the long-term. Once all was calculated, it was determined that an \$8,000 fee per lot was needed to offset the cost of operating an independent water system.

The fees are required to be paid for all planned lots in the development when the developer requests the James City Service Authority (JCSA) to accept the operation of the well facility and water system. Development can take years to build-out with limited revenues during this period while expenses to operate the well facility are not significantly reduced. No developments requiring independent water systems have reached the level of maturity to require the payment of the fee. One development is very near requesting the JCSA to take over its independent water system.

As referenced above, the JCSA starts incurring expenses as soon as it takes over a water system while revenues are minimal. However, receiving fees for all lots created upon accepting the water system may be onerous. Two options are offered as follows:

- 1) Payment of fees for all lots when subdivided. Developments of any size are typically completed in phases. This option would require the payment of fees prior to final approval of a subdivision plan based on how the developer phases the project.

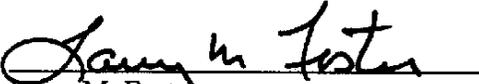
Amend Section 32-D Independent Water Systems Connection Fees to Increase
the Fee From \$4,000 to \$8,000
July 27, 2010
Page 2

- 2) Payment of 25 percent of the fee (\$2,000) for all planned lots prior to acceptance of the water facilities with the balance of the fees required when the plumbing permit is issued for the structure. This is the process and timing for collection of connection fees currently.

Both options offer revenue for startup cost associated with the independent water system while deferring a substantial amount of the fee until a later date that is closer to the date that any homes will connect to the water system.

It is recommended that the Board approve the attached resolution amending Section 32-D of the Regulations Governing Utility Service by increasing the Independent Water System Connection Fee from \$4,000 to \$8,000 and providing that the fee be collected prior to final approval of a subdivision plat.

A second resolution is included to offer the Board the opportunity to direct that the fee be collected in accordance with Option No. 2 above.


Larry M. Foster

LMF/nb
IndWtrSyFee_mem

Attachments

RESOLUTION

AMEND SECTION 32-D INDEPENDENT WATER SYSTEMS CONNECTION FEES TO

INCREASE THE FEE FROM \$4,000 TO \$8,000

WHEREAS, to Amend Section 32-D of the James City Service Authority's Regulations Governing Utility Service establishing a \$8,000 fee per lot for developers of an independent water system; and

WHEREAS, it has been determined that the proceeds from the investment of the proceeds from the fee are not adequate to offset the costs of operation of the independent water system as was intended; and

WHEREAS, an updated financial assessment indicates that an \$8,000 per lot fee is required to generate adequate funds to offset the costs of operating independent water systems.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby amends Section 32-D of the Regulations Governing Utility Service by increasing the per lot fee for Independent Water Systems to \$8,000 and providing that the fee be collected for each lot proposed to be created prior to the final approval of any subdivision plat.

Bruce C. Goodson
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 July, 2010.

IndWtrSyFee1_res

RESOLUTION

AMEND SECTION 32-D INDEPENDENT WATER SYSTEMS CONNECTION FEES TO

INCREASE THE FEE FROM \$4,000 TO \$8,000

WHEREAS, to Amend Section 32-D of the James City Service Authority's (JCSA's) Regulations Governing Utility Service establishing a \$8,000 fee per lot for developers of an independent water system; and

WHEREAS, it has been determined that the proceeds from the investment of the proceeds from the fee are not adequate to offset the costs of operation of the independent water system as was intended; and

WHEREAS, an updated financial assessment indicates that an \$8,000 per lot fee is required to generate adequate funds to offset the costs of operating independent water systems.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby amends Section 32-D of the Regulations Governing Utility Service by increasing the fee for Independent Water Systems to \$8,000 and providing that 25 percent of the fee for all planned lots be collected when the JCSA accepts the water facility and distribution system from the developer with the balance of the fee being collected when the plumbing permit for homes built in the development served by the water system is issued.

Bruce C. Goodson
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 July, 2010.

IndWtrSyFee2_res

Option 1

Revised ~~July 1, 2008~~ July 27, 2010

The purpose of the retail service charge is to defray all costs of providing water service for domestic, commercial and industrial uses and for firefighting purposes, including repayment of moneys borrowed to acquire or construct the water system; operation and maintenance; and renewals, replacements and extensions.

- D. Independent Water Systems Connection Fee. The developer of any Independent Water System for which the development plans are submitted in accordance with the provisions of Section 19-57, Water Facilities of the Subdivision Ordinance, shall be required to pay a per-lot or residential unit Independent Water System Connection Fee of ~~\$4,000~~ \$8,000 to the JCSA for each lot or residential unit created by the subdivision prior to final approval of a subdivision plan. ~~the JCSA accepting the facilities for operation and maintenance.~~

The monies collected shall be placed in a dedicated account; the proceeds and investment returns will be used to offset the costs of operating the Independent Water Systems created after August 10, 2004. Should it become financially practical for the JCSA to connect an Independent Water System constructed under these provisions to the JCSA Central Water System and all necessary land use approvals are obtained from the County, then the monies deposited in the account for such system shall be used to offset the costs of constructing the infrastructure to connect the two water systems. Any balance of the funds will remain in the JCSA account and be used to offset the operating deficits of the Independent Water System created after August 10, 2004.

1. Contractual Agreement. Any developer (person, corporation or partnership) of an Independent Water System that is to be dedicated to the JCSA shall enter into an agreement with the JCSA prior to approval by the JCSA of the Independent Water Facility submission. The agreement shall set forth, at a minimum, the following:
 - a. The location, size, and capacity of the facilities to be constructed; and
 - b. The developer's obligation to comply with the requirements of the JCSA regulations Section 29.A.2; and
 - c. The obligation of the developer to dedicate and the JCSA to accept the facilities pursuant to Section 29.A.4. of the JCSA regulations and after payment of the Independent Water Connection Fee set forth in Paragraph D above.
2. System Facilities Charge Exemption. Any lots created after August 10, 2004, which are to be served by an Independent Water System, shall be exempt from the Water System Facilities Charge set forth in Section 32. C. 1. of the Regulations Governing Utility Service.

- E. Exceptions to local, system facilities charges. The provisions of Section 29 above shall be observed when there is a conflict between Section 29 and the provisions of Sections 32 (B) and 32 (C) above.
- F. Billing and account charges. The following charges shall be assessed for any customer billed by the Authority.

Option 2

Revised ~~July 1, 2008~~ *July 27, 2010*

The purpose of the retail service charge is to defray all costs of providing water service for domestic, commercial and industrial uses and for firefighting purposes, including repayment of moneys borrowed to acquire or construct the water system; operation and maintenance; and renewals, replacements and extensions.

- D. Independent Water Systems Connection Fee. The developer of any Independent Water System for which the development plans are submitted in accordance with the provisions of Section 19-57, Water Facilities of the Subdivision Ordinance, shall be required to pay a per-lot or residential unit Independent Water System Connection Fee of ~~\$4,000~~ *\$8,000* to the JCSA for each lot or residential unit created by the subdivision. ~~prior to the JCSA accepting the facilities for operation and maintenance. Payment of 25 percent of the fee (\$2,000) is required for each planned lot or the development prior to acceptance of the water facilities with the balance of the fee (\$6,000) required for each lot prior a when the plumbing permit being issued for the structure.~~

The monies collected shall be placed in a dedicated account; the proceeds and investment returns will be used to offset the costs of operating the Independent Water Systems created after August 10, 2004. Should it become financially practical for the JCSA to connect an Independent Water System constructed under these provisions to the JCSA Central Water System and all necessary land use approvals are obtained from the County, then the monies deposited in the account for such system shall be used to offset the costs of constructing the infrastructure to connect the two water systems. Any balance of the funds will remain in the JCSA account and be used to offset the operating deficits of the Independent Water System created after August 10, 2004.

1. Contractual Agreement. Any developer (person, corporation or partnership) of an Independent Water System that is to be dedicated to the JCSA shall enter into an agreement with the JCSA prior to approval by the JCSA of the Independent Water Facility submission. The agreement shall set forth, at a minimum, the following:
 - a. The location, size, and capacity of the facilities to be constructed; and
 - b. The developer's obligation to comply with the requirements of the JCSA regulations Section 29.A.2; and
 - c. The obligation of the developer to dedicate and the JCSA to accept the facilities pursuant to Section 29.A.4. of the JCSA regulations and after payment of the Independent Water Connection Fee set forth in Paragraph **D** above.
2. System Facilities Charge Exemption. Any lots created after August 10, 2004, which are to be served by an Independent Water System, shall be exempt from the Water System Facilities Charge set forth in Section 32. C. 1. of the Regulations Governing Utility Service.

- E. Exceptions to local, system facilities charges. The provisions of Section 29 above shall be observed when there is a conflict between Section 29 and the provisions of Sections 32 (B) and 32 (C) above.

- F. Billing and account charges. The following charges shall be assessed for any customer billed by the Authority.

M E M O R A N D U M

DATE: July 27, 2010

TO: The Board of Directors

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

SUBJECT: Amendments to Section 34 Withdrawal Impact Mitigation Plan – Regulations Governing Utility Service

The James City Service Authority (JCSA) is required by the Department of Environmental Quality (DEQ) to have a Withdrawal Impact Mitigation Plan that defines the process, procedures, and philosophy for the mitigation of adverse impacts on existing wells resulting from JCSA groundwater withdrawals.

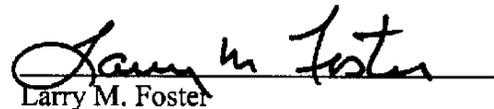
Groundwater permit regulations establish a “rebuttable presumption” that any adverse impact is caused by the permittee if the affected well is located within the one foot drawdown area of the permitted well. The area of impact is determined by a computer model that considers numerous inputs such as withdrawal amount, aquifer, transitivity, etc. Area of Impact maps are included as part of all groundwater withdrawal permits.

The JCSA has mitigated the impact on approximately 275 wells at an average cost of approximately \$1,217. Mitigations have included lower well pumps, replacement of well, and connecting the home to the JCSA water system.

The Mitigation Plan includes provisions for an appeal to a three-person citizen panel. With over 12 years of experience mitigating adverse impacts on privately owned wells, no claim has been elevated to the citizen panel.

DEQ has dictated modification to Section 34 Withdrawal Impact Mitigation Plan as reflected on the attachment. The modifications appear to have no material impact on the existing Plan.

JCSA recommends approval of the attached resolution amending Section 34 Withdrawal Impact Mitigation Plan of the JCSA’s Regulations Governing Utility Service as shown on the attachment.


Larry M. Foster

LMF/nb
WdrlImpMitP_mem

Attachments

RESOLUTION

AMENDMENTS TO SECTION 34 WITHDRAWAL IMPACT MITIGATION PLAN –

REGULATIONS GOVERNING UTILITY SERVICE

WHEREAS, the James City Service Authority's (JCSA) Regulations Governing Utility Service – Section 34 establishes procedures to address adverse impacts on private wells resulting from JCSA permitted groundwater withdrawals; and

WHEREAS, a mitigation plan is required for all permitted groundwater withdrawals and the Virginia Department of Environmental Quality has dictated minor modification to the JCSA's Plan.

NOW, THEREFORE, BE IT RESOLVED that the Board of Director of the James City Service Authority, James City County, Virginia, hereby amends Section 34 of the Regulations Governing Utility Service to reflect those modifications shown on the attachment.

Bruce C. Goodson
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 July, 2010.

WdrImpMitP_res

SECTION 34. WITHDRAWAL IMPACT MITIGATION PLAN

Preamble

The purpose of this mitigation plan (Plan) is to establish a dispute-resolution mechanism that existing groundwater users can use to resolve claims that may arise because of groundwater withdrawals from the James City Service Authority's (JCSA) wells in James City County, Virginia (the Project), specifically withdrawals from the wells ~~of the Central System owned and operated by the JCSA~~ and covered by ~~this permits issued to the JCSA by the Department of Environmental Quality application.~~

~~Pursuant to the Groundwater Act of 1992 and the regulations adopted under it, the Department of Environment Quality (DEQ) issued JCSA Permit Numbers GW0030000 Stonehouse, GW0031000 Racefield, GW 0031100 Glenwood Acres, GW0031200 King's Village, GW0043000 The Retreat, GW0031300 Upper County Park, GW003140 Ware Creek Manor, GW0038000 GW0049400 Wexford Hills, and GW0041000 Central System.~~

Modeling predictions, developed as part of the record of permit proceedings ~~and attached to this plan~~, project the expected zones of influence of withdrawals from the permitted wells and indicate that the withdrawals are expected to have impacts on existing groundwater users. There may be nonpermitted groundwater users within the area where simulated drawdown exceeds one foot. To safeguard existing groundwater users, JCSA adopted this mitigation plan.

~~There is a rebuttable presumption that water level declines that cause adverse impacts to existing wells within the Area of Impact are due to the withdrawals.~~ The hope is that claims can be resolved through informal discussions and negotiations between the claimant and JCSA. The procedures of the Plan are designed to be used in addition to such informal discussions and negotiations or other procedures already provided by law. The plan is intended to provide a speedy, nonexclusive, low-cost means of fairly resolving specific claims relating to withdrawals from the permitted wells.

The Plan has six sections.

Section I contains definitions of certain terms used in the Plan.

Section II establishes procedures for the filing and initial review of claims.

Section III establishes a committee for reviewing disputed claims that withdrawals from the permitted wells within the Project have adversely affected a well or wells outside the Project.

Section IV establishes procedures for resolving disputed claims.

Section V establishes standards that the committee will apply to resolve disputed claims.

Section VI addresses administrative matters.

MITIGATION PLAN

Section I: Definitions

Presented below are definitions of terms used in the mitigation plan:

“Adverse Impact” means (a) for Historical Yield, a significant diminution in Historical Yield, or (b) for Historical Beneficial Use, a change in groundwater that renders it unsuitable for the Historical Beneficial Use.

“Claimant” means an Eligible Owner who wants to take advantage of the procedures in the Plan.

“Committee” means the committee established under Section III of the Plan.

“Date of the Plan” means the date on which the DEQ approves the Plan.

“Eligible Owner” means (a) any owner of a well that (i) was lawfully operating as the Groundwater withdrawal permit was issued to the JCSA by the DEQ or, in the case of seasonal or intermittent operation, was lawfully operating within six months before or after that date (or, with respect to agricultural or drought-relief wells, such other date determined by the Committee as necessary to prevent abrogation of documented lawful groundwater rights); and, (ii) is lawfully operating as of the date of making a claim under the Plan (unless, when the claim is made, the well is inoperable as a result of conditions that are the subject of the claim) or (b) any person having a permit or certificate to withdraw groundwater that has satisfied all conditions of that permit or certificate and is otherwise required by law to withdraw water as of the Date of the Plan.

“Historical Beneficial Use” means the actual lawful uses of groundwater from the Well (before the Date of the Plan), such as domestic, agricultural, recreational, commercial, or industrial uses, that can be established to the satisfaction of the JCSA or Committee.

“Historical Yield” means the actual, sustained, lawful average daily yield of the Well before the Date of the Plan that can be established to the satisfaction of the *JCSA and/or* Committee. For certified or permitted wells, the average daily yield shall be based on withdrawals for any consecutive 12-month period during the previous three years. “JCSA” is the entity to which the permit is issued and the responsible party for mitigating validated well mitigation claims.

“Rebuttable Presumption” means that the *JCSA and/or* Committee shall assume that Withdrawals are (or are not, as the case may be; see Section V, Paragraph 1) the cause of the claimed Adverse Impact on the Well of the Eligible Owner unless and until evidence tending to disapprove the assumption is presented to *the JCSA and/or* Committee.

“Repairs” means an appropriate process that will restore to the Claimant a supply of water equal to the Historical Yield and Historical Beneficial Use of the water from the Well, including, but not limited to, lowering the existing pump in the Well, installing a larger pump in the Well, drilling a new well, or connecting the user to the County’s public water supply system.

“Well” means a well that is the subject of a claim.

“Withdrawals” means withdrawals from any well(s) subject to the Permit.

Section II: Filing and Initial Review of Claims

1. Any Eligible Owner who believes that Withdrawals may have caused an Adverse Impact on his or her Well may become a Claimant by submitting to JCSA a written request for mitigation of the Adverse Impact or for reimbursement for the costs of Repairs, or both (the “claim”). For ensuring accurate assessments of such a claim, it must be filed within 90 days of the time that the Claimant determines that Withdrawals may have caused an Adverse Impact on the Well. If the Claimant wants a temporary water supply or other interim relief, the claim shall indicate that desire. The Claimant shall allow JCSA, their employees, and their agents reasonable access to the property and the allegedly affected Well as necessary to determine the merits of the claim, including tests and inspections of the well.
2. A timely claim may be filed only after JCSA initiates groundwater withdrawals from the permitted wells.
3. If Claimant within the indicated area of impact states in writing that he/she is out of water from a well that is located within the aquifer covered by the permit, JCSA will accept responsibility for providing water for human consumptive needs within seventy-two hours of receipt of said notice and will continue to provide such water during the claim review period.

If after review, the JCSA denies the claim, the Claimant shall reimburse the JCSA all costs associated with providing the water during the claim review period; provided, should the Claimant elect to have the denial reviewed by the Committee, JCSA shall continue to provide the emergency water supply at the written request of Claimant during the Committee’s review. Should the Committee uphold the JCSA’s denial, Claimant shall reimburse JCSA all costs associated with providing emergency water supply.

4. *The JCSA will mitigate the claimed adverse Impact as soon as practicable.* Within five business days after receiving a claim, JCSA will notify the Claimant in writing that JCSA:
 - (a) agrees to mitigate the claimed Adverse Impact or reimburse the Claimant, or both;
 - (b) denies the claim; or
 - (c) needs additional documentation from the Claimant to respond to the claim. If JCSA denies the claim or any part of it, the notice will:
 - (1) state the reasons the claim, or any part of it, was denied;
 - (2) include a copy of the Plan; and
 - (3) advise the Claimant that he or she may seek resolution of the claim by invoking the

procedures in Section III and Section IV of the Plan.

5. Pursuant to Paragraph 4 (c) of this Section, JCSA may request documentation showing
 - (a) that the Claimant is the owner of the Well;
 - (b) that the Well:
 - (1) was lawfully operating as of the Date of the Plan or, in the case of seasonal or intermittent operation, was lawfully operating within six months before or after that date; or, with respect to agricultural or drought-relief wells, such other date determined by the JCSA or Committee as necessary to prevent abrogation of documented lawful groundwater rights; and
 - (2) was lawfully operating as of the date the claim was made under the Plan (unless when the claim was made, the Well was inoperable as a result of the claimed Adverse Impact).
 - (c) that the Claimant has a certificate or a permit for withdrawing groundwater from the Well (if applicable) and has satisfied all conditions imposed by the certificate, the permit, or the applicable law;
 - (d) the depths of the Well, the pump, and the screens (if available);
 - (e) the location of the Well with enough specificity to locate and identify it in the field;
 - (f) the Historical Yield of the Well (if applicable);
 - (g) the Historical Beneficial Use of the Well;
 - (h) the quality of the water in the Well (if applicable); and
 - (i) the reasons the Claimant believes Withdrawals have caused an Adverse Impact on the Well.
6. Within 15 business days of receiving all documentation requested pursuant to Paragraph 5 of this Section, JCSA will notify the Claimant in writing that it:
 - (a) agrees to mitigate the claimed Adverse Impact or reimburse the Claimant, or both; or
 - (b) denies the claim. If JCSA denies the claim or any part of it, the notice will:
 - (1) state the reasons that the claim or any part of it was denied;
 - (2) include a copy of the Plan; and

- (3) advise the Claimant that he or she may seek resolution of the claim by invoking the procedures in Section III and Section IV of the Plan.
7. A Claimant whose claim, or any part of the claim, has been denied may seek resolution of the claim by invoking the procedures in Section III and Section IV of the Plan.

Section III. The Committee

1. Resolution of disputed claims under the Plan will be administered by a committee of three (the Committee) constituted and empowered as stated below.
2. The membership of the Committee will consist of:
 - (a) one representative selected by the Claimant,
 - (b) one representative selected by JCSA, and
 - (c) one representative selected by mutual agreement of the members of the Committee described in items (a) and (b). If the representatives of the Claimant and JCSA are unable to select a third representative, such representative shall be selected by the Dispute Resolution Center, 701 E. Franklin Street, Suite 712, Richmond, Virginia 23219, after consultation with the representatives of Claimant and JCSA and the Department of Geology at the College of William and Mary, Williamsburg, Virginia 23187. Each member of the Committee shall have technical expertise in groundwater supply issues and shall have a baccalaureate or graduate degree in geology or hydrogeology or an equivalent professional certification in geology or hydrogeology or, solely for the member described in item (c), a degree or certification in any other technical or scientific discipline deemed adequate either by the selecting members or by the Dispute Resolution Center.
3. JCSA shall reimburse the members of the Committee and the Dispute Resolution Center for reasonable time spent at a rate prevailing in the area for experts in the above-listed fields and for direct costs incurred in administering the Plan. The Claimant may, at his or her option, choose to provide the reimbursement for the member of the Committee selected by the Claimant.

Section IV. Claim Resolution Procedures

1. If after the filing and initial review of his or her claim pursuant to Section II of the Plan, the Claimant finds JCSA's offer of mitigation or reimbursement inadequate or JCSA informs the Claimant that JCSA will not mitigate the claimed Adverse Impact or reimburse the claimant, the Claimant may accept JCSA's decision or may elect to pursue the claim under the claim resolution procedures set out in this Section of the Plan ("Claim Resolution Procedures"). To pursue the claim, the Claimant shall notify JCSA that he or she is initiating the disputed claim Resolution Procedures of the Plan by referring his or her claim to the Committee. At the same time, the Claimant shall identify a person qualified under Section II, Paragraph 2, to serve as

the Claimant's representative on the Committee.

2. Within five business days after receiving such notice from the Claimant, JCSA shall identify its representative on the Committee, shall notify the Claimant and the Claimant's representative of the identity of the JCSA representative, and shall instruct the two representatives to select a third member within ten business days.
3. Within ten business days of the selection of its third representative, the Committee shall establish a reasonable deadline for submittal of all documentation it needs to evaluate the claim. Both the Claimant and JCSA must abide by this deadline. The Committee shall reach a decision on the claim by majority vote within 15 business days after the Claimant and JCSA have submitted all documentation the Committee needs to evaluate the claim. The Committee shall take whatever steps it deems necessary to reach a decision, but the decision must be based on the standards in Section V of the Plan.
4. If the Committee decides that the claim qualifies for mitigation or reimbursement to any extent under the Plan, it shall approve the claim to that extent and shall, within five business days, notify the Claimant and JCSA of the approval, specifying in writing the reasons for its decision. JCSA shall, as directed by the Committee, mitigate the claimed Adverse Impact as soon as practicable, or shall reimburse the Claimant within ten business days for the amount awarded by the Committee, or both.
5. If the Committee decides that the claim does not qualify for mitigation or reimbursement under the Plan, it shall notify the Claimant and JCSA of that decision, specifying in writing the reasons for the decision.
6. JCSA reserves the right, under circumstances that it believes constitute intentional abuse of the process established by the Plan, to refuse to convene the Committee. Such circumstances include the filing of a frivolous or fraudulent claim. If JCSA exercises its right to refuse to convene the Committee, JCSA shall notify the Claimant in writing, specifying the reason(s) for the refusal. The Claimant may then, at his or her own risk, convene the Committee. A Claimant convening the Committee pursuant to this paragraph shall be responsible for all costs of convening the Committee, including reimbursement of the members of the Committee for reasonable time spent (at the prevailing rate for experts in the field) and all direct costs incurred by the Committee in evaluating the claim. If the Committee convened pursuant to this paragraph finds in favor of the Claimant, JCSA shall reimburse the Claimant for the costs of convening the Committee and, in addition, shall be liable to the Claimant for a penalty that shall be established by the Committee. The penalty shall not exceed 100 percent of all costs incurred by the Claimant in convening the Committee.

Section V: Standards for Resolving Disputed Claims

1. To qualify for mitigation of the claimed Adverse Impact or reimbursement of the cost of repairing the claimed Adverse Impact, the Claimant must provide evidence satisfactory to the Committee:
 - (a) that the Claimant is the owner of the Well;
 - (b) that the Well (i) was legally in existence and lawfully operating as the groundwater permit was originally issued by the DEQ; or, in the case of seasonal or intermittent operation, was lawfully operating within six months before or after the issuance of the withdrawal permit or, with respect to agricultural or drought-relief wells, such other date determined by the Committee as necessary to prevent abrogation of documented lawful groundwater rights, and (ii) was lawfully operating as of the date of the making of the claim under the Plan (unless when the claim was made the Well was inoperable as a result of the claimed Adverse Impact); or (iii) the well and withdrawals were permitted or certificated and all conditions in such certificate or permit or otherwise imposed by law to establish groundwater rights have been satisfied before the Date of the Plan;
 - (c) that, on the basis of information compiled pursuant to Section I, other information presented by the Claimant or JCSA, and other inquiries the Committee, the Claimant, or JCSA chooses to undertake, the claimed Adverse Impact was more likely than not caused by Withdrawals; and
 - (d) that the costs of repairs undertaken before initiation of the disputed claim resolution procedures described in Section IV of the Plan were necessary and reasonable.

As to Item (c) above, and only as to a claimed Adverse Impact on Historical Yield, there shall be a rebuttable presumption that Withdrawals are more likely than not the cause of the claimed Adverse Impact if the Claimant demonstrates that (i) the well is screened in the Aquia Aquifer Chickahominy-Piney Point Aquifer, Upper, Middle and Lower Potomac Aquifers and (ii) the Well is located in the area of impact for the aquifer(s) in which it is screened.

There shall be a rebuttable presumption that Withdrawals are not the cause of the claimed Adverse Impact on Historical Yield or Historical Beneficial Uses if (i) the Well is not screened in the Chickahominy-Piney Point Aquifer or (ii) the Well is located outside the area of impact for the aquifer(s) in which the Well is screened as defined by computer models prepared by DEQ.

2. Costs beyond those necessary to restore Historical Yield and Historical Beneficial Uses shall be at the Claimant's expense.
3. Any Claimant who has previously been reimbursed by JCSA for repairs as a result of an earlier negotiation or a claim filed under the Plan will not be reimbursed or compensated for correction of faulty or otherwise incorrect repairs related to the earlier negotiations or claim unless such previous repairs were performed under JCSA's supervision.

4. If and to the extent permitted wells owned by third parties and operating under a mitigation plan similar to the Plan are shown to the Committee's satisfaction to have contributed to the Adverse Impact on the Well, JCSA's share of the costs of mitigation or well repair under the Plan shall be allocated in proportion to its share of the damage. Such a determination shall be made by the Committee, but only after the Committee notifies the third-party permittee and provides the permittee an opportunity to participate in the Committee's proceeding.

Section VI: Administration of the Plan; Notice

1. The Committee may, at its discretion, request that JCSA assist it in administrative, accounting, and clerical actions required under the Plan.
2. Notices required under the Plan may be served by hand or certified mail. Notice to JCSA shall be addressed to:

General Manager
James City Service Authority
P.O. Box 8784
Williamsburg, VA 23187

3. The Plan is intended to provide a relatively speedy and low-cost means of fairly resolving claims of Adverse Impact attributed to Withdrawals. All remedies and procedures under the Plan are in addition to those otherwise provided by law. Use of the process established by the Plan shall not be a prerequisite to filing the claim of alleged damage from Withdrawals in a court of competent jurisdiction. Costs incurred by either party in implementing the Plan, including without limit the cost of interim water supplies, the costs of investigation, and the costs of well repair or remediation, may be included in claims brought before a court of competent jurisdiction.
4. The DEQ and its staff have no responsibility for the case-by-case administration of the Plan, but nothing in the Plan shall prevent DEQ staff from providing information needed for resolving specific matters before the Committee, at the request and discretion of the Committee.

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