

A G E N D A

JAMES CITY COUNTY BOARD OF SUPERVISORS

READING FILE

February 14, 2006

FOR YOUR INFORMATION

1. National Association of Counties Prescription Drug Discount Program
2. Toano Community Character Area Design Guidelines and Streetscape Plan
3. Technology Business Incubator Management Agreement and Lease Approvals - Agreement
4. Response to Requests from September 27, 2005, Joint Work Session
5. Water Quality Improvement Fund Grant Submittal

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ADVANCEPCS HEALTH, L.P.

MANAGED PHARMACY BENEFIT SERVICES AGREEMENT

CONSUMER CARD PROGRAM

THIS AGREEMENT (the “**Agreement**”) is made as of July 1, 2005 (the “**Effective Date**”) among National Association of Counties (“**Customer**”), counties that are members of the National Association of Counties (“**Member County**”) and AdvancePCS Health, L.P. (“**AdvancePCS**”), for the purpose of delineating the terms and conditions under which AdvancePCS will provide certain managed pharmacy benefit services to Member County and Customer.

Customer agrees that it will require each Member County to execute an individual agreement with AdvancePCS in the form attached hereto as Exhibit C (the “**Member County Agreement**”) prior to AdvancePCS’ providing Services to such Member County. AdvancePCS will not provide Services to Member County prior to the receipt of the Member County’s execution of the Member County Agreement.

1. STATEMENT OF SERVICES / OBLIGATIONS.

1.1 Services. AdvancePCS will provide Member County the services as set forth in this Section 1, and the services described in any attachment, addendum or amendment hereto (collectively the “**Services**”). AdvancePCS may make changes to the Services from time to time so long as such changes do not materially alter any of the provisions of this Agreement.

1.2 Participating Pharmacies. AdvancePCS has created a network of Participating Pharmacies, which will perform pharmacy services for Participants.

1.3 Pharmacy Help Desk and Voice Response Unit. AdvancePCS will provide Participating Pharmacies with help desk assistance and access to AdvancePCS’ voice response unit during AdvancePCS’ hours of operation.

1.4 Claims Processing.

a. Submission of Claims. AdvancePCS will adjudicate Claims submitted by Participating Pharmacies to AdvancePCS in accordance with the Participating Pharmacy’s agreement with AdvancePCS and the Consumer Card Program.

b. Collection at Point of Sale. Customer and Member County acknowledge that Participating Pharmacies will collect from the Participant one hundred percent (100%) of the applicable prescription price, discounted at the rates set forth on Exhibit B as applicable, plus a transaction fee from the Participant.

1.5 Customer Service. AdvancePCS will make available to Customer, Member County and Participants a toll free number during those hours of operation maintained by AdvancePCS. Staff will be available to answer questions on the Consumer Card Program and Consumer Card Program guidelines.

1.6 Identification Cards. AdvancePCS will, at its own cost, produce identification cards for Participants, which contain Member County’s and Customer’s logo(s). Identification cards will be available to any individual the Member County or Customer deem appropriate. AdvancePCS will work with Member County on the distribution method for identification cards; provided, however if Member County requests that AdvancePCS mail the identification cards to Members, postage and handling charges will apply. The Participant shall be responsible for paying for any prescriptions obtained while using the identification card.

1.7 Clinical Services and Drug Utilization Review ("DUR").

a. Clinical Services. AdvancePCS may provide to Member County its member compliance programs and other programs designed to ensure proper drug utilization and encourage the use of cost-effective medications. These programs may include mailings to Participants with active prescriptions for targeted drug products or drug classes or to let Participants know that they may qualify for participation in a clinical trial program. Such mailings may include Participant and drug specific information and/or general educational material. Participants, by notifying AdvancePCS, may opt-out of such programs.

b. DUR Services. AdvancePCS will provide its automated concurrent DUR Services for Claims. The information generated in connection with DUR Services is intended as an economical supplement to, and not as a substitute for, the knowledge, expertise, skill, and judgment of physicians, pharmacists, or other health care providers in providing patient care. Providers are individually responsible for acting or not acting upon information generated and transmitted through the DUR Services, and for performing services in each jurisdiction consistent with the scope of their licenses. Notwithstanding anything set forth in this Agreement, AdvancePCS will have no obligation to acquire information concerning any Participant beyond the information that is included in AdvancePCS' eligibility records or the Claims submitted by Participating Pharmacies in connection with the Consumer Card Program.

1.8 Formulary Services. AdvancePCS will administer an open formulary for the Member County and will provide certain Services that are designed to provide useful clinical information to physicians (the "Formulary Services"). AdvancePCS may make changes to the Formulary Services described in this Agreement from time to time, and will notify Member County and Customer of any material changes to any formulary management programs. In all cases, the prescribing physician shall have final authority over the drug that is prescribed to the Participant.

a. Rebate Contracts. AdvancePCS contracts with certain Manufacturers for Rebate programs.

b. Disclosure of Manufacturer Fees. AdvancePCS may receive fees or other compensation from Manufacturers, including, without limitation, administrative fees not exceeding three percent of the aggregate cost of the pharmaceutical products dispensed to participants, and fees for property provided or services rendered to a Manufacturer (which may include providing physicians clinical messages consistent with the Performance Drug List, as defined below). AdvancePCS' specialty pharmacies may also receive fees from Manufacturers for products and services provided. In addition, AdvancePCS' mail order and specialty pharmacies may negotiate on their own behalf directly with Manufacturers for discounts, including rebated discounts based on market share or other factors. The term Rebates as used in this Agreement does not include these fees and discounts which belong exclusively to AdvancePCS or AdvancePCS' mail order or specialty pharmacies, respectively.

c. Participant Authorizations and Disclosures. Customer and Member County shall comply with all Laws applicable to it as a sponsor of the Services or as otherwise consistent with its obligations under this Agreement.

d. Additional Participant Discounts. AdvancePCS may provide a program that will provide Participants with additional manufacturer discounts on certain drugs at the point of sale. From time to time, AdvancePCS may revise the list of drugs that have additional participant discounts. The current list of drugs on which Participants may receive additional discounts is available upon request. AdvancePCS will timely notify Member County and Customer of any revisions to this list of drugs.

1.9 Management Reports. AdvancePCS will provide Member County and Customer with AdvancePCS' standard management reports in connection with the Services, which reports may change from time to time at AdvancePCS' discretion. Member County and Customer may elect to receive a reasonable number of the standard management reports made available by AdvancePCS.

1.10 Mail Service Program. AdvancePCS may provide to Member County mail order pharmacy services through its mail order pharmacy facilities. For the duration of this Agreement, Member County agrees that it will offer only AdvancePCS mail order pharmacy services for its Participants covered under this Agreement, as further described below.

AdvancePCS shall fill prescriptions for Participants and shall mail such drugs or medications to such Participants subject to the following terms and conditions:

a. Distribution of Information. AdvancePCS shall provide Participants with its standard informational material explaining the mail service and the forms necessary for Participants to utilize mail service. Participants will have toll-free telephone access to a pharmacist and customer service representative. Access to a pharmacist will be available 24 hours per day, seven days per week.

b. Delivery and Dispensing. AdvancePCS shall dispense through its mail service pharmacy new or refill prescription orders upon receipt from a Participant of (i) a valid prescription order or a completed refill order form and (ii) the applicable payment. AdvancePCS shall cause the filled prescriptions to be mailed to each Participant via common carrier at the address appearing on the face of the prescription so long as such addresses are in the United States. AdvancePCS shall not be liable to Member County, Customer or Participant for any delay in delivery resulting from circumstances beyond AdvancePCS' control as set forth in Section 6.2.

AdvancePCS' mail order pharmacies may dispense drugs even if the prescription is not accompanied by the correct amount however, Member County and Customer acknowledge and agree that AdvancePCS may refuse to fill any prescription that is either not accompanied by the correct amount and/or for any Participant who has an unpaid balance with AdvancePCS.

1.11 Preferred Drug Program. AdvancePCS and the retail Participating Pharmacies will work together to encourage the use of Preferred Drugs by (i) identifying appropriate opportunities for converting a prescription from a non-Preferred Drug to a Preferred Drug, and (ii) contacting the Participant and the prescriber to request that the prescription be changed to the Preferred Drug. A Preferred Drug is one on the Performance Drug List, which has been developed by AdvancePCS as a clinically appropriate and economically advantageous subset of the AdvancePCS Formulary, as revised by AdvancePCS from time to time.

1.12 Specialty Pharmacy. AdvancePCS' specialty pharmacy service will be provided by an AdvancePCS specialty pharmacy entity or its affiliate ("**AdvancePCS SpecialtyRx**"), and offers a distribution channel for certain pharmaceutical products that are generally biotechnological in nature, are given by injection, or otherwise require special handling ("**Specialty Medications**").

AdvancePCS SpecialtyRx shall provide prescription fulfillment and distribution of Specialty Medications and supplies, pharmaceutical care management services, as well as the types of Service that Member County receives under this Agreement, including but not limited to customer services, utilization and clinical management, integrated reporting and Claims processing ("**SpecialtyRx Services**").

AdvancePCS SpecialtyRx may receive prescriptions from Participants through an affiliated AdvancePCS mail facility or directly via the U.S. Mail or commercial carrier at the address specified by AdvancePCS from time to time and may also receive prescriptions from physicians by fax or by U.S. Mail/commercial

carrier. In accordance with the Consumer Card Program, AdvancePCS SpecialtyRx shall dispense Covered Items in accordance with those prescriptions and mail the Covered Items to Participants at the designated address, so long as such address is located within the United States. AdvancePCS SpecialtyRx may not dispense drugs to Participants who fail to submit the correct payment with their prescription.

AdvancePCS SpecialtyRx pharmaceutical care management services include but may not be limited to: (1) patient profiling focusing on the appropriateness of Specialty Medication therapy and care and the prevention of drug-drug interactions; (2) patient education materials; and (3) disease management and compliance programs with respect to Specialty Medications. As part of these services, Participants will be asked to participate in various surveys.

AdvancePCS will provide Member County and Customer with a list of the Specialty Medications and their corresponding rates (which may vary from Network Rates) upon request. Routine supplies (needles, syringes, alcohol swabs) in a sufficient quantity will be included at no additional expense.

2. FEES AND PAYMENT.

2.1 Fees. The parties agree that, in lieu of billing Member County a “per Claim” fee for Services, AdvancePCS shall retain 100% of the Rebates as reasonable compensation for the Services. Customer and Member County understand and agree that neither they nor any Participant will share in the Rebate monies collected from Manufacturers by AdvancePCS.

2.2 Remedies. In the event Member County or Customer incurs any fee, as identified in Exhibit B, it will pay AdvancePCS such fees as reasonable compensation. In the event any such fees apply and Member County or Customer fails to pay AdvancePCS by the due date any amount owing, AdvancePCS, after making a reasonable effort to collect and upon notice to such Member County or Customer may, in addition to its remedies under this Agreement, at Law or in equity, do any or all of the following: (i) suspend performance of any or all of AdvancePCS’ obligations under or in connection with this Agreement with respect to such Member County or Customer, including AdvancePCS’ obligation to process Claims or (ii) set off against any amounts payable to such Member County or Customer by any amounts due AdvancePCS from such Member County or Customer.

2.3 Pricing Changes. After the Initial Term of this Agreement, as set forth in Section 7.1, AdvancePCS may change the fees applicable to the Consumer Card Program. AdvancePCS will give Customer sixty days' written notice of any change, and such change will take effect on the first day of the month following the sixty-day notice period. Customer may object to an increase in fees by providing written notice to AdvancePCS at least thirty days before the expiration of the sixty-day notice period. If the parties cannot agree on an appropriate fee, this Agreement will terminate at the end of the sixty-day notice period. If Customer does not timely object, Customer will have no right to terminate this Agreement based on the pricing change.

3. CUSTOMER AND MEMBER COUNTY OBLIGATIONS.

3.1 Marketing Materials. The parties agree to use only those marketing brochures and other advertising materials pertaining to Customer’s Consumer Card Program (in any medium, including, but not limited to, written communications, verbal communications and web based marketing) that have been approved by the other. Member County and Customer further agree that they will communicate such requirements to its clients or groups and will ensure that such clients or groups comply with the requirements of this Section 3.1. AdvancePCS may terminate this Agreement immediately in the event Member County or Customer fails to comply with the provisions of this Section 3.1.

AdvancePCS will provide its standard marketing brochures, advertising materials and mail order forms, as applicable, to Member County at no cost. AdvancePCS will work with and support each Member

County in marketing the Consumer Card Program at no cost. If the cost associated with providing such materials is determined by AdvancePCS to be unreasonable or excessive, Customer or Member County shall pay for the costs of the materials at a rate to be mutually agreed to by the parties in writing. If Member County or Customer elects to use customized brochures or advertising materials (in any medium, including but not limited to written communications, verbal communications and web based marketing), Member County and Customer will (i) obtain AdvancePCS' approval on such forms, and (ii) pay a reasonable charge, as established by AdvancePCS, for such materials if created or provided by AdvancePCS.

3.2 Support of Consumer Card Program. Customer will recommend and support the Consumer Card Program in accordance with the terms of this Agreement.

4. USE OF AND ACCESS TO INFORMATION.

4.1 Use of Participant Information. AdvancePCS, Customer and Member County may use, disclose, reproduce or adapt information obtained in connection with this Agreement, including Claims ("Claims Information") as well as Eligibility Information, in any manner they deem appropriate, except that each party and its agents, employees and contractors shall maintain the confidentiality of this information to the extent required by applicable Law, and may not use the information in any way prohibited by Law. Any work, compilation, processes or inventions developed by AdvancePCS, Customer, Member County or their respective agents, employees or contractors, is deemed Confidential Information of such party under this Agreement.

4.2 Right to Audit Rebates. Customer, at its sole expense, may audit a reasonable sample of records directly related to Customer's Rebates once in each twelve-month period (following sixty (60) days written notice to AdvancePCS). Such records shall be limited to information necessary for validating the accuracy of the Rebate amounts distributed to Member County by AdvancePCS. The parties agree that an independent third-party auditor agreeable to Customer and AdvancePCS shall conduct such audit, and that such firm will sign an AdvancePCS confidentiality agreement ensuring that all details and terms of all Manufacturer Rebate contracts with AdvancePCS (except the total aggregate amount due to Customer) will be treated as confidential to AdvancePCS and will not be revealed in any manner or form by or to any person or entity. Furthermore, such audit shall be conducted at AdvancePCS' office where such records are located, during normal business hours, without undue interference with business activities, and in accordance with reasonable audit procedures.

5. CONFIDENTIALITY AND INTELLECTUAL PROPERTY.

5.1 Confidential and Proprietary Information. In connection with this Agreement, each party may disclose to the other party certain proprietary or confidential technical and business information, databases, trade secrets, and innovations belonging to the disclosing party ("Confidential Information"), the value of which might be lost if the proprietary nature or confidentiality of such Confidential Information is not maintained. For the purposes of this Section, the contents of this Agreement and of any exhibits, amendments, or addenda attached hereto are deemed Confidential Information. Furthermore, any work, compilation, processes or inventions developed by AdvancePCS, Member County or Customer, or their respective agents, employees or contractors, is deemed Confidential Information of such party under this Agreement. Notwithstanding the foregoing, Confidential Information may be disclosed by Member County in response to a request made pursuant to the Member County's applicable state Freedom of Information Law, insofar as disclosure is required by that Law. Member County shall provide AdvancePCS with (i) notice of its intent to disclose Confidential Information and (ii) an opportunity for AdvancePCS to object to such disclosure in accordance with Law. Information submitted to the Member County may be subject to disclosure under the Member County's applicable state Freedom of Information Law ("FOIL") and other Laws.

5.2 Non-Disclosure of Confidential Information. The parties will not (except to the extent expressly authorized by this Agreement) disclose Confidential Information of any other to anyone outside of AdvancePCS, Member County or Customer, nor will they copy or reproduce any Confidential Information of another unless expressly authorized to do so by such party in writing. Each party will disclose Confidential Information of another only to its employees who have a need to know the Confidential Information in order to accomplish the purpose of this Agreement and who (i) have been informed of the confidential and proprietary nature of the Confidential Information, and (ii) have agreed not to disclose it to others. In order to preserve and protect the confidential or proprietary nature of any Confidential Information and to prevent it from falling into the public domain or into the possession of persons not bound to maintain its confidentiality, each party will handle the Confidential Information of any other party with the same degree of care that it applies with respect to its own information that it considers as confidential and proprietary, but in no event with less than reasonable care.

5.3 Exceptions and Permitted Disclosures. The receiving party of Confidential Information will not be liable for any disclosure or use of Confidential Information which is publicly available or later becomes publicly available other than through a breach of this Agreement, or if the Confidential Information is shown by written documentation to be known to the receiving party on the date of execution of this Agreement, having been received from a source (other than a party to this Agreement) that had the right to disclose the Confidential Information.

5.4 Subpoena. Confidential Information may be disclosed pursuant to a bona fide subpoena if the party receiving the bona fide subpoena has given the other party prompt written notice of receipt of the subpoena so that the other party can object or otherwise intervene as it deems proper.

5.5 Return or Destruction of Information. All Confidential Information will remain the property of the disclosing party, and the receiving party will return all written or tangible materials, and all copies thereof, upon request of the disclosing party. If and to the extent feasible, upon termination of this Agreement, AdvancePCS will destroy or will return to Member County or Customer all PHI obtained pursuant to this Agreement and shall retain no copies thereof; provided however, that if such return or destruction is not reasonably feasible, the provisions of Section 4 of this Agreement shall continue to apply to such information after the termination hereof.

5.6 Proprietary to AdvancePCS. Member County and Customer acknowledge that the Formulary is proprietary to AdvancePCS. Further, all AdvancePCS databases, as well as the software, hard coding, and logic used to generate the compilations of information contained in AdvancePCS' Claims adjudication system and in all other databases developed by AdvancePCS or its designees in connection with performing Services including identifiers assigned by AdvancePCS, and the format of all reports, printouts, and copies there from, and any prior and future versions thereof by any name, are the property of AdvancePCS and are protected by copyright which shall be owned by AdvancePCS.

5.7 Tradenames; Trademarks; and Service Marks. None of the parties hereto may use any tradenames, trademarks or service marks of another, or any word or symbol likely to be confused with such tradenames, trademarks or service marks, unless authorized in writing or as expressly permitted by this Agreement.

5.8 Remedies. Any unauthorized disclosure or use of Confidential Information would cause AdvancePCS, Member County or Customer immediate and irreparable injury or loss that cannot be adequately compensated with money damages. Accordingly, if any party hereto fails to comply with this Section 5, the other(s) will be entitled to specific performance including immediate issuance of a temporary restraining order or preliminary injunction enforcing this Agreement, and to judgment for damages (including reasonable attorneys' fees) caused by the breach, and to any other remedies provided by Law.

6. LIMITATION OF LIABILITY; COMPLIANCE WITH LAW.

6.1 Warranty. This Agreement is not a contract for the sale of goods. AdvancePCS will perform the Services in a good and workmanlike manner in accordance with the customs, practices, and standards of providers skilled in the industry. EXCEPT AS WARRANTED IN THIS SECTION 6.1, ADVANCEPCS DISCLAIMS ALL EXPRESS AND ALL IMPLIED WARRANTIES OF ANY KIND, INCLUDING THE SUITABILITY FOR ANY PARTICULAR PURPOSE OF THE DATA GENERATED THROUGH THE ADVANCEPCS SYSTEM. ADVANCEPCS RELIES ON FIRST DATABANK, MEDI-SPAN, OR INDUSTRY COMPARABLE DATABASES IN PROVIDING CUSTOMER, MEMBER COUNTY AND PARTICIPANTS WITH DRUG UTILIZATION REVIEW SERVICES. ADVANCEPCS HAS UTILIZED DUE DILIGENCE IN COLLECTING AND REPORTING THE INFORMATION CONTAINED IN THE DATABASES AND HAS OBTAINED SUCH INFORMATION FROM SOURCES BELIEVED TO BE RELIABLE. ADVANCEPCS, HOWEVER, DOES NOT WARRANT THE ACCURACY OF REPORTS, ALERTS, CODES, PRICES, OR OTHER DATA CONTAINED IN THE DATABASES. THE CLINICAL INFORMATION CONTAINED IN THE DATABASES AND THE FORMULARY IS INTENDED AS A SUPPLEMENT TO, AND NOT A SUBSTITUTE FOR, THE KNOWLEDGE, EXPERTISE, SKILL, AND JUDGMENT OF PHYSICIANS, PHARMACISTS, OR OTHER HEALTH-CARE PROFESSIONALS INVOLVED IN PARTICIPANT'S CARE. THE ABSENCE OF A WARNING FOR A GIVEN DRUG OR DRUG COMBINATION SHALL NOT BE CONSTRUED TO INDICATE THAT THE DRUG OR DRUG COMBINATION IS SAFE, APPROPRIATE OR EFFECTIVE FOR ANY PARTICIPANT. ADVANCEPCS DOES NOT WARRANT THAT ITS SERVICES WILL BE UNINTERRUPTED OR ERROR FREE.

6.2 Force Majeure. Except for the payment obligations set forth in Section 2 of this Agreement, the parties are excused from performance under this Agreement to the extent that a party is prevented from performing any obligation, in whole or in part, as a result of causes beyond its reasonable control, including, acts of God, war, civil disturbance, court order, governmental intervention, Change in Law, nonperformance by the other party or any third party, failures or fluctuations in electrical power, heat, light, air conditioning, or telecommunications equipment. Any nonperformance under this Section 6.2 will not constitute a default or a ground for termination of this Agreement.

6.3 Indemnity. To the extent permitted by applicable Law applicable to Customer and each Member County, Customer and Member County shall indemnify and hold harmless AdvancePCS and its officers, directors, employees, agents, successors, and assigns ("**AdvancePCS Indemnitees**") for, from and against any damages, costs, or attorney's fees, actually incurred by an AdvancePCS Indemnitee, as the result of a claim brought by any third party or a participant or beneficiary relating to the Services, provided that the AdvancePCS Indemnitee has acted in a manner that is consistent with this Agreement and applicable standards of care. The foregoing indemnification shall not apply and shall not be enforceable to the extent any applicable Law prohibits a Member County from providing such indemnification. AdvancePCS shall indemnify and hold harmless Member County, Customer and their officers, directors, employees, agents, successors, and assigns (collectively "**Customer Indemnitees**") for, from and against any damages, costs, or attorney's fees, actually incurred by any Customer Indemnitee, as the result of a third party claim that AdvancePCS, its officers, directors, employees, agents, successors, or assigns acted with negligence, willfully, and/or in violation of applicable standards of care, provided that the Customer Indemnitee has acted in a manner that is consistent with this Agreement, the Consumer Card Program and applicable standards of care. However, nothing in this Agreement is to be construed as a waiver of governmental immunity as offered by the court or state law.

6.4 Compliance with Law. Customer and Member County will comply with all Laws applicable to its prescription drug benefit plan, including without limitation insurance licensing, antitrust, consumer protection, and any other Laws that may apply. AdvancePCS has no responsibility to advise Member County or Customer about the applicability of or compliance with any applicable Law including,

without limitation, HIPAA, the Employee Retirement Income Security Act, or the Americans with Disabilities Act.

AdvancePCS will comply with all Laws applicable to it and to the Services it provides under this Agreement. Member County and Customer have no responsibility to advise AdvancePCS regarding its compliance with any applicable Law.

6.5 Change in Law. The parties will attempt to equitably adjust the terms of this Agreement to take into account any Change in Law or any material change in drug industry practice that materially alters the rights or obligations of either party under this Agreement. If the parties are unable to agree upon an equitable adjustment within sixty days after either party notifies the other of such a Change in Law or material change in drug industry practice, this Agreement will automatically terminate.

6.6 Limitations. In no event shall either party be liable to the other party, nor shall AdvancePCS be liable to any Participant for any indirect, special, or consequential damages or lost profits, arising out of or related to performance of this Agreement or a breach of this Agreement, even if advised of the possibility of such damages or lost profits.

AdvancePCS (and its affiliates, directors, employees, agents, successors or assigns) will not be liable for any claim which is asserted by Member County or Customer more than ninety days after Member County or Customer is or reasonably should have been aware of such claim, and will in no event be liable for any claim which is asserted more than twelve months after the event resulting in damages or loss.

AdvancePCS does not direct or exercise any control over the professional judgment exercised by any pharmacist in dispensing prescriptions or otherwise providing pharmaceutical related services at a Participating Pharmacy. Participating Pharmacies are independent contractors, not subcontractors or agents of AdvancePCS, and AdvancePCS shall have no liability to Member County or Customer for a claim arising out of any act or omission of any Participating Pharmacy or its agents or employees.

7. TERM AND TERMINATION OF AGREEMENT.

7.1 Term. This Agreement is for an initial term of three years and one month from the Effective Date, through July 31, 2008 (the “**Initial Term**”), and will automatically continue in effect for successive one year terms thereafter, subject to the remaining provisions of this Section.

7.2 Termination. This Agreement may be terminated as follows:

a. By any party, with or without cause, at the end of the Initial Term or any renewal term, by giving written notice to the others at least 60 days prior to the end of such Initial Term or renewal term;

b. Automatically, if the parties are unable to agree on an equitable adjustment under Section 6.5 of this Agreement;

c. By any party if another materially defaults in its performance of this Agreement and such default continues without cure for a period of sixty days after the terminating party provides written notice to the defaulting party specifying the nature of the default;

d. By any party, at its option, if any court, or governmental or regulatory agency issues to another party an order or finding of impairment or insolvency, or an order to cease and desist from writing business. The party receiving notice of an order or finding must provide the others written notice within two business days of receipt;

e. By any party if another party: (i) makes an assignment for the benefit of creditors; (ii) has a petition filed (whether voluntary or involuntary) under Title 11 of the United States Code, or any other similar statute now or hereafter in effect; (iii) has a receiver, custodian, conservator, or trustee appointed with respect to all or a substantial part of its property; or (iv) has a proceeding commenced against it which substantially impairs performance hereunder; or

f. By AdvancePCS, immediately on written notice to Member County or Customer, if (i) either fails to comply with the provisions of Section 3.1 of this Agreement, or (ii) AdvancePCS determines, in its sole discretion that Member County or Customer's program may not fully comply with all applicable Laws.

7.3 Effect of Termination and Survival.

Sections 4, 5 and 6 of this Agreement, and obligations arising under this Agreement prior to the effective date of any termination, will survive termination.

8. NOTICES.

All notices under this Agreement must be in writing, delivered in person, sent by certified mail, delivered by air courier, or transmitted by facsimile and confirmed in writing (by air courier or certified mail) to a party at the facsimile number and address shown in this Agreement. A party may notify the other party of any changes in the listed address or facsimile number in accordance with the provisions of this Section. All notices are effective upon receipt.

Notices to AdvancePCS must be addressed as follows:

Vice President, Client Contract Services
Caremark Inc.
2211 Sanders Road, NBT9
Northbrook, IL 60062
Fax No.: 847-559-4302

With a copy to:

Managing Counsel, Client and Account Services
Caremark Inc.
2211 Sanders Road, NBT9
Northbrook, IL 60062
Fax No.: 847-559-4879

Notices to Customer must be addressed as follows:

National Association of Counties
440 First Street, NW
Washington, DC 20001
Attn: Mr. Andrew Goldschmidt, Director, Membership Marketing
Fax No.: (202) 393-2630

9. MISCELLANEOUS.

9.1 Entire Agreement; Interpretation; Amendment; Counterparts. This Agreement (including exhibits, schedules, attachments, or any addendum to this Agreement) constitutes the entire understanding and obligation of the parties with respect to the Services and supersedes any prior agreements, writings, or understandings, whether oral or written. The headings in this Agreement are used only for convenience of reference and do not affect the meaning or interpretation of any provision. The parties may amend this Agreement only through a properly executed writing authorized by both parties. This Agreement may be executed in several counterparts, all of which taken together constitute a single agreement between the parties.

9.2 Binding Effect; Assignment. This Agreement is binding on the parties and their respective successors and permitted assigns. None of the parties may assign this Agreement, in whole or in part, without the prior written consent of the others (which consent will not be unreasonably withheld); except that AdvancePCS may assign this Agreement, in whole or in part, to any entity that controls, is controlled by, or is under common control with AdvancePCS.

9.3 Independent Contractor; Third Parties. The parties to this Agreement are independent contractors, and have no other legal relationship under or in connection with this Agreement. No term or provision of this Agreement is for the benefit of any person who is not a party hereto (including, without limitation, any Participant or broker), and no such party will have any right or cause of action hereunder.

9.4 Waivers. Any failure by a party to comply with any covenant, agreement, or condition herein or in any other agreements or instruments executed and delivered hereunder may be waived in writing by the party in whose favor such obligation or condition runs; except that failure to insist upon strict compliance with any such covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

9.5 Severability. In the event any term or provision of this Agreement is declared to be invalid or illegal for any reason, this Agreement will remain in full force and effect and will be interpreted as though such invalid or illegal provision were not a part of this Agreement. The remaining provisions will be construed to preserve the intent and purpose of this Agreement and the parties will negotiate in good faith to modify any invalidated provisions to preserve each party's anticipated benefits.

9.6 Enforcement Costs. If any party hereto institutes an action or proceeding to enforce any rights arising under this Agreement, the party prevailing in such action or proceeding will be paid all reasonable attorneys' fees and costs to enforce such rights by the other party, such fees and costs to be set by the court, not by a jury, and to be included in the judgment entered in such proceeding.

9.7 Authority. Each party represents and warrants that it has the necessary power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement.

9.8 Exclusivity. Member County and Customer hereby grant AdvancePCS during the term of this Agreement, and any renewals hereof, the exclusive right to provide a Consumer Card Program to Member County and Customer. This exclusive right is solely applicable to Participants designated by Member County as eligible for the Member County's discount consumer card program and shall not affect any other benefits or programs provided to Participants by the Members County... Member County and Customer further agree that, during the term of this Agreement, and any renewals hereof, it will not negotiate, contract, or agree with any drug manufacturer for the purpose of obtaining Rebates or other discounts related to Participants under this Agreement. Member County and Customer also agree to cancel any existing agreements or contracts with any drug manufacturers related to such drug Rebates or discounts as of the Effective Date of this Agreement. In the event of a breach of this Section by Member

County or Customer, AdvancePCS may terminate this Agreement. By entering into this Agreement, Customer does not endorse, and AdvancePCS will not represent Customer's endorsement of any other programs or services which AdvancePCS may offer to a Member County or Participant.

9.9 Drug Classification and Pricing. AdvancePCS shall use the latest edition of the First DataBank Blue Book (with supplements), the Medi-Span Master Drug Pricing Source (with supplements), or any other nationally recognized pricing source as the source for purposes of pricing and classifying drugs (e.g., legend vs. over the counter, brand vs. generic) in connection with this Agreement.

10. DEFINITIONS. The following terms and phrases, when capitalized, have the meanings set forth below.

a. "AWP" means the average wholesale price of the drug dispensed as set forth in the latest edition of the First DataBank Blue Book (with supplements), the Medi-Span Prescription Pricing Guide (with supplements) or any other similar nationally recognized reference selected by AdvancePCS.

b. "Change in Law" means any (i) change in or adoption of any Law, (ii) change in the judicial or administrative interpretation of any Law, or (iii) change in the enforcement of any Law, occurring after the date Customer is implemented or the Effective Date, whichever is earlier.

c. "Claim(s)" mean those claims processed through the AdvancePCS on-line claims adjudication system or otherwise transmitted or processed in accordance with the terms of this Agreement in connection with the Consumer Card Program.

d. "Covered Items" mean the prescription drug benefits for which Participants are eligible pursuant to Member County's drug benefit plan.

e. "Law" means any federal, state, local or other constitution, charter, act, statute, law, ordinance, code, rule, regulation, order, specified standards or objective criteria contained in any applicable permit or approval, or other legislative or administrative action of the United States of America, or any state or any agency, department, authority, political subdivision or other instrumentality thereof or a decree or judgment or order of a court.

f. "Manufacturer" means a pharmaceutical company that has contracted with AdvancePCS (or its affiliate or agent) to offer discounts for pharmaceutical products in connection with AdvancePCS' Formulary Services.

g. "Maximum Allowable Cost (MAC)" means the then current maximum allowable cost for a prescription drug listed as a drug available from more than one Manufacturer in AdvancePCS' pharmaceutical MAC pricing formula, including but not limited to formulas utilizing the Medi-Span Master Drug Pricing Source or First Data Bank.

h. "Participant" means an individual designated by Member County as eligible for Covered Items under the terms of the Consumer Card Program.

i. "Participating Pharmacy" means a pharmacy that has agreed to provide certain pharmacy services to Participants in accordance with the terms of its agreement with AdvancePCS. A list of Participating Pharmacies can be accessed via AdvancePCS' Internet website, which is subject to change from time to time.

j. "Rebate(s)" means, for any period, all rebates, reimbursements, or other discounts received under a pharmaceutical manufacturer's discount program with respect to pharmaceutical products dispensed to a Participant under the Consumer Card Program for such period.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective duly authorized officers or agents as of the date first above written.

**NATIONAL ASSOCIATION OF
COUNTIES**

**ADVANCEPCS HEALTH, L.P.
By: AdvancePCS Health Systems, LLC,
its General Partner**

By: _____

Larry E. Naake _____

Title: Executive Director _____

Title: _____

Date: _____

Date: _____

EXHIBIT B
ADMINISTRATIVE FEES

AdvancePCS will provide the following services if selected by Customer or Member County for an additional fee as set forth in Exhibit B. The Services are subject to change as provided for in the Agreement. Capitalized terms not defined herein will have the meanings used in the Agreement.

1. Customer-Specific Programming. If Customer or Member County requests services or changes to Services that require customized programming or systems work, AdvancePCS will attempt to estimate the time and cost for completion of such work. If Customer or Member County authorizes AdvancePCS to perform such work, it will pay AdvancePCS the cost of performing such work at the programming rate set forth in Exhibit B.

National Association of Counties
Effective July 1, 2005

As consideration for the Services selected by Member County in accordance with the Agreement, Member County will pay to AdvancePCS the fees set forth below:

Administrative Fees

Per Processed Retail Claim	\$0.00
Per Processed Mail Claim	\$0.00

As consideration for the Consumer Card Program selected by Member County in accordance with this Agreement, Member County will pay to AdvancePCS 100% of the Rebates collected from Manufacturers pursuant to this Agreement.

Consumer Card Program Retail Network Rates¹

Brand:	AWP-13% + \$3.50 transaction fee or Usual & Customary
Generic:	AWP-13% + \$3.50 transaction fee, MAC + \$3.50 transaction fee or Usual & Customary

Mail Service Rates¹

Brand:	AWP-19% + \$1.00 dispensing fee
Generic:	AWP-50% + \$1.00 dispensing fee

Specialty Pharmacy Rates²

AWP-13% + \$3.50 dispensing fee

Other Fees

Section 1.6 - Card Issuance	No charge
Exhibit A(1) - Customer Specific Programming	\$150.00/Hour

Note: Charges or Services not identified above will be quoted upon request.

1. All claims may be aggregated for purposes of this rate. Actual rates may vary by Participating Pharmacy. Certain retail and mail Claims may be excluded from these rates, including but not limited to (i) Select Generics, which are generic drugs that enter the market with supply limitations or competitive restrictions that limit marketplace competition and (ii) Claims for select injectable drugs and select oral drugs that are bio-technological in nature, compound drugs and those requiring special handling.

2. This rate will apply to Claims for certain drugs filled by AdvancePCS SpecialtyRx, including but not limited to Claims for select injectable drugs and select oral drugs that are bio-technological in nature, compound drugs and those requiring special handling. All Claims may be aggregated for purposes of this rate. Rates for such drugs may vary if filled by a pharmacy other than AdvancePCS SpecialtyRx. Certain drugs will be priced separately from, and not be subject to the contracted rate for prescription Claims due to, among other things, specialized manufacturer processes, limited availability or extraordinary shipping requirements.

Finance Charges. Invoices are assessed finance charges on the amounts not paid within the terms set forth on the invoice. The finance charge shall be in an amount equal to one and one-half percent per month, unless such rate exceeds the maximum rate allowable by applicable Law, in which case such amounts shall bear interest at the maximum legally allowable rate.

EXHIBIT B
ADMINISTRATIVE FEES

Contingency. All prices are contingent upon Member County's full adoption of AdvancePCS' Performance Drug List and formulary management and intervention programs.

Handling Costs. Customer or Member County is in all events responsible for any postage costs or other mailing and handling-related costs incurred by AdvancePCS in connection with the provision of Services or additional services, except as to costs associated with standard Consumer Card Program materials that are shipped by bulk mail to Customer or Member County.

Taxes. It is the understanding of the parties that Participating Pharmacies shall collect from Participants all applicable taxes for Covered Items, and that AdvancePCS is not liable for the payment of applicable taxes. Any other taxes associated with the operation of Member County's Consumer Card Program are the responsibility of Member County.

**ADVANCEPCS HEALTH, L.P.
NATIONAL ASSOCIATION OF COUNTIES
MANAGED PHARMACY BENEFIT SERVICES AGREEMENT
FOR MEMBER COUNTY**

This Managed Pharmacy Benefit Services Agreement for Member County effective _____ is entered into by and between AdvancePCS Health, L.P. ("AdvancePCS") and _____ ("Member County"). Reference is hereby made to the Managed Pharmacy Benefit Services Agreement Consumer Card Program dated as of July 1, 2005 (the "Agreement") among National Association of Counties ("Customer"), Member County, and AdvancePCS under which Customer has engaged AdvancePCS to provide services to prescription drug plans for Customer and its Member Counties.

MEMBER COUNTY does hereby agree to be bound by, and to assume and perform, each and all of the terms, covenants and conditions of the Agreement as Member County (as defined in the Agreement) in the same manner and to the same extent as if it were a party thereto. Member County acknowledges and agrees that Customer and AdvancePCS may amend all or any portion of the Agreement, except with respect to the Initial Term, and Member County hereby agrees to be bound by any such amendment. Customer shall give Member County reasonable notice prior to the effective date of any such amendment. If such amendment is adverse to Member County or its Participants, Member County may, within ninety (90) days of receiving such notice from Customer, terminate its participation in the Agreement by giving prior written notice to Customer and AdvancePCS.

Customer and AdvancePCS, by their signatures hereto, accept and agree to Member County's participation with the Agreement under the terms and conditions of the Agreement. By signing this Managed Pharmacy Benefit Services Agreement for Member County, Member County acknowledges and agrees that the terms of the Agreement have been completely read, fully understood and voluntarily accepted and further agrees to be bound thereby.

ADVANCEPCS HEALTH, L.P.
By: AdvancePCS Health Systems, LLC,
its General Partner

NATIONAL ASSOCIATION OF COUNTIES

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

MEMBER COUNTY

Member County Name

By: _____

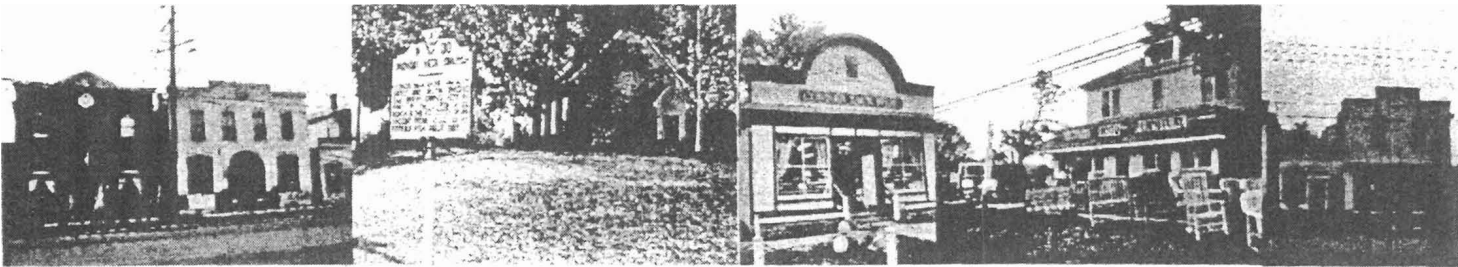
Title: _____

Date: _____

DrugProgram.att

THE HISTORIC WOODRIVER AREA

DESIGN GUIDELINES & STREETScape PLAN



December 29th, 2005

prepared for

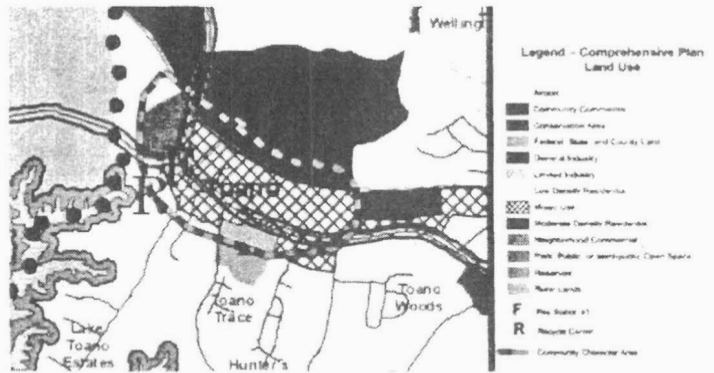
James City County



RENAISSANCE PLANNING GROUP

BACKGROUND

The historic village of Toano sits along Route 60 in the northern part of James City County, between Anderson's Corner and Norge. The village began as a railroad stop called Burnt Ordinary and in 1882 became known as Toano, a native American name for high ground. The extension of the Chesapeake and Ohio Railway along the middle of the peninsula led to the rapid expansion of the town as a commercial center for the northern part of the county. Industries which relied upon the railroad emerged along the Richmond Road corridor. With the expansion of the automobile in the 20th century, Richmond Road replaced the railroad as the primary conduit of goods and people through the village. The expansion of Richmond Road through the town in the 1950's eliminated many of the historic buildings in the village, particularly along the south side of the highway.



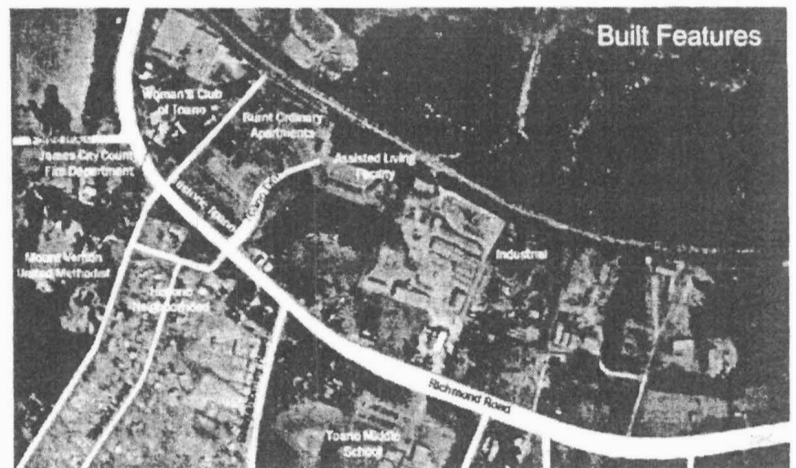
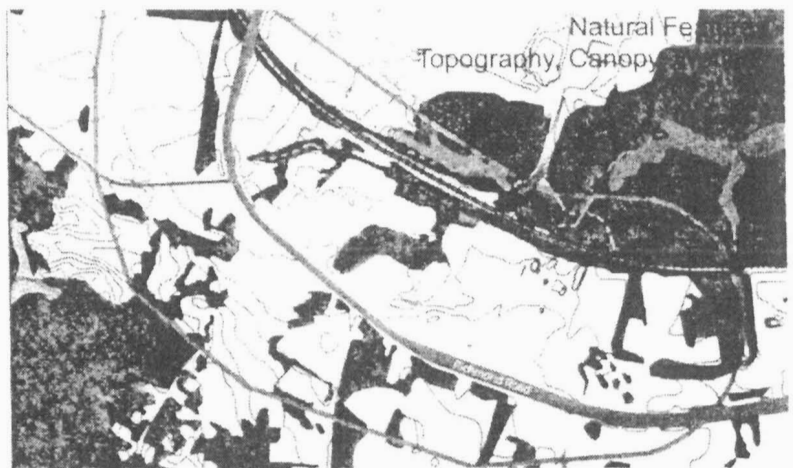
2003 Land Use Map for Toano

The 2003 Comprehensive Plan for James City County designates historic Toano as a Community Character Area. It calls for the architecture, scale, materials, and spacing of buildings to complement the historic character of the area. These guidelines and streetscape plan are the products of a steering committee convened to develop specific recommendations guiding the future development of the village while enhancing its historic character.

COMMUNITY PROFILE

Toano is situated along the ridge line that Richmond Road follows. North of Richmond Road, water flows to an intermittent stream and out into the York River watershed. South of Richmond Road, water flows to the Little Creek Reservoir and down to the Chickahominy River watershed. Along Richmond Road through town there are few existing mature stands of canopy trees. Mature canopy stands instead are found near the low lying floodplains.

Toano is characterized by a central historic district on Richmond Road between Forge Road and Toano Drive. Beyond this district lies a historic neighborhood to the south, with Mt. Vernon United Methodist Church and more recent housing to the north - Burnt Ordinary Apartments and Assisted Living facility. Other facilities in the town include Toano Middle School, James City County Fire Department and Emergency Operations Building, and the Women's Club of Toano. Much of the remainder of the town consists of industrial uses.



PLANNING PRINCIPLES

The following principles were developed in consultation with the Toano Community Character Area Steering Committee as well as members of the public. The principles form the foundation for the following streetscape and design guidelines.

1. Highlight and honor history
2. Encourage appropriate growth that enhances unique small town character
3. Preserve open space/rural lands; establish communal green space
4. Enhance pedestrian and bicycle environment while slowing vehicular traffic
5. Improve streetscape and landscape to create a sense of place

James City County has several policies in place that help to guide the development of Toano. These are included in the following lists under Community Character Areas and Streetscape Guidelines Policy.

Community Character Areas (from 2003 Comprehensive Plan)

1. Discourage surface parking
2. **Design and maintain appropriate landscaping**
3. Develop consistent signage
4. **Ensure pedestrian & bicycle access**
5. Promote mixed-use development
6. Provide open space

Streetscape Guidelines (Adopted April 2004)

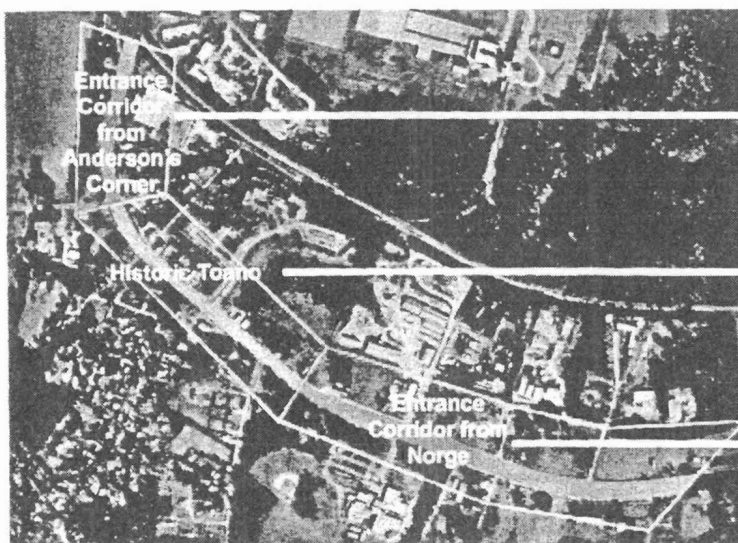
1. Preserve or establish tree canopies of 20% within 20 years growing time
2. A five foot landscape easement along a Right of Way must contain at least 1 tree per 40' or 1 shrub per 20'
3. Native species or common street trees are recommended
4. Existing trees within 20' of the Right of Way are protected by the zoning ordinance

COMMUNITY CHARACTER AREAS

The expansion of Richmond Road through the center of Toano resulted in the removal of buildings that once formed the town's center. The community is eager to rebuild their town in the character of a village, where their collective goals include creating a safe and vibrant place to live, work, and visit.

Three zones were selected by the committee for consideration in The Toano Community Character study: The Entrance Corridor from Anderson's Corner, Historic Toano, and The Entrance Corridor from Norge. Designs for each zone are based on the general concept of realizing a more defined town center and edge.

Map showing areas studied



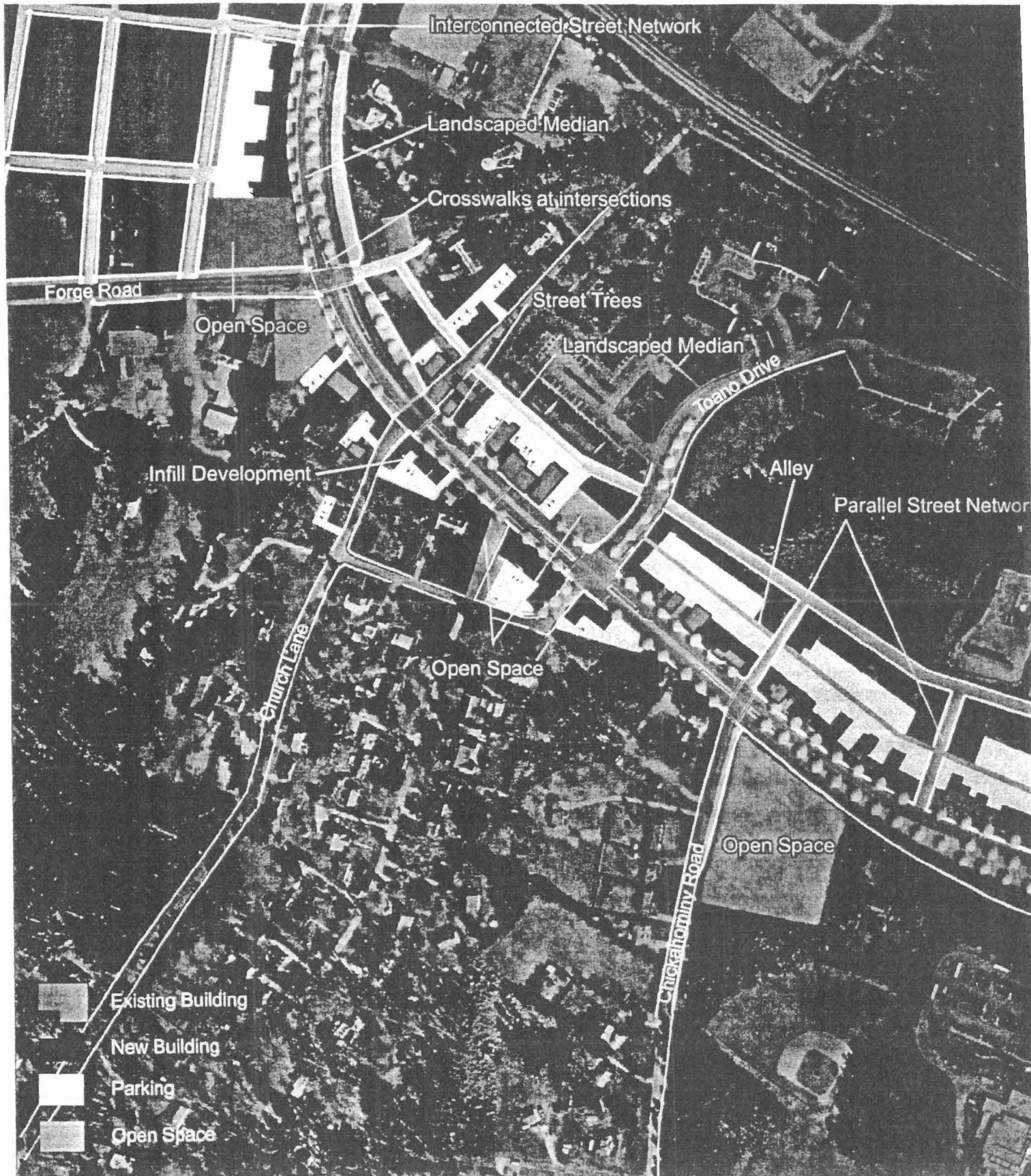
P. 6

P. 7

P. 8

The proposed Streetscape Plan (included on pages 4 and 5) provides a framework for creating and maintaining a sense of place in Toano. Through the careful redesign of the public realm along Richmond Road, a pattern of development emerges that should guide future investment. The creation of a street network adjacent and parallel to Richmond Road allows a finer grain of density to develop and contributes to the village-like feel. Additionally, this network begins to draw development and interest into side streets and neighborhoods. Through design elements such as street trees, building massing and orientation, landscaping, crosswalks, and a network of open space, the fingerprint of a vibrant place can emerge. Toano's future should be informed but not constrained by its past while enhancing its unique character.

PROPOSED STREETScape PLAN



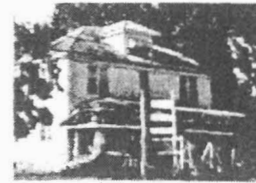
AERIAL OF TOANO



ARCHITECTURAL GUIDELINES



Silver Maple Cafe



Unfinished Furniture Shop



Historic Bank

Historic Toano

1. Buildings should be set back 10-15'. Massing should be denser in this area of Toano, with limited side yard setbacks of 0-5'.
2. Projects should have a consistent and distinct identity through the use of similar and compatible architecture and building materials. Predominant exterior materials should be of high quality, including wood, and brick. Buildings should be of similar size and design as the three existing main street buildings (Old Bank, Masonic Lodge, and Old Antique Store buildings), or other buildings previously located in this area of a similar age when their designs can be documented, as well as have architectural characteristics sensitive to and compatible with design elements of the nearby historic buildings, including: The Gatewood House, Silver Maple Café, and the Unfinished Wood Furniture Store.
3. Desired elements include two and three story buildings, windows on all floors, 1st or 2nd story porches.
4. Landscaping should consist predominantly of street trees, foundation plantings, and parking areas; fences and walls should be used to screen objectionable features such as mechanical equipment and dumpsters.
5. These guidelines are highly recommended for all parcels fronting on Richmond Road, and recommended for back parcels inside the Community Character Area

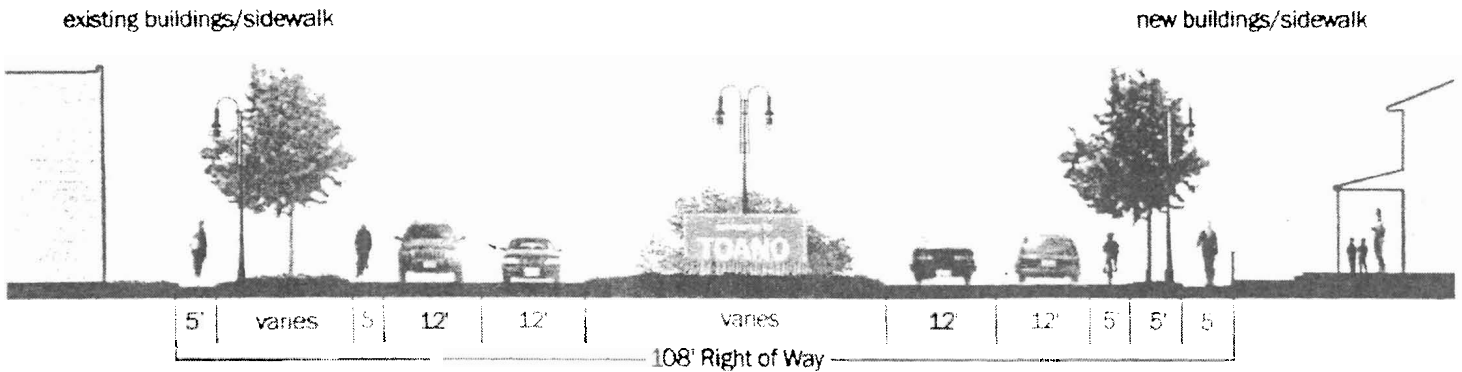
Transition Areas (also for Forge, Chickahominy, and Toano Drive transitions leading away from Richmond Road)

1. Building setbacks of 15-25 feet.
2. Buildings should be of a lesser scale than those directly along the historic Toano corridor, with building heights of one and a half and two stories.
3. Building density and massing should decrease as well, with side yard setbacks increasing to 10-15 feet.
4. Landscaping should focus on berms and buffers between the edge of the village and the rural lands or industrial uses, while landscaping along the internal roads should still focus on streetscapes and integration of the village area. Parking behind the buildings should still be screened with plantings, but can include a mix of on-street parking if the road width is wide enough to support it.
5. These guidelines are recommended for business and residential uses fronting on Richmond Road, and suggested for all other uses and back parcels

In Between Towns (Outskirts of Community Character Area and in between towns)

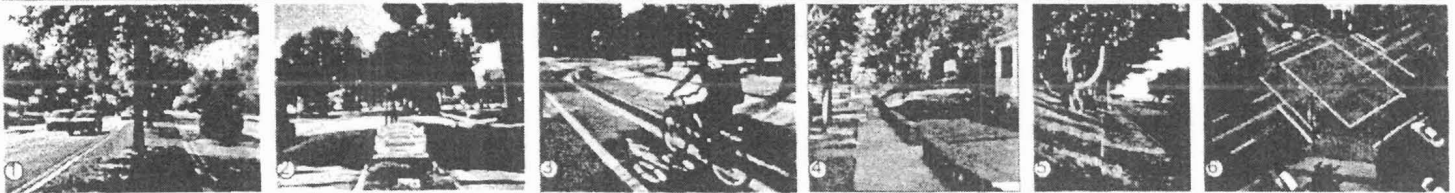
1. Building setbacks and buffers should increase in this section to more closely mirror the Comprehensive Plan designations for this area, as parcels in this section encompass more industrial, low-density residential, and agricultural uses
2. Building scale and density is more readily dependent on land use, rather than the Toano historic district guidelines.
3. Dominant features inside these areas should include more extensive buffering and landscape screening of these uses from Route 60

Entrance Corridor from Anderson's Corner - Richmond Road



Concerns	Goals
Traffic Speed	Lower the speed limit in the transitional zone
Infrastructure	Create additional access to and from any proposed Forge Road development to Richmond Road; Introduce a traffic signal at the intersection of Forge Road and Richmond Road; Develop infrastructure before growth, not as a reaction
Gateway into Toano	Provide design elements that reinforce a sense of arrival
Pedestrian/bike access	Promote walking and biking with safe, improved sidewalks, crosswalks, bike lanes and sidewalk buffers
Character	Maintain an agricultural character by screening development with landscape and buffers; Create a town edge by increasing building setbacks and decreasing overall density

DESIGN ELEMENTS - TRANSITION ZONES

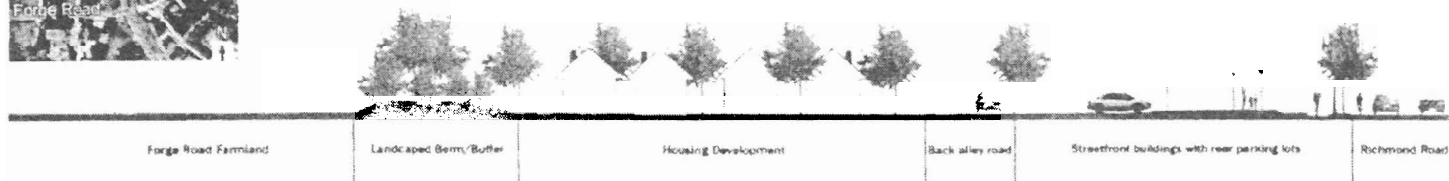


- Median with trees** - The transition from town center to town edge is enhanced by the introduction of trees in the median. In this corridor, visibility across the median becomes less important as the number of pedestrian crossings decrease.
- Gateway** - The median also acts as a space for the display of gateway elements such as signs, pedestrian-scale lighting, and sculpture/art work which alerts drivers to their arrival into town. Designed welcome signage can also be used to reinforce the desired character of the town/village and can provide information about the town to visitors.
- Bike lane** - A separate lane designated for bicycle traffic will help to reduce automobile traffic and will make the town and school more accessible to non-drivers.
- Sidewalks** - Wide, buffered sidewalks encourage walking to and from the town.
- Landscaped Berm** - Transitioning from Richmond Road to farmland on Forge Road, or to industry along the entrance corridor from Norge, berms or earth mounds could be employed as a visual edge or screen between different land uses. For year-round screening, berms should be planted with evergreen species and at a scale-appropriate density.
- Intersection** - A signalized intersection at Forge Road and Richmond Road will help to manage traffic and increase the overall safety for drivers, pedestrians, and bikers.

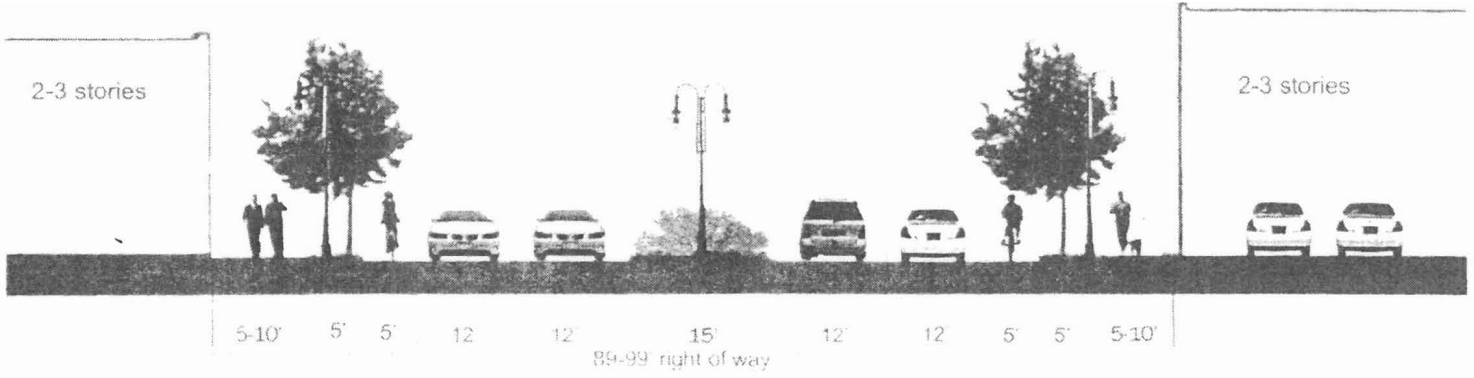
TRANSITIONAL DEVELOPMENT



Toano is primarily a rural/agricultural community, undergoing development pressure. The transition area North and South of Richmond Road should complement the character of the town center with smaller scale street-front buildings, rear entry parking, and pedestrian friendly design. Planning for new development should include the preservation of farm viewsheds and improved traffic management. Landscaped berms improve the visual continuity of farmland (example shown below) and act as a screen to adjacent or industrial development. New development should include a plan for multiple access routes and avoid overloading any single corridor.

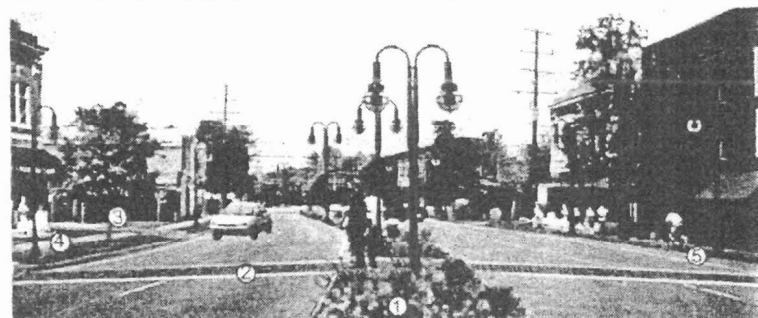


Historic Toano, Richmond Road

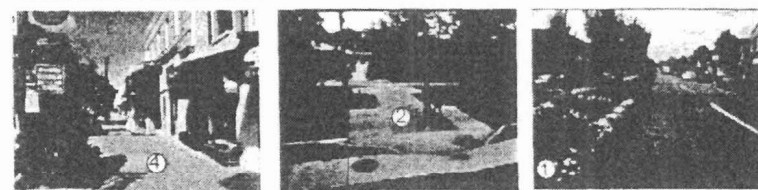


Concerns	Goals
Traffic	Reduce the perceived scale of Richmond Road by employing streetscape design elements; Introduce traffic signals and clearly mark intersections
Pedestrian Access/Network	Encourage pedestrian activity through improved streetscape design including new sidewalks, bike lanes, sidewalk buffers, crosswalks, a planted median/refuge island, and short building setbacks
Economic/social vitality	Enhance the sense of place by increasing the density of mixed-use buildings in the village center. Designate points of interest to attract visitors and revitalize the downtown economy. Incorporate land for parks and open space
Visual Beauty/character	Reinforce a village character with safe, walkable streets, landscaping and vernacular architecture; Preserve open space

DESIGN ELEMENTS - HISTORIC TOANO



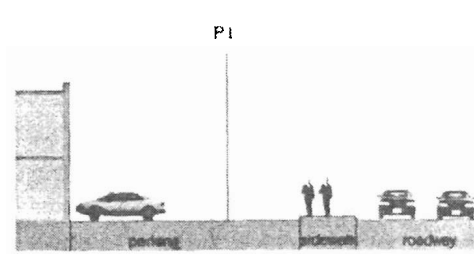
Richmond Road Enhancement



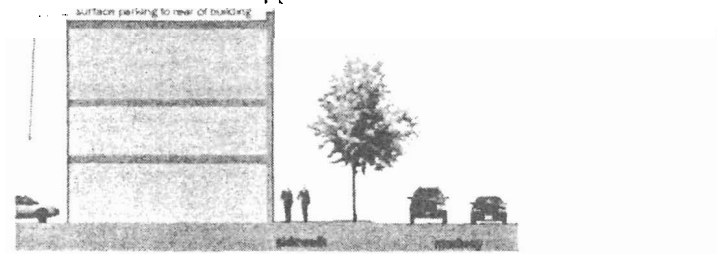
1. **Tree** - Separate directional traffic. Provide a refuge island for safe pedestrian crossing. Reduce the perceived width of the roadway and reinforce the sense of place with landscaping, pedestrian-scale lighting, and signage.
2. **Crosswalk** - Highlight and designate specific areas for pedestrian crossing. Use texture and color to alert and slow drivers. Connect crosswalk with network of sidewalks for full pedestrian access
3. **Sidewalk** - Promote sidewalk safety by providing grass buffer strips between pedestrian and highway traffic. Plant more street trees for shade, to add beauty to the streetscape, and to reinforce the distinction between the street and the sidewalk.
4. **Building Setback** - Create a clear and safe zone for pedestrians that links to a network of crosswalks and sidewalks. Improve the current condition of the sidewalks and provide ample width to encourage pedestrian activity.
5. **Parking** - Encourage bicycling as an alternate means of transportation. Provide a clearly defined lane for bikes with connections to a network.

BUILDING FRONTAGE AND PARKING

Promote a village town atmosphere where pedestrian activity is encouraged and served by a network of safe sidewalks and crosswalks that pass before building entrances. Activate the town center by increasing building density and height (up to three stories). Encourage shorter building setbacks with entry access from the sidewalk. Restrict parking to the side or rear of buildings. Access parking from Richmond Road at designated locations, and create alternative access to lots from back-alley roads.

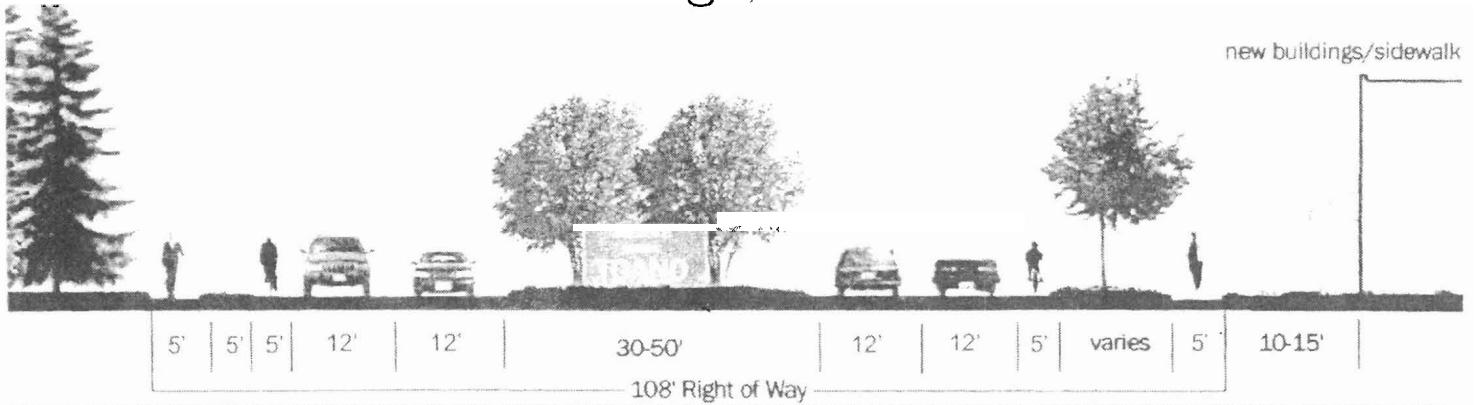


Discourages pedestrian activity



Parking behind the buildings promotes a pedestrian friendly streetscape

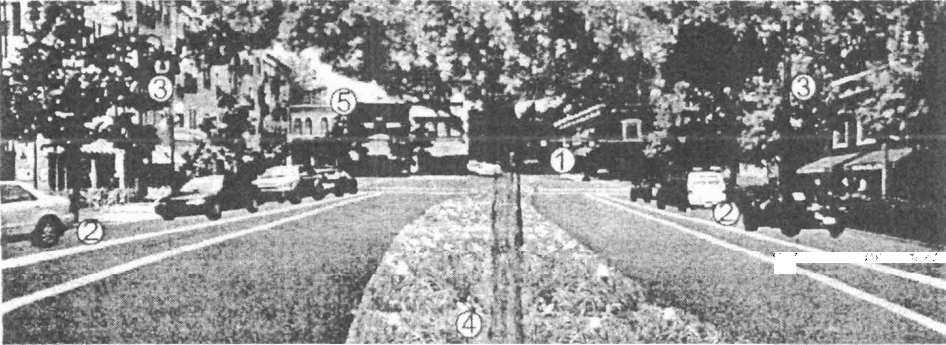
Entrance Corridor from Norge, Richmond Road



Concerns	Goals
Traffic Speed	Lower the speed of traffic entering town through signage, median plantings, street trees, sidewalks and shallow building setbacks
Gateway into Toano	Reinforce the sense of arrival through signage and other design elements
Development Pattern	Provide a framework of infrastructure (parallel streets, alleys, blocks) that extends the built pattern of the historic center in an incremental fashion as the village grows
Visual Beauty/character	Reinforce a village character with safe, walkable streets, landscaping, shallow building setbacks and vernacular architecture. Preserve open space where appropriate for future needs

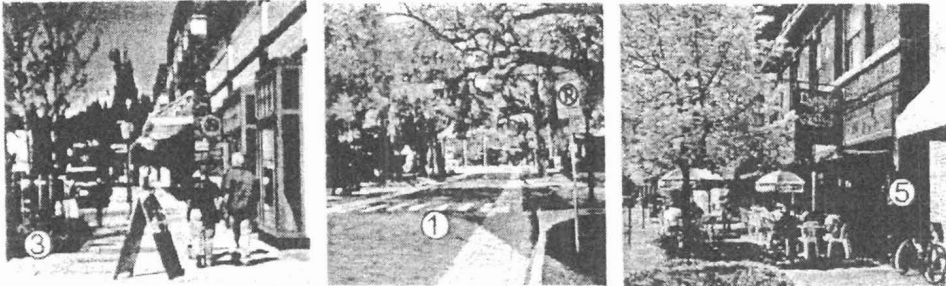
Note: Design elements for "Entrance Corridor from Norge" are consistent with those listed under "TRANSITION ZONE" - page 6

OTHER DESIGN ELEMENTS TO CONSIDER



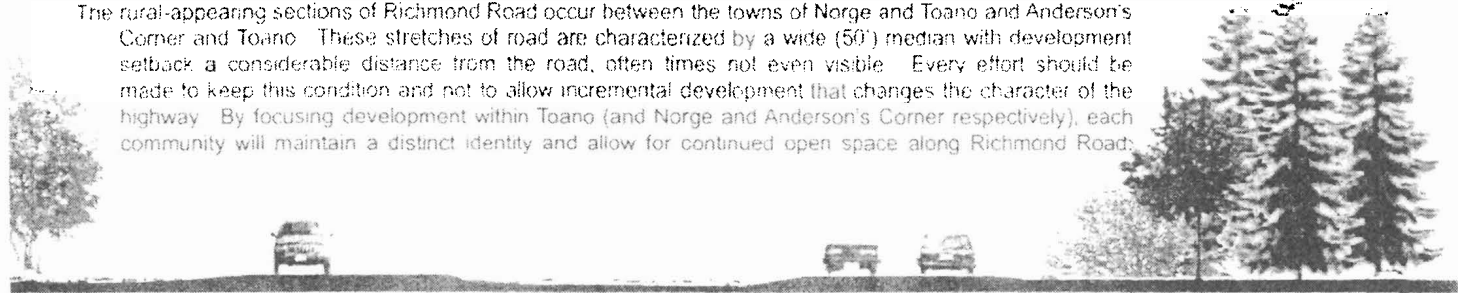
Toano Drive and Richmond Road Intersection Enhancement

- 1. Signal at Richmond Road** - Provide a signal which would slow down through traffic while allowing pedestrians to safely cross the highway at designated crosswalks.
- 2. On-street parking and bike lane** - Use the existing wide section of Toano Dr. to provide for on-street parking and a bike lane in both directions. This helps narrow the street and slows down traffic while providing alternatives to surface parking lots.
- 3. Pedestrian lighting and shade** - Create a safe and comfortable walking environment through pedestrian scale lighting and shade, which also helps to breakdown the scale of the street
- 4. Well-maintained landscape** - Help to create a sense of place through well-maintained landscape in the public realm of the median.
- 5. Encourage mixed-use development** - Encourage mixed-use development that follows the pattern found in historic Toano. Buildings should be 2 to 3 stories and pushed to the street edge with entrances onto the sidewalk



DEVELOPMENT PATTERNS TO AVOID

The rural-appearing sections of Richmond Road occur between the towns of Norge and Toano and Anderson's Corner and Toano. These stretches of road are characterized by a wide (50') median with development setback a considerable distance from the road, often times not even visible. Every effort should be made to keep this condition and not to allow incremental development that changes the character of the highway. By focusing development within Toano (and Norge and Anderson's Corner respectively), each community will maintain a distinct identity and allow for continued open space along Richmond Road.



AGREEMENT

THIS AGREEMENT, dated the ____ day of _____, 2006, is by and between the **ECONOMIC DEVELOPMENT AUTHORITY OF JAMES CITY COUNTY**, a political subdivision of the Commonwealth of Virginia (hereinafter referred to as “the Authority”), the **COUNTY OF JAMES CITY, VIRGINIA**, a political subdivision of the Commonwealth of Virginia (the “County”) and the **HAMPTON ROADS TECHNOLOGY COUNCIL**, a 501(c)(6) organization incorporated in the Commonwealth of Virginia (hereinafter referred to as “HRTC”), collectively hereafter referred to as the “Parties”, provides:

Recitals:

- A. The Authority (formerly the “Industrial Development Authority of the County of James City, Virginia”) was created by ordinance of James City County, Virginia (the “County”) pursuant to the provisions of the Industrial Development and Revenue Bond Act (the “Act”), Chapter 33, Title 15.1 of the Code of Virginia, as amended, to pursue and comply with the goals and objectives as set forth in the Comprehensive Plan, County of James City, adopted October, 1975, as amended, and particularly the economic development component thereof.
- B. HRTC operates small business incubators within the Hampton Roads region of Virginia, works closely with regional technology-driven companies, leases space to small start-up technology-driven companies, and provides technical and business support services to such companies.
- C. The Authority and the County view their collaboration with HRTC as a means of attracting and fostering the attraction and development of technology-driven businesses to and in the County.
- D. The County agrees to provide a physical location for the incubator facility and the Authority

agree to provide financial support as further enumerated herein, subject to County approval and funding, to HRTC to assist it in providing its services to its clients and tenants, it being the position of the Authority that the services provided by HRTC to its clients and tenants will further the statutory purpose of the Authority.

In consideration of the promises and of the mutual agreements set forth, the Parties hereto agree as follows:

1. FACILITY. The County shall lease the entire second floor (approximately 2,260 gross square feet) of 5304 Palmer Lane, Williamsburg, Virginia (the "Facility") to the HRTC for the sum of one dollar per year for a period of five years pursuant to a lease agreement attached hereto as Exhibit A. The HRTC shall sublease and manage the Facility as a technology-driven business incubator. HRTC agrees to maintain such lease throughout the entire period during which it receives use of the Facility and/or financial or other in-kind contributions from the Authority and/or County under this Agreement.
2. NAMING RIGHTS. Pursuant to this Agreement, the HRTC will create a Technology Incubator at the Facility in James City County, which shall be called the "James City County Technology Incubator" (the "JCCTI"). The HRTC acknowledges and agrees that the Authority shall own the exclusive rights to the name "James City County Technology Incubator."
3. FURNISHINGS AND EQUIPMENT. The County will agree to furnish the Facility with modular office furniture and office equipment, to include installation, the cost of said furniture and equipment and installation at a cost not to exceed \$60,000. HRTC acknowledges that while it and its tenants shall have the beneficial use of this furniture

and equipment, HRTC understands that all such furniture and equipment are and will remain the property of the County.

4. OPERATING SUBSIDIES. The Authority will contribute to HRTC five annual operating subsidies as follow:

Year 1 - Not to exceed \$55,000

Year 2 - Not to exceed \$59,000

Year 3 - Not to exceed \$60,000

Year 4 - Not to exceed \$63,000

Year 5 - Not to exceed \$67,000

Said funds shall be disbursed to HRTC in equal monthly installments in arrears, the first monthly installment beginning with the commencement date of the Facility lease between the HRTC and the County. HRTC will provide the Authority's fiscal agent with an annual accounting of its operating costs and income associated solely with the Facility. If, at the end of any Year, the Authority's fiscal agent determines that HRTC has a net surplus in excess of its combined Facility operating costs based upon a profit and loss statement for the JCCTI, then HRTC shall return any such surplus to the Authority within thirty (30) days of receipt of written notice given by the Authority's fiscal agent to HRTC.

5. SCOPE OF SERVICES/PERFORMANCE. In exchange for the contributions to be made by the County and the Authority under this Agreement, HRTC agrees:

- a. To proactively manage the operation of the Facility as a technology-driven business incubator in accordance with sound business practices, such as those appearing in the "Hampton Roads Technology Incubator System Business

Plan, June 29, 2005”, as mutually agreed upon by the parties hereto;

- b. To develop and implement tenant selection and maturation criteria in conjunction with the Authority or its duly authorized agents;
- c. To agree to have its Vice President establish and maintain regularly scheduled office hours at the Facility. The cumulative total of the hours spent per week by the Vice President on issues directly related to the JCCTI shall be proportional to the average hours worked by the Vice President on other Hampton Roads area incubators under his/her management, until and unless such action is mutually determined to be unnecessary by the Authority and HRTC;
- d. To hire and retain an Office Manager at the Facility on a full-time basis until and unless such action is mutually determined to be unnecessary by the Authority and HRTC. Said Office Manager shall maintain regularly scheduled office hours at the Facility;
- e. To develop and provide a variety of specialized business support counseling services to its clients and tenants at the Facility;
- f. To proactively market the incubator, in coordination with the Authority’s agents, by: (1) sharing potential incubator client leads; (2) promoting and/or sponsoring shows, symposia, conferences, and other events; (3) publicizing client announcements and relevant events; (4) providing mutual links to web pages; and (5) providing appropriate references in each other’s marketing materials;
- g. To provide written quarterly reports to the Authority that include: (1) a

summary of incubator tenant activity, potential tenant leads, new or changed alliances with other business assistance providers, and seminars offered; (2) complete information on funding received or requested by HRTC from any other source; (3) a tenant status spreadsheet which shall include company name, name of company principal, number of employees, payroll, and any change in status with details; and (4) copies of any news articles covering the incubator and/or its clients; and

h. To make periodic in-person presentations to the Authority at its meetings as requested by the Authority.

6. AMENDMENT. This Agreement may be amended by the written and signed agreement of the Parties.

7. TERMINATION OF AGREEMENT. Notwithstanding any other provision of this Agreement to the contrary, it is mutually understood that either the Authority or the HRTC may elect to terminate this Agreement upon sixty (60) days prior written notice if:

a. HRTC is in default of its lease of the Facility; or

b. The Authority, in its sole discretion, determines that HRTC has failed to perform its obligations under this Agreement; or;

c. The Authority, in its sole discretion, determines that the activities and functions of HRTC or any sublessee of the Facility are inconsistent with the County's economic development goals and objectives; or

d. HRTC ceases to conduct its operations at the Facility and fails or refuses to relocate its operations to some other location in the County deemed acceptable to the County and the Authority.

8. ASSIGNMENT. The Authority and/or HRTC shall not assign or transfer any rights in this Agreement without the written consent of the other party.
9. SEVERABILITY. The provisions of this Agreement shall be deemed severable, and invalidity or unenforceability of any provision shall not affect the validity and enforceability of other provisions.
10. INSURANCE. HRTC agrees to secure and maintain in full force and effect at all times during the term of this Agreement, Comprehensive General Liability Insurance and Workers Compensation Insurance as required under Title 65.2 of the Code of Virginia.
11. NO PARTNERSHIP OR JOINT VENTURE. It is understood and agreed by the Parties hereto that they do not stand in the relationship of partners or a joint venture in connection with the Agreement. Nothing in this Agreement shall be deemed or construed to create or imply any employment or agency relationship between the Parties and any of their representatives, employees or agents. This Agreement does not impose any obligations upon the Parties, other than those specifically delineated herein. It is further understood and agreed by the Parties that no party hereto shall be held responsible for the debts, obligations or of the negligent or willful acts or omissions of any other party, and their representatives, officers, agents, directors, employees, volunteers or representatives.
12. NOTICES. Any notices required under this Agreement shall be delivered in person to or mailed certified mail to:

Economic Development Authority of James City County, Virginia
Attn: Keith A. Taylor, Secretary
101-C Mounts Bay Road
Williamsburg, VA 23185

County Attorney
101-C Mounts Bay Road

P.O. Box 8784
Williamsburg, VA 23185

Hampton Roads Technology Council
Attn: Timothy J. Early
144 Research Drive
Hampton, VA 23666

13. GOVERNING LAW. This Agreement shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise, by the laws of the Commonwealth of Virginia.
14. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding between the Parties. Any alterations, amendments or modifications in the provision of this Agreement shall be in writing, signed by the Parties and attached hereto. Nothing in this Agreement shall be construed as authority for any of the Parties hereto to make commitments which will bind the other party beyond the scope of services or the terms contained herein.

WITNESS the following signatures and seals:

**ECONOMIC DEVELOPMENT AUTHORITY
OF JAMES CITY COUNTY, VIRGINIA**

By: _____ (seal)
Virginia B. Hartmann, Chairman

ATTEST:

By: _____
Keith A. Taylor, Secretary

Approved as to Form and Correctness:

By: _____
Leo P. Rogers, General Counsel

COUNTY OF JAMES CITY COUNTY, VIRGINIA

By: _____ (seal)
Sanford B. Wanner, County Administrator

Approved as to Form:

By: _____
Leo P. Rogers, County Attorney

HAMPTON ROADS TECHNOLOGY COUNCIL

By: _____ (seal)
Timothy J. Early, Vice President

STATE OF VIRGINIA
COUNTY OF JAMES CITY, to-wit:

The foregoing instrument was acknowledged before me this ___ day of _____,
_____, by _____, on behalf of the Economic
Development Authority of James City County, Virginia.

Notary Public

My commission expires: _____

STATE OF VIRGINIA
COUNTY OF JAMES CITY, to-wit:

The foregoing instrument was acknowledged before me this ___ day of _____,
_____, by Sanford B. Wanner, on behalf of the County of James City County, Virginia.

Notary Public

My commission expires: _____

STATE OF VIRGINIA
COUNTY OF JAMES CITY, to-wit

The foregoing instrument was acknowledged before me this ____ day of _____,
_____, by Timothy J. Early, Director of Hampton Roads Technology Council, on its behalf.

Notary Public

My commission expires: _____

MEMORANDUM

DATE: February 14, 2006
TO: The Board of Supervisors
FROM: The Economic Development Authority
SUBJECT: Response to Requests from September 27, 2005, Joint Work Session

As a result of Economic Development Authority (EDA) recommendations and ensuing discussion at its September 27 Joint Work Session with the Board of Supervisors (BOS), both bodies agreed that the BOS should create a Task Force to review the climate for business retention and expansion of existing small, medium, and cornerstone businesses in the County, in addition to recruiting outside businesses. The BOS requested a response from the EDA recommending: (1) individuals to be considered by the BOS for appointment to the Task Force; (2) a statement proposing the Task Force's charter, mission, and expected outcomes; and (3) what resources may be necessary for this project.

This memorandum addresses the first request and a portion of the second request. It will also address why the EDA believes it should be the responsibility of the Task Force to continue responding to the second request and then to the third request.

INITIAL TASK FORCE APPOINTMENT RECOMMENDATIONS

- BOS Liaison to EDA
- BOS Liaison to Hampton Roads Economic Development Alliance
- Member of the EDA
- Assistant County Administrator
- Financial Manager
- Director, Office of Economic Development
- Williamsburg Area Chamber of Commerce
- Member of the Engineering Community
- (3) Individuals from Local Business & Industry

Individuals from other disciplines will also likely need to be recommended for inclusion in the future as the Task Force's evolving needs may dictate. The EDA will develop and recommend a list of specific individuals for appointment consideration to the initial Task Force by the BOS.

TASK FORCE CHARTER, MISSION, EXPECTED OUTCOMES

As one of our EDA Directors pointed out, the main goal, or charter, of this Task Force should be to identify how James City County can be more of a value-added partner to the business and industrial community. The County can accomplish this through many means. Some examples include streamlined regulatory processes, collaborative problem-solving teams (such as the Task Force), expanded financial incentives, etc. First and foremost, the Task Force needs to identify who the potential partners would be. Steps to achieve this identification or business targeting goal could include, but are not necessarily limited to:

1. List principal business sectors constituting a fiscally balanced community, including primary industry (extractive, energy production, materials), R&D/Hi-Tech, assembly/light manufacturing,

- distribution/wholesale enterprises, tourism/entertainment, professional (legal, accounting, engineering), personal, and medical services, retail establishments/restaurants, others.
2. Defining the most important profiling criteria to evaluate the business types that have located or could locate here. Examples include desirable job profiles, most necessary products or services provided, tax base generated, corporate citizenship, and targeted businesses/industries identified by local, regional and statewide economic development plans and initiatives.
 3. Researching local data bases (e.g. County, Virginia Employment Commission, local/regional industry associations, Chamber of Commerce, etc.) to obtain this information.
 4. Establishing a ranking system of these profile criteria (e.g. critical, very important, less important) to apply against the different business types; and
 5. Advancing these targets to the EDA and BOS for concurrence.

When agreement is reached on the most valued business and industry types the County wants to proactively “partner with,” only then can the Task Force begin to assess the needs of these targets. This needs assessment process could include, but not be limited to, a series of stakeholder, or focus group interviews that:

1. Establish a “base line” of how these County business target groups perceive James City County in terms of doing business there.
2. Create a laundry list of hypothetical new programs or processes and/or improvements to existing programs or processes that could give these businesses the value-added partnership with the County referred to earlier.
3. Then let the stakeholders/focus group participants prioritize the identified needs from “most important” to “least important”.

At this point, the Task Force must take on the responsibility of making a value judgment of which of these prioritized needs/expectations are most realistically deliverable by the County and/or its public and private partners. It is also at this point that the Task force may need to “flex” to include other individuals having knowledge of the needs areas identified. For example, development management expertise may now be required to understand process improvement needs, if so identified by the stakeholders or business groups.

IMPLEMENTATION RESOURCES NECESSARY

As the Task Force begins to address BOS Request No. 2 and ultimately Request No. 3, it is virtually a certainty that additional resources will be required due to the scope of work proposed. These resources will need to be in the forms of both money and manpower. The manpower components could involve some combination of part-time staffing dedicated to the Task Force, contracted consulting and/or facilitator services, and university intern support. Financial support could be requested from the County via the BOS as well as from the EDA.

For example, in addressing Request No. 2, the Task Force’s work might benefit first from the use of a trained facilitator during its formative, discovery stages and subsequently from research support as data is gathered and analyzed, profiling criteria are developed and applied, and targeted business clusters are identified. The EDA feels the Task Force would definitely benefit from professional consulting assistance during the target businesses’ needs identification and analysis suggested in the second part of Request No. 2. Ultimately, when the Task Force makes its program and process recommendations to the EDA and BOS in responding to Request No. 3, specific money and manpower needs will need to be advanced for consideration.

Again, the EDA believes that the recommendation as to what kind of resources, when needed, and at what cost need to be made by the Task Force as they move through this process.

NEXT STEPS

1. The EDA asks the BOS to review the organizations suggested for inclusion in the Task Force and consider others as it may see fit;
2. At its February 21 work session, the EDA will develop a list of specific individual names for Board consideration as appointees to the initial Task Force;
3. The EDA will submit this list of names to the County Administrator for Board consideration; and
4. The EDA will make a brief presentation summarizing this response at the Board's February 28th meeting and offer recommended Board implementation actions.

Virginia B. Hartmann
Chair, Economic Development Authority

VBH/tlc
Response.mem

Attachment

MEMORANDUM

DATE: February 14, 2006
 TO: The Board of Supervisors
 FROM: Beth Davis, Environmental Education Coordinator
 SUBJECT: Water Quality Improvement Fund Grant Submittal

In partnership with James City County, the Colonial Soil and Water Conservation District (CSWCD) recently submitted a grant application for the Department of Conservation and Recreation’s Virginia FY 2006 Water Quality Improvement Fund (WQIF) Cooperative Nonpoint Source Pollution Programs with local government.

The WQIF Cooperative Nonpoint Source Pollution Program makes funding assistance available to local governments to support long-term, multiyear proposals for up to four consecutive years of WQIF funding, pending the availability of funds. Through long-term funding commitments, this Program enables local governments to utilize the resources needed to address nonpoint source pollution through watershed-based planning, restoration or protection efforts, and local ordinance and program changes.


On behalf of James City County, the CSWCD submitted a grant application titled Community Conservation Partnership Incentive Program, which proposes developing and demonstrating a protocol for evaluating and implementing urban Best Management Practices (BMPs) partially financed through an urban cost share program. A team of technically experienced professionals known as the Community Conservation Partnership (CCP) will target 30 residential developments per year (or approximately 2,500 acres) within James City County through an application process to offer technical recommendations regarding BMP implementation to include: mixed open nutrient management; infiltration practices; riparian buffer establishment; mixed open tree planting and maintenance; and stormwater basin maintenance.

The CCP includes the following partners: James City County Development Management/Environmental Division (PRIDE), the James City Service Authority (Let’s be Water Smart), James City County Neighborhood Connections, the Colonial Soil and Water Conservation District, Virginia Cooperative Extension, JCC/W Master Gardeners, Virginia Department of Forestry, James River Association, and the Williamsburg Land Conservancy.

The matching grant proposal requests \$75,000 in contractual funds and \$125,000 in construction costs for each year through FY 2009. Matching funds will consist of in-kind support from CCP partners and the combination of in-kind support and monetary contributions from applicants. No direct James City County funds will be contributed. All project funding to be utilized in meeting the proposed objectives will be documented through a subcontract between the CSWCD and James City County. The target date for WQIF awards determination and posting for public comment is February 2006. If awarded, the target date to begin executing the WQIF project agreement is April 2006.

 Beth Davis

CONCUR:



 John T.P. Horne