

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.

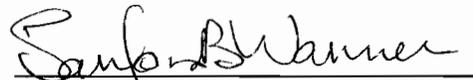
F. BOARD REQUESTS AND DIRECTIVES – None.

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