

A G E N D A

JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS

County Government Center Board Room

February 28, 2006

7:00 P.M.

A. CALL TO ORDER

B. ROLL CALL

C. CONSENT CALENDAR

1. Minutes

- a. January 24, 2006, Special Meeting
- b. January 24, 2006, Regular Meeting

2. Approval of Bridge Maintenance and Cost-Sharing Agreement - Virginia United Methodist Homes

3. Groundwater Mitigation Program - Renewal of Memorandum of Agreement

D. ADJOURNMENT

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AT A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 24TH DAY OF JANUARY 2006, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

John J. McGlennon, Chairman
Jay T. Harrison, Sr., Vice Chairman
James O. Icenhour
Bruce C. Goodson
M. Anderson Bradshaw

Sanford B. Wanner, Secretary
Adam R. Kinsman, Assistant County Attorney
Larry M. Foster, General Manager

B. BOARD CONSIDERATION

1. JCSA Water/Sewer Rates and Fees

Mr. Larry Foster, James City Service Authority (JCSA) General Manager, thanked the Board for its support and stated that FY 2007 proposed budget does not have any allocation for the County's partnership in the King William Reservoir project; however, the FY 2008 budget does have allocations for the project based upon preliminary estimates.

Mr. Bob Smith, Assistant General Manager of the JCSA, provided the Board with an overview of the JCSA fund organization and major water expenditures.

The Board and staff discussed the factors impacting the inevitability of the increased water charges for increased water usage levels and not keeping abreast of the costs to provide water services; methods used to develop the recommended rate adjustments; and desire to set the rate structure to cover the cost for providing the service while encouraging water conservation measures.

The Board requested that the proposed water rate levels be adjusted to preserve the water conservation measures built into the three-tier rate structure.

The Board and staff discussed the residential water usage levels and the commercial water usage levels and the development and history of the three-tier rates for residential service.

Mr. Bradshaw requested that the figures be sent to him on how the difference will be made up when the proposed budget will increase by 20 percent while the rate levels are increasing four percent.

The Board and staff briefly discussed the grinder pump fees.

The Board and staff discussed the requirement for a uniform rate for system customers for water and sewer service, and staff stated they would get guidance from the County Attorney's Office on the regulations for uniform rates requirement and possibility for a separate rate for those who have a grinder pump.

The Board and staff briefly discussed the grinder pump support in situations such as Hurricane Isabel and that customers were notified of resources they need to consider before the next extended power outage occurs.

Mr. Foster requested that the Board of Directors approve a request to set a Public Hearing for utility rate changes at its Regular Meeting and staff will come with amended rates as recommended by the Board during this discussion.

C. RECESS

Mr. Harrison made a motion to recess to 7 p.m.

The motion passed by a unanimous voice vote.

At 5:26 p.m. Mr. McGlennon recessed the Board to 7 p.m.

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 24TH DAY OF JANUARY 2006, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. CALL TO ORDER

B. ROLL CALL

John J. McGlennon, Chairman
Jay T. Harrison, Sr., Vice Chairman
James O. Icenhour, Jr.
Bruce C. Goodson
M. Anderson Bradshaw

Sanford B. Wanner, Secretary
Adam R. Kinsman, Assistant County Attorney
Larry M. Foster, General Manager

C. CONSENT CALENDAR

Mr. Foster provided an overview of the items on the Consent Calendar including the amended resolution for Setting a Public Hearing - FY 07 Utility Rates based upon feedback from the Board at its Work Session earlier in the day.

Mr. Goodson requested Item No. 2, Contract Award - Facility Demolition Contract, be pulled for a separate vote because a bidding company is a customer of his business.

Mr. Harrison made a motion to adopt the remaining items on the Consent Calendar including the amended resolution.

The motion passed by a unanimous voice vote.

1. Minutes -

- a. December 13, 2005, Regular Meeting
- b. January 10, 2006, Organizational Meeting

3. Contract Award - Water Storage Tank Construction

RESOLUTION

SETTING A PUBLIC HEARING - FY 07 UTILITY RATES

WHEREAS, the Board of Directors of the James City Service Authority desires to set a Public Hearing for proposed utility rate changes to the Regulations Governing Utility Service.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, that the Board of Directors will hold a Public Hearing on April 25, 2006, and request staff to review Section 32, General Rate Policy and Rate Schedule, Regulations Governing Utility Service and make changes to the rates, fees, and charges, are summarized below, which will become effective July 1, 2006, if adopted:

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

<u>Quarterly Consumption</u>	<u>FY 06 Current Rate</u>	<u>FY 07 Proposed Rate</u>
1st Block: Less than 15,000 gallons	\$2.30 per 1,000 gallons (\$1.72 per 100 cubic feet)	\$2.50 (\$1.87)
2nd Block More than 15,000 gallons but less than 30,000 gallons	\$2.71 per 1,000 gallons (\$2.03 per 100 cubic feet)	\$3.00 (\$2.24)
3rd Block More than 30,000gallons	\$7.60 per 1,000 gallons (\$5.69 per 100 cubic feet)	\$8.50 (\$6.36)

2. Nonresidential Water Retail Service Rate:

Flat Rate	\$2.70 per 1,000 gallons \$2.02 per 100 cubic feet)	\$3.00 (\$2.24)
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3. Sewer Retail Service Rate:

Flat Rate	\$2.70 per 1,000 gallons \$2.02 per 100 cubic feet)	\$2.80 (\$2.09)
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4. Annual Grinder Pump Maintenance

\$145.80	\$210.00
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BE IT FURTHER RESOLVED, that the proposed amendments be made part of this resolution.

2. Contract Award - Facility Demolition Contract

Mr. Bradshaw made a motion to adopt the resolution.

On a roll call vote, the vote was AYE: Harrison, Icenhour, Bradshaw, McGlennon (4). NAY: (0). ABSTAIN: Goodson.

E. ADJOURNMENT

Mr. Harrison made a motion to adjourn.

The motion passed by a unanimous voice vote.

At 7:42 p.m., Mr. McGlennon adjourned the Board.

Sanford B. Wanner
Secretary to the Board

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M E M O R A N D U M

DATE: February 28, 2006

TO: The Board of Directors

FROM: Larry M. Foster, General Manager, James City Service Authority

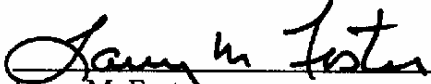
SUBJECT: Approval of Bridge Maintenance and Cost Sharing Agreement - Virginia United Methodist Homes

Virginia United Methodist Homes is developing the Windsor Meade retirement home as part of the overall New Town project. The development includes numerous walking trails and other recreational facilities.

Because of the topography, a sewer bridge is necessary to provide public sewer service to the development. One of the walking areas lends itself to the dual use of a sewer bridge structure as the support structure for a walking trail. The James City Service Authority has a similar arrangement in the Kingsmill development. This has been a mutually beneficial relationship.

To accommodate the dual use, an agreement has been developed to define each party's responsibility. The agreement provides that the JCSA is responsible for 50 percent of the maintenance costs of the support structure and 100 percent of the cost of maintaining the sewer line. The agreement further provides that United Methodist Homes is responsible for 100 percent of the costs of maintaining the support structure over the sewer line and the walking bridge.

Staff recommends that the Board approve the attached resolution authorizing the General Manager to sign the Bridge Maintenance and Costs Sharing Agreement with Virginia Methodist Homes providing the terms and responsibilities for a joint use sewer and walking trail bridge.


Larry M. Foster

LMF/nb
VUMHomes.mem

Attachment

RESOLUTION

APPROVAL OF BRIDGE MAINTENANCE AND COST SHARING AGREEMENT -

VIRGINIA UNITED METHODIST HOMES

WHEREAS, Virginia United Methodist Homes is developing a retirement home in James City County and the home will have numerous walking trails and other recreational amenities; and

WHEREAS, the James City Service Authority will provide public sewer service to the development and one of the planned sewer lines will require a bridge lending itself to dual use as the support structure for a walking trail bridge; and

WHEREAS, James City Service Authority staff, in conjunction with representatives of Virginia United Virginia Methodist Homes, have developed an agreement providing the terms for joint use of the sewer/walking trail bridge.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, authorizes the General Manager of the James City Service Authority to sign the agreement defining the terms for the joint use of the sewer walking trail bridge.

John J. McGlennon
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 28th day of February, 2006.

VUMHomes.res

MEMORANDUM

DATE: February 28, 2006

TO: The Board of Directors

FROM: Larry M. Foster, General Manager, James City Service Authority

SUBJECT: Groundwater Mitigation Program – Renewal of Memorandum Agreement

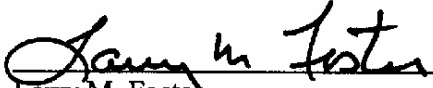
The James City Service Authority (JCSA) has several Groundwater Withdrawal Permits that are issued by the Virginia Department of Environmental Quality (DEQ). The permits are required by any individual or agency that withdraws more than 300,000 gallons of water per month. The collective withdrawals are incorporated into a computer model that simulates the impacts on the overall Coastal Plain Groundwater System. The model is then used to manage withdrawals in an effort to protect the groundwater system.

The JCSA has permits to withdraw over 8.0 million gallons per day from four aquifers. The impacts of these withdrawals reach as far away as Sussex County, Virginia. From experience and the model, we know that locally the Chickahominy-Piney Point Aquifer is stressed. In addition, the Middle Potomac Aquifer from which we withdraw is stressed in the Sussex County area.

The permits to withdraw groundwater include a condition that requires the permittee to mitigate any wells located within the one-foot drawdown area of a permitted withdrawal that fails. Since there are multiple permittee's there are multiple withdrawals that contribute to a well failure. The impact depends on the amount of the withdrawal and the proximity of the failed well to the permitted withdrawal. The JCSA has mitigated approximately 160 wells, at average costs of approximately \$1,500 since the current permit went into effect in 1999.

In 1993, the JCSA along with other localities and utilities in the Hampton Roads area, partnered with the Hampton Roads Planning District Commission (HRPDC) for support in administering a Groundwater Mitigation Program. In essence, the HRPDC maintains a computer model of the Coastal Plain Aquifer Systems. Using the model the HRPDC provides the technical support to allocate the liability of mitigation claims based on the individual permittee's pro-rata share of the impact. The HRPDC has also coordinated regional studies to enhance the understanding of the groundwater system performed by the USGS and funded by the localities and utilities.

The agreement establishing the relationship and terms of support from the HRPDC has expired and is in need of renewal. Staff recommends that the Board approve the attached resolution authorizing the County Administrator to sign the Memorandum of Agreement for the Regional Groundwater Mitigation Program Administration.


Larry M. Foster

LMF/nb
GWMitigtnAgr.mem

Attachment

RESOLUTION

APPROVAL OF BRIDGE MAINTENANCE AND COST SHARING AGREEMENT -

VIRGINIA UNITED METHODIST HOMES

WHEREAS, Virginia United Methodist Homes is developing a retirement home in James City County and the home will have numerous walking trails and other recreational amenities; and

WHEREAS, the James City Service Authority will provide public sewer service to the development and one of the planned sewer lines will require a bridge lending itself to dual use as the support structure for a walking trail bridge; and

WHEREAS, James City Service Authority staff, in conjunction with representatives of Virginia United Virginia Methodist Homes, have developed an agreement providing the terms for joint use of the sewer/walking trail bridge.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, authorizes the General Manager of the James City Service Authority to sign the agreement defining the terms for the joint use of the sewer walking trail bridge.

John J. McGlennon
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 28th day of February, 2006.

VUMHomes.res