

A G E N D A

JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS

County Government Center Board Room

May 25, 2004

7:00 P.M.

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A. CALL TO ORDER

B. ROLL CALL

C. CONSENT CALENDAR

1. Minutes
 - a. May 4, 2004 - Budget Work Session
 - b. May 11, 2004 - Regular Meeting
2. Appointment - Assistant Treasurer to the James City Service Authority
3. SunTrust - Bank Resolution Amendment

D. ADJOURNMENT

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AT A BUDGET WORK SESSION OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 4TH DAY OF MAY 2004, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

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

Sanford B. Wanner, Secretary
Larry M. Foster, General Manager

B. BOARD CONSIDERATION

1. Proposed FY 2005 James City Service Authority Operating Budget (Joint Item with the James City County Board of Supervisors)

Mr. Larry M. Foster, General Manager of the James City Service Authority (JCSA), introduced Mr. Robert Smith, Assistant Manager of the JCSA.

Mr. Smith provided the Board with an overview of the JCSA's proposed FY 2005 Budget.

The Board and staff discussed staffing and funding needs to maintain and inspect the existing well facilities and the Groundwater Treatment Facility.

Mr. McGlennon requested the JCSA staff consider the administrative fees for the submeter inspections and maintaining records of the submeters; and impose a higher administrative fee on those that submit late submeter fees.

C. RECESS

At 10:15 p.m. Mr. Harrison recessed the Board until 7 p.m. on May 11, 2004.

Sanford B. Wanner
Secretary to the Board

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 11TH DAY OF MAY 2004, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

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

Sanford B. Wanner, Secretary
Frank M. Morton, III, County Attorney
Larry M. Foster, General Manager

B. CONSENT CALENDAR

Mr. Bradshaw made a motion to adopt the item on the Consent Calendar.

The motion passed by a unanimous voice vote.

1. Minutes

- a. April 27, 2004, Work Session
- b. April 27, 2004, Regular Meeting

C. BOARD CONSIDERATIONS

1. Changes to the Regulations Governing Utility Service – Retail Service Charges

Mr. Larry M. Foster, General Manager of the James City Service Authority, presented a resolution approving changes to the “Regulations Governing Utility Service” for water and sewer rates for Fiscal Year 2005.

Mr. Foster recommended the Board adopt the resolution.

Mr. Bradshaw made a motion to adopt the resolution.

The motion passed by a unanimous voice vote.

RESOLUTION

CHANGES TO THE REGULATIONS GOVERNING UTILITY SERVICE -

RETAIL SERVICE CHARGES

WHEREAS, the Board of Directors of the James City Service Authority conducted a Public Hearing on April 27, 2004, to receive public comment on proposed changes to the Regulations Governing Utility Service dealing with increasing water and sewer rates.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby adopts changes to the rates, fees, and charges, which are summarized below to become effective for all bills mailed on or after July 1, 2004:

1. Residential Water Retail Service Rate (Inverted-Block Rate):

1st Block:

Less than 15,000 gallons per quarter	\$2.30 per 1,000 gallons (\$1.72 per 100 cubic feet)
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2nd Block:

More than 15,000 gallons but less than 30,000 gallons per quarter	\$2.71 per 1,000 gallons (\$2.03 per 100 cubic feet)
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3rd Block:

More than 30,000 gallons per quarter	\$7.60 per 1,000 gallons (\$5.69 per 100 cubic feet)
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2. Nonresidential Water Retail Service Rate:

Flat Rate	\$2.70 per 1,000 gallons (\$2.02 per 100 cubic feet)
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3. Sewer Retail Service Rate:

Flat Rate	\$2.70 per 1,000 gallons (\$2.02 per 100 cubic feet)
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BE IT FURTHER RESOLVED, that the proposed amendments be made part of this resolution.

2. Resolution of Appropriation – James City Service Authority – FY 05

Mr. Foster presented a resolution for the Fiscal Year 2005 appropriations for the James City Service Authority and recommended the Board adopt the resolution.

Mr. Brown made a motion to adopt the resolution.

The motion passed by a unanimous voice vote.

RESOLUTION OF APPROPRIATION -
JAMES CITY SERVICE AUTHORITY - FY 05

WHEREAS, the Secretary has prepared a proposed budget for the fiscal year beginning July 1, 2004, and ending June 30, 2005; and

WHEREAS, the Board of Directors has considered said budget and does now propose to adopt the budget.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, that the following amounts are hereby adopted and appropriated for operations and activities in the amounts as shown below:

1. The following amounts are hereby appropriated in the Water Fund:

Water Fund - Revenues:

Service Charges	<u>\$6,270,553</u>
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Water Fund - Expenditures:

Administration Fund Allocation	\$1,871,908
Operations and Maintenance	2,510,338
Capital Equipment Outlay	198,700
Operating Reserve	118,998
Capital Improvements Program (3R)	185,165
Debt Services Fund	<u>1,385,444</u>
	<u>\$6,270,553</u>

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

Sewer Fund - Revenues:

Service Charges	<u>\$4,773,480</u>
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Sewer Fund - Expenditures:

Administration Fund Allocation	\$2,585,016
Operations and Maintenance	1,620,489
Capital Equipment Outlay	93,000
Operating Reserve	132,884
Capital Improvements Program (3R)	<u>342,091</u>
	<u>\$4,773,480</u>

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

ADMINISTRATIVE FUND

Revenues:

Allocated to Water Fund	\$1,871,908
Allocated to Sewer Fund	<u>2,585,016</u>
	<u>\$4,456,924</u>

Expenditures:

Personnel Expenses	\$3,192,239
Operating Expenses	1,158,085
Capital Outlay	<u>106,600</u>
	<u>\$4,456,924</u>

CAPITAL IMPROVEMENTS PROGRAM

Revenues:

Operating Fund Transfer	\$ 527,256
Facility Charges	<u>2,867,760</u>
	<u>\$3,395,016</u>

Expenditures:

Water Supply	\$ 385,165
Water Distribution	1,000,000
Water Transmission and Storage	510,000
Sewer System Improvements	1,064,851
Other Projects	<u>435,000</u>
	<u>\$3,395,016</u>

DEBT SERVICE FUND

Revenue:

Water Fund Contribution	<u>\$1,385,444</u>
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Expenditure:

Revenue Bonds, Series 2003	<u>\$1,385,444</u>
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3. Amendment to the Regulations Governing Utility Service – Independent Water Systems Connection Fee

Mr. Foster presented a resolution which, once adopted, would begin the process of advertising a Public Hearing to amend the JCSA’s Regulations Governing Utility Service by establishing a \$4,000 Independent Water System Connection Fee for each lot of a residential development requiring an independent water system and incorporating the provisions outlined therein.

Mr. Foster requested the resolution for Board consideration be amended to include the phrase “to be held on July 27, 2004” in the sixth “Whereas” statement.

Mr. McGlennon made a motion to adopt the resolution as amended to include the phrase “to be held on July 27, 2004” in the sixth “Whereas” statement.

The motion passed by a unanimous voice vote.

RESOLUTION

AMENDMENT TO THE REGULATIONS GOVERNING UTILITY SERVICE -

INDEPENDENT WATER SYSTEMS CONNECTION FEE

WHEREAS, on December 16, 2003, staff and consultants presented the Board of Directors with a Cost of Service Study prepared by Municipal Financial Service Corporation (MSFG) demonstrating that the costs to operate exceeded revenues for the six Independent Water Systems owned by the James City Service Authority (JCSA); and

WHEREAS, MSFG recommended the establishment of a fee on water connections, serving new Independent Water Systems, the proceeds of which as well as any investment income would be used to offset the costs of operating the Independent Water Systems established after August 1, 2004; and

WHEREAS, MSFG determined that a fee of \$4,000 per connection is necessary to offset the costs over revenues for Independent Water Systems; and

WHEREAS, the proceeds from the connection fee will be deposited in a dedicated Independent Water System Fee Account and used to offset the operating deficit of the water system; and

WHEREAS, Section 15.2-5136 (G) of the Code of Virginia requires that a public hearing be conducted on any proposal to implement or increase an existing water fee; and

WHEREAS, the notice of public hearing, to be held on July 27, 2004, will appear May 15 and 24, 2004, in the *Daily Press*; and

WHEREAS, the JCSA proposes to amend the Regulations Governing Utility Service in order to promote the health, safety, and welfare of the community and the County by: 1) ensuring that an adequate water supply with a qualified dependable operator is available for the homes served by the water system; 2) ensuring an adequate and dependable flow of water to provide fire protection; 3) providing a level of protection to the aquifer supporting the JCSA's and County's efforts to safeguard the groundwater system; and 4) precluding the JCSA and County from having to incur the expense of retrofitting a neighborhood with a public water system should a private water system or private wells fail to serve the homes.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby proposes to amend the James City Service Authority's Regulations Governing Utility Service by adding Section 32-C-5 as follows:

The developer of any Independent Water System for which the development plans are submitted after August 1, 2004, in accordance with the provisions of Section 19-57, Water Facilities of the Subdivision Ordinance, shall be required to pay a per lot or residential unit Independent Water System Connection Fee of \$4,000 to the JCSA for each lot or residential unit created by the subdivision prior to the JCSA accepting the facilities for operation and maintenance.

The monies collected shall be placed in a dedicated account; the proceeds and investment returns will be used to offset the costs of operating the Independent Water Systems created after August 1, 2004. Should it become financially practical to connect an Independent Water System constructed under these provisions to the JCSA Central Water System, the monies deposited in the account for such system shall be used to offset the costs of constructing the infrastructure to connect the two water systems. Any balance of the funds will remain in the JCSA account and be used to offset the operating deficits of the Independent Water System created after August 1, 2004.

D. BOARD REQUESTS AND DIRECTIVES

Mr. Bradshaw inquired if any other connection fees are involved with independent water system hookups.

Mr. Foster stated that there are additional fees and they will be presented at the Board's Work Session on June 22, 2004.

E. ADJOURNMENT

Mr. Goodson made a motion to adjourn.

The motion passed by a unanimous voice vote.

Mr. Harrison adjourned the Board at 8:23 p.m.

Sanford B. Wanner
Secretary to the Board

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MEMORANDUM

DATE: May 25, 2004
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: Appointment of Assistant Treasurer to the James City Service Authority

Suzanne R. Mellen is currently the Assistant Treasurer of the James City Service Authority. Her role as Assistant Treasurer has changed since she became the Director of Budget and Accounting in that Tara Woodruff, Accounting Supervisor, handles the day-to-day financial affairs of the Authority.

The attached resolution appoints Tara Woodruff, Assistant Treasurer, to the James City County Service Authority and amends the bank resolution to include her as an authorized signer.

Larry M. Foster

LMF/gs
woodruffapt.mem

Attachment

RESOLUTION

APPOINTMENT OF ASSISTANT TREASURER TO THE

JAMES CITY SERVICE AUTHORITY

WHEREAS, Suzanne R. Mellen desires to relinquish her duties as Assistant Treasurer to the Board of Directors of the James City Service Authority; and

WHEREAS, the Board of Directors of the James City Service Authority, James City County, Virginia, is desirous of appointing Tara Woodruff as Assistant Treasurer to the Board of Directors of the James City Service Authority.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby appoints Tara Woodruff as Assistant Treasurer to the James City Service Authority of James City County, Virginia, effective May 25, 2004.

Jay T. Harrison, Sr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 25th day of May, 2004.

woodruff.res

MEMORANDUM

DATE: May 25, 2004
TO: The Board of Directors
FROM: Larry M. Foster, General Manager, James City Service Authority
SUBJECT: SunTrust - Bank Resolution Amendment

The James City Service Authority (JCSA) bank resolution needs to be updated.

The attached resolution amends the JCSA bank resolution to include Sanford B. Wanner and Tara Woodruff as authorized signers.

Larry M. Foster

LMF/adw
apptrebd2.mem

Attachment

Jay T. Harrison, Sr.
Chairman, Board of Directors

ATTEST:

Sanford B. Wanner
Secretary to the Board

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 25th day of May, 2004.