



MEMORANDUM

Date: May 26, 2015

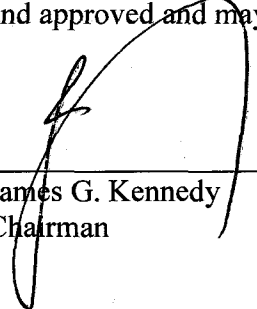
To: Records Management

From: The Board of Directors

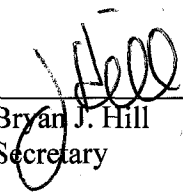
Subject: Board of Directors Minutes: April 14, 2003 through May 24, 2005

The following minutes for the Board of Directors of James City County dated April 14, 2003 through May 24, 2005 are acknowledged to be missing signatures.

It is also acknowledged that the April 14, 2003 through May 24, 2005 minutes, were voted on and approved and may be mentioned in later dated minutes of the Board of Directors.



James G. Kennedy
Chairman



Bryan J. Hill
Secretary

MEMOnosig-April14-2003May24-2005

AT A WORK SESSION OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 27TH DAY OF JULY 2004, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

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

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

B. BOARD CONSIDERATION

1. Independent Water System Connection Fee

Mr. Larry Foster, General Manager of the James City Service Authority (JCSA), provided an overview of the number of independent water systems the JCSA operates, the Code of Virginia requirements for independent water systems, and a brief overview of the guidance the Board has provided in the concept of assessing a fee.

Mr. Foster recommended a per-unit fee be assessed for independent water systems; fees be assessed on lots or units created by development plans submitted after August 1, 2004; the fee be paid before acceptance by JCSA; the revenue from the fee be deposited in a restricted fund; investment returns would be used to offset expenses associated with operating independent water systems; and any remaining fee revenue would remain in the fund.

Mr. Brown inquired why the initial idea to offset the additional operating cost of the water system has evolved to offsetting the additional cost of the connections and if it is wise.

Mr. Foster stated that a connection fee evolved and is being considered rather than a revenue equalization fund fee to better define what the fee reflects.

Mr. Brown stated concern about mixing operating funds and deficits for independent water systems with the capital costs associated with system facility.

The Board discussed the recommendation of the staff and the name of the fee.

Mr. Rogers commented that the name change and the timing of the collection applies to when the dedication to the JCSA occurs versus when the subdivision is approved. The Independent Water System Connection fee is paid when the JCSA accepts the independent water system.

The Board and staff discussed the revenue anticipated to be generated from the \$4,000 fee to offset the operating cost; that it is not anticipated the investment will result in a 4 percent return to meet the differential; the timing of the connection fee collection; and concern that issues expressed by members of the community resulted in the revamping of a rate equalization fee to a connection fee, and covering expenditures associated with the maintenance and upgrading of the Central System.

Mr. Robert Duckett, Director of Government and Community Relations for the Williamsburg Home Builders Association (WCBA), and Seth Saunders, President, spoke on behalf of the WCBA.

Mr. Duckett stated that there is agreement that JCSEA customers want to recuperate proper costs associated with providing water service; however, there is disagreement about the staff recommendation that it is not the fairest way to recover those costs, and the Home Builder Associations do not support the proposed connection fee.

Mr. Duckett stated that the independent water systems benefit the entire community and therefore the additional costs and operating costs should be borne by the community at-large.

Mr. Brown stated that an independent water system outside the Primary Service Area (PSA) is of benefit to those on the water system and they benefit from all the services associated with the system; they do not sink their own individual wells, which will impact the groundwater availability to the community at-large.

Mr. Duckett stated that fire protection does not recognize PSA boundaries and an adequate water supply and water pressure permits fires to remain under control through adequate/improved fire protection.

Mr. Duckett stated that it is understood that operations and maintenance cost of independent water systems are higher than the Central Water System; and the capital costs of the independent water systems such as tap fees are usually handled by the developer.

Mr. Duckett recommended that the JCSEA maintain the existing tap fees structure for which the collection of the fee occurs at the issuance of the building permit; and recommended the Independent Water System customers would pay one-half to two-thirds of the proposed \$4,000 connection fee, the remainder would be subsidized by the community at-large.

Mr. Rogers stated that payment of a connection fee should not be a part of the building permit process. This would constitute a hidden lien. The owners of the property must let potential customers know that they will be subject to the fees in excess of what other County residents will pay.

Mr. Bradshaw inquired if the tap fees are included in the connection fee.

Mr. Foster stated that the consultant indicated that the tap fees are considered in addition to the connection fee.

Mr. Seth Saunders, President of the WCBA, stated that independent water system customers will be asked to pay varying rate structure fees and stated that the overall system-wide rates will continue to increase. They will be paying more. Up-front costs in their community will not be treated with equity.

The Board and Mr. Saunders discussed the scale of operation and costs associated with the operation, maintenance, and upgrade of independent water systems; how the desalinization plant is to be funded; the tying of the independent water system to the central system over time; and how the connection fee could be refunded.

Mr. Foster inquired if the Board is comfortable with the \$4,000 independent water system connection fee or would the Board like to increase the fee.

Mr. Rogers and Mr. Wanner suggested that if the Board would like to consider the adjustment of the connection fee, the Board could defer action on the proposal.

The Board and staff discussed the advertisement requirements for the Independent Water System Connection Fee and that there is adequate time for advertising should the Board wish to defer action and adjust the fees or to change the purpose of the fees.

Mr. Foster inquired if the Board wanted to consider a two-tier system for Independent Water System Connection Fees where the developer paid part and the homeowner paid part.

The Board indicated a two-tier fee system is not desired.

C. RECESS

At 5:57 p.m., Mr. Harrison recessed the Board for a dinner break.

Sanford B. Wanner
Secretary to the Board

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