

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 30TH DAY OF JUNE NINETEEN HUNDRED EIGHTY-SIX AT 5:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

William F. Brown, Chairman, Roberts District
Stewart U. Taylor, Vice-Chairman, Stonehouse District
Thomas D. Mahone, Jamestown District
Perry M. DePue, Powhatan District

James B. Oliver, Jr., County Administrator
Darlene L. Burcham, Assistant County Administrator
Frank M. Morton, III, County Attorney

It is noted that Jack D. Edwards, Berkeley District, was absent from this meeting.

B. BOARD CONSIDERATIONS

1. Virginia Municipal League Insurance Program

Mr. John McDonald, Director of Financial and Management Services, informed the Board that the Virginia Municipal League Self-Insurance Program has presented two options for automobile, liability and excess insurance coverage. Mr. McDonald recommends Option #1 listed in the memorandum in the amount of \$255,279. Mr. McDonald further stated that if the Board adopts Option #1, staff recommends \$50,000 of the \$71,844, difference between the two options, be set aside as an initial loss reserve, which, over time, would allow the County more flexibility in looking at risk management options.

In response to a question from Mr. Taylor, Mr. McDonald responded that the \$50,000 would be set aside as "seed money" for risk management options, to include, possibly, a self-insurance program.

Mr. DePue inquired if the Board could raise taxes to cover a judgement if the judgement exceeds the coverage.

Mr. Morton responded the Board does have the authority to do so, if the matter involved County business.

Mr. DePue made a motion to adopt Option #1.

Mr. Mahone inquired about property damage liability.

Mr. McDonald responded that the County would pay the first \$1,000, and the VML Pool would cover the remaining costs.

Mr. John Newby, Risk Management Consultant, stated that the VML program is only offered to communities with a population of 50,000 residents or less and it is to the County's advantage to adopt this insurance.

Mr. Oliver requested the Board adopt the Budget Amendment resolution to provide funds for the insurance program prior to voting on the insurance resolution.

Mr. DePue made an amended motion to adopt both resolutions.

In response to questions from Mr. Mahone, Mr. McDonald responded that the County has received property claims, but no material liability claims within the past five years. Mr. McDonald further stated that the program does not cover all liabilities of the County, as an example, pollution insurance is being phased out throughout the country and none is available for the County Landfill.

On a roll call, the vote was AYE: Brown, DePue, Mahone, Taylor
(4). NAY: (0).

RESOLUTION

FY1987 Budget Amendment - Insurance

WHEREAS, the Board of Supervisors of James City County has chosen to participate in the Virginia Municipal League Insurance Pool; and

WHEREAS, the program is rated conservatively and requires a 40 percent premium deposit; and

WHEREAS, the rating and the premium deposit are in excess of funds budgeted for insurance in the amount of \$87,700; and

WHEREAS, the Board of Supervisors desires to set aside \$50,000 in a loss reserve fund.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia hereby amends the FY1987 Budget, as follows:

Operating Contingency	\$(111,012)
Assessment to JCSA	(26,688)
	<u>\$(137,700)</u>
Insurance - County	\$ 41,891
Contribution - Transit	7,520
Contribution - C. D.	2,181
Contribution - VPA	9,420
Insurance - JCSA	26,688
Insurance Reserve	<u>50,000</u>
	<u>\$ 137,700</u>

RESOLUTION

Membership in the Virginia Municipal Liability Pool

WHEREAS, the County of James City wishes to join with other political subdivisions to establish the Virginia Municipal Self-Insurance Association ("Association") to create pools to jointly and cooperatively self-insure and to pool the separate risks and liabilities of the individual members pursuant to the terms of Chapter 11.1 of Title 15.1 of the Code of Virginia; and

WHEREAS, through such Association, the County of James City wishes to join with other political subdivisions to create the Virginia Municipal Liability Pool ("Pool") whereby members can jointly pool funds to provide the necessary anticipated financing for comprehensive general liability, automobile liability, and automobile physical damage; and

WHEREAS, such Pool must be, and is anticipated to be, licensed by the Bureau of Insurance of the State Corporation Commission ("Commission") prior to operating; and

WHEREAS, the anticipated responsibilities of the members of the Pool and the amount and terms of the coverage to be provided are set forth in the Member Agreement which is attached hereto.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of James City, Virginia that:

1. The County of James City certifies its intention to become a member of such Pool for three years beginning July 1, 1986 or as soon thereafter as the Pool becomes operational, and this statement of intention shall include the James City Service

Authority, the James City County Transit Company, and other associated and related agencies.

2. Such membership is contingent upon:
 - a. Certification of the Pool by the Commission,
 - b. Final approval by the Association's Members' Supervisory Board of the Member Agreement attached hereto and of the membership of the County of James City,
 - c. Payment of \$255,279 for the first year contribution to the Pool pursuant to the quotation submitted to the County of James City or such final amount as mutually agreed upon by the member and the Association or their respective designees.
3. It is recognized that members of the Pool may be required to pay additional assessments to the Pool and that in the event the Pool is in a deficit position which is not corrected, a member will be liable for any and all unpaid claims against such member.
4. The Chairman of the Board of Supervisors and the County Administrator are authorized to do all things necessary to enable the County of James City to become a member of the Association and the Pool including but not limited to execution of the Member Agreement.

2. James City County Transit Company

Mr. Morton referenced a memorandum submitted to the Board indicating the three options available in response to the lack of public officials or directors liability insurance for the Company.

Mr. DePue stated he feels Option #2 is the most logical and inquired as to the length of time it would take to work out the details.

Mr. Morton responded that if the Board adopts Option #2, the Directors could be appointed by the Board of Supervisors, thereby indemnifying the Directors.

Mr. Mahone stated he prefers Option #3, but due to the lack of interest from other Board members he would not move its approval.

Mr. DePue made a motion to recess the Board of Supervisors to allow the Transit Company to meet.

Mr. Taylor stated he prefers to seek legislation that would correct legal loopholes and provide better options.

On a roll call, the vote was AYE: Brown, DePue, Mahone, Taylor (4). NAY: (0).

The Board recessed at 5:55 p.m. and reconvened back into public session at 5:57 p.m.

Mr. DePue made a motion to appoint William F. Brown, Stewart U. Taylor, Thomas D. Mahone, Jack D. Edwards, Perry M. DePue as Directors to the James City Transit Company and to appoint Darlene L. Burcham as Secretary/Treasurer to the Company.

On a roll call, the vote was AYE: Brown, DePue, Mahone, Taylor (4). NAY: (0).

C. **PUBLIC AUDIENCE**

1. Mr. David Otey, Sr., representing Busch Properties, asked the Board why Busch Properties was being treated differently than other developers who wanted to purchase sewer and water connections before the July 1 rate increases.

Mr. Morton stated that Busch Properties does not have house plans available for the subdivision they requested the permits for, which is one of the criteria for eligibility to purchase connections.

Mr. Otey responded this requirement is a new one and other developers were allowed to purchase connections prior to July 1 without having to show house plans. Mr. Otey stated that due to past experience, he was under the impression that if everything had been bonded and the plat recorded, prepaids would not be a problem.

Mr. Sanford Wanner, Service Authority Business Manager, stated Busch Properties is a unique case because they purchase the connection at the point they sell a lot, whereas most developers build on the lot or have house plans available and then pay the connection fee.

Mr. Oliver stated that he made an administrative interpretation of the policy to not allow Busch Properties to pay the lower connection fees. Mr. Oliver further stated the Board had enacted policies to cause new County residents to pay for more of the costs of development and that he felt making new developments such as those in Ford's Colony or Kingsmill pay the new rates was one way to accomplish this.

Mr. DePue concurred with Mr. Oliver and stated that it is a matter of policy interpretation by staff and not meant to cause hostility. Mr. DePue further stated that this was a gray area and a difficult call.

Mr. Taylor stated he is concerned with setting a precedent.

Mr. Brown stated that he is disappointed in the staff because he feels staff misled him on who would be eligible for lower fees. Mr. Brown further stated that it was his understanding that this would be a fairly loose policy and that he should have been advised otherwise as he was giving out wrong information to developers when the fee discussions began.

Mr. Oliver stated that it was his decision to interpret the Board's directives as restrictive and that the requirements for house plans was intended to implement Board policy. After hearing the Board's discussion of this issue, Mr. Oliver indicated he would reverse his decision and would allow payments by Ford's Colony, Busch, and any other developer that was disqualified on the basis of unavailable building plans.

Mr. Sanford Wanner stated that Busch Properties and a portion of Ford's Colony are the only known applicants denied because of the lack of house plans.

D. BOARD REQUESTS AND DIRECTIVES

Mr. Mahone requested staff prepare a resolution for Board consideration indicating the Board's concern with the shortage of State Police coverage.

Mr. DePue made a motion to adjourn until July 7, 1986.

On a roll call, the vote was AYE: Brown, DePue, Mahone, Taylor
(4). NAY: (0).

The Board adjourned at 7:00 p.m.


James B. Oliver, Jr.
Clerk to the Board