

AGENDA
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
REGULAR MEETING
COUNTY GOVERNMENT CENTER BOARD ROOM
101 MOUNTS BAY ROAD, WILLIAMSBURG, VA 23185
February 10, 2026
5:00 PM

A. CALL TO ORDER

B. ROLL CALL

C. PUBLIC COMMENT

D. CONSENT CALENDAR

1. Smart Irrigation Controller Rebate Program
2. Minutes Adoption

E. PUBLIC HEARING(S)

F. BOARD CONSIDERATION(S)

1. Five-Year Strategic Plan for Fiscal Years 2027-2031 Adoption
2. High Priority Inflow and Infiltration Reduction Program Agreement with Hampton Roads Sanitation District
3. Pay Plan Revision - Steps Expansion
4. Setting a Public Hearing - Fiscal Year 2027 Utility Rates
5. Amend the adopted meeting calendar to reschedule the Board Retreat to 8:30 am on February 24, 2026 at the JCSA Operations Center, 119 Tewning Road, Williamsburg, VA.

G. BOARD REQUESTS AND DIRECTIVES

H. GENERAL MANAGER'S UPDATE

1. February 2026 Dashboard Report

I. ADJOURNMENT

1. Adjourn until 8:30 am on February 24, 2026 for the Board Retreat

MEMORANDUM

DATE: February 10, 2026

TO: The Board of Directors

FROM: M. Douglas Powell, General Manager, James City Service Authority

SUBJECT: Smart Irrigation Controller Rebate Program

The James City Service Authority's (JCSA) popular rebate program is over 20 years old and promotes water conservation and efficient water use by offering rebates for customers who purchase and install high efficiency dishwashers, washing machines, and toilets; rain barrels; and rain sensors that automatically shut off irrigation systems when it rains.

Lawn irrigation is one of the largest drivers of JCSA's water demand; approximately 25% of the total water volume sold to customers is used for irrigation. Efficient irrigation can significantly reduce daily and seasonal peak water demand.

A smart irrigation controller rebate program is proposed to promote efficient irrigation. A smart irrigation controller is an internet-controlled version of a traditional sprinkler timer that optimizes watering schedules using real-time data such as weather forecasts and soil moisture levels. Weather-based smart controllers or soil moisture sensors with a smart controller would be eligible. The proposed rebate amount of \$75 would be available to JCSA residential water customers with a current account balance.

Staff recommends approval of the attached resolution authorizing the Smart Irrigation Controller Rebate Program in the amount of \$75.

MPD/tm
SmrtIrgtnCtrlRbtPgm-mem

Attachment

RESOLUTION

SMART IRRIGATION CONTROLLER REBATE PROGRAM

WHEREAS, the James City Service Authority's (JCSA) popular rebate program is over 20 years old and promotes water conservation and efficient water use; and

WHEREAS, lawn irrigation is one of the largest drivers of JCSA's water demand; and

WHEREAS, a smart irrigation controller is an internet-controlled version of a traditional sprinkler timer that optimizes watering schedules using real-time data such as weather forecasts and soil moisture levels; and

WHEREAS, a \$75 smart irrigation controller rebate program will promote efficient irrigation and help reduce daily and seasonal peak water demand.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes the creation of the Smart Irrigation Controller Rebate Program.

Barbara E. Null
Chair, Board of Directors

ATTEST:

Teresa J. Saeed
Deputy Secretary to the Board

WAINWRIGHT
ICENHOUR
LARSON
MCGLENNON
NULL

VOTES

AYE NAY ABSTAIN ABSENT

_____	_____	_____	_____
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_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 10th day of February, 2026.

SmrtIrgtnCtrlRbtPgm-res

MINUTES
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
2026 ORGANIZATIONAL MEETING
COUNTY GOVERNMENT CENTER BOARD ROOM
101 MOUNTS BAY ROAD, WILLIAMSBURG, VA 23185
January 13, 2026
4:00 PM

A. CALL TO ORDER

B. ROLL CALL

Tracy L. Wainwright, Powhatan District
James O. Icenhour, Jr., Jamestown District
Ruth M. Larson, Berkeley District
John J. McGlennon, Roberts District
Barbara E. Null, Chair, Stonehouse District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney
M. Douglas Powell, General Manager

C. ORGANIZATIONAL MEETING

1. 2026 Organizational Meeting

Ms. Null sought a nomination to appoint the Chair for the upcoming year for the James City Service Authority (JCSA).

A motion to Nominate Barbara Null as Chair was made by James Icenhour, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

Ms. Null sought a nomination to appoint the Vice Chair for the upcoming year.

A motion to Nominate Tracy Wainwright as Vice Chair was made by James Icenhour, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

Ms. Null sought a motion to Adopt the Organizational Meeting resolution setting the meeting times for the associated calendar.

Mr. Powell announced the upcoming Board Retreat, scheduled for two weeks from today at 8:30 a.m. at the JCSA Operations Building, before the Board approved the Organizational Meeting resolution.

A motion to Adopt the Organizational Meeting resolution was made by Ruth Larson, the motion

result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

Ms. Larson expressed her regrets regarding her inability to attend the Retreat, but indicated that she planned to meet with Mr. Powell afterward to get the relevant information from the meeting.

D. BOARD REQUESTS AND DIRECTIVES

None.

E. ADJOURNMENT

1. Adjourn until 5 pm on January 13, 2026 for the Regular Meeting

A motion to Adjourn was made by James Icenhour, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

At approximately 4:02 p.m., Ms. Null adjourned the Board of Supervisors.

MINUTES
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
REGULAR MEETING
COUNTY GOVERNMENT CENTER BOARD ROOM
101 MOUNTS BAY ROAD, WILLIAMSBURG, VA 23185
January 13, 2026
5:00 PM

A. CALL TO ORDER

B. ROLL CALL

Tracy L. Wainwright, Vice Chair, Powhatan District
James O. Icenhour, Jr., Jamestown District
Ruth M. Larson, Berkeley District
John J. McGlennon, Roberts District
Barbara E. Null, Chair, Stonehouse District

Scott A. Stevens, County Administrator
Adam R. Kinsman, County Attorney
M. Douglas Powell, General Manager

C. PUBLIC COMMENT

None.

D. CONSENT CALENDAR

1. Minutes Adoption

A motion to Approve was made by James Icenhour the motion result was Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0
Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

The minutes Approved for Adoption included the following meeting:

- o December 9, 2025, Regular Meeting

E. PUBLIC HEARING(S)

None.

F. BOARD CONSIDERATION(S)

None.

G. BOARD REQUESTS AND DIRECTIVES

Ms. Larson noted for the record that she received a constituent call regarding work in Lake Toano within Ms. Null's district and asked if the roads would be paved upon completion of the

project.

Mr. Powell confirmed that paving was part of the project's scope and would take place in March.

Ms. Larson thanked Mr. Powell.

Mr. McGlennon thanked Mr. Powell for the recent detailed communications provided to Kingspoint residents regarding the infrastructure replacement project and the opportunity it offered for residents who were not currently connected to connect to public water and sewer services. He asked Mr. Powell if he had received any feedback.

Mr. Powell replied not yet.

Ms. Larson expressed her gratitude to Mr. Powell and the James City Service Authority (JCSA) staff for their prompt response and resolution of a water main break that occurred in the First Colony neighborhood during the holidays. She expressed her appreciation for how quickly the matter was handled. Ms. Larson congratulated Ms. Null on her election as Chair and Ms. Wainwright on her election as Vice Chair.

H. GENERAL MANAGER'S UPDATE

1. January 2026 Dashboard Report

Mr. Powell noted he had no further update.

I. ADJOURNMENT

1. Adjourn until 8:30 am on January 27, 2026 for the Board of Director's Retreat at the JCSA Operations Center, 119 Tewning Road, Williamsburg, VA.

A motion to Adjourn was made by James Icenhour, the motion result was Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 0

Ayes: Icenhour Jr, Larson, McGlennon, Null, Wainwright

At approximately 5:02 p.m., Ms. Null adjourned the Board of Directors.

MEMORANDUM

DATE: February 10, 2026

TO: The Board of Directors

FROM: M. Douglas Powell, General Manager, James City Service Authority

SUBJECT: Five-Year Strategic Plan for Fiscal Years 2027-2031 Adoption

The attached proposed Five-Year Strategic Plan for Fiscal Years (FY) 2027-2031 is James City Service Authority's (JCSA) first independent organizational plan designed to match operations and budgets with JCSA's commitment to provide reliable and affordable water and sewer services to protect public health today and promote operational and financial sustainability for tomorrow.

The Plan is brief, action-oriented with measurable outcomes, and focused on issues specific to JCSA in the next five years. Future budgets will be based on the goals established by the Plan. The Plan contains input from staff and the Board and was developed over the past year with the assistance of InnerWill Leadership Institute, a strategic planning consultant.

The Plan's five goals and associated projects to accomplish these goals are listed below:

- 1) Address Water Supply Constraints
 - a. Reduce Daily and Seasonal Demand Peaks Through Irrigation Reduction.
 - b. Maintain Adequate Water Supply.
- 2) Ensure Wastewater System Growth and Adaptability
 - a. Infrastructure Improvement.
 - b. Partner with Hampton Roads Sanitation District (HRSD) to Jointly Manage System Growth.
- 3) Maintain a Positive Customer Experience
 - a. Improve Self-Service Options for Customers.
 - b. Ensure Ongoing Affordability for Customers.
- 4) Attract, Develop and Retain Talent
 - a. Competitive Compensation, Benefits, and Training.
 - b. Build a Sustainable Workforce.
 - c. Strengthen Training Program.
- 5) Continue Transition to Independence
 - a. Develop and Implement Transition Plan.
 - b. Develop and Implement Tewning Road Facilities Plan.

Staff recommends approval of the attached resolution adopting JCSA's Five-Year Strategic Plan for FY 2027-2031.

MDP/ap
JCSAStratPln-mem

Attachment

RESOLUTION

FIVE-YEAR STRATEGIC PLAN FOR FISCAL YEARS 2027-2031 ADOPTION

WHEREAS, the attached James City Service Authority (JCSA) Five-Year Strategic Plan for Fiscal Years 2027-2031 was developed with staff and Board input and is designed to match operations and budgets with JCSA's commitment to provide reliable and affordable water and sewer services to protect public health today and promote operational and financial sustainability for tomorrow; and

WHEREAS, future budgets will be based on the goals established by the Plan.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby approves and adopts the attached document entitled The James City Service Authority Five-Year Strategic Plan for Fiscal Years 2027-2031.

Barbara E. Null
Chair, Board of Directors

ATTEST:

Teresa J. Saeed
Deputy Secretary to the Board

WAINWRIGHT
ICENHOUR
LARSON
MCGLENNON
NULL

VOTES

<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
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Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 10th day of February, 2026.

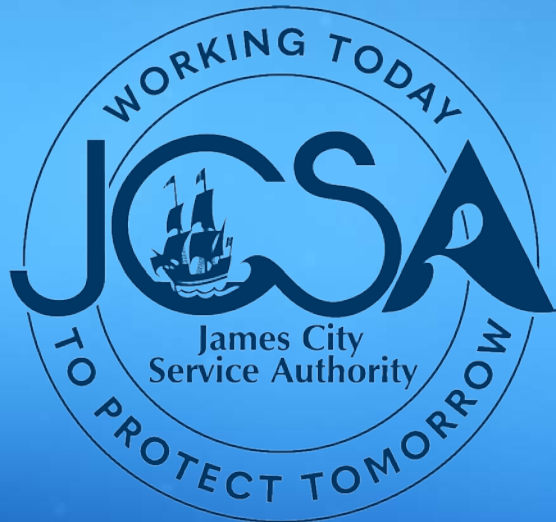
JCSAStratPln-res

The James City Service Authority



Five-Year Strategic Plan Fiscal Years 2027-2031

jcsava.gov



The James City Service Authority

Strategic Plan FY 2027-2032



ADDRESS
WATER
SUPPLY
CONSTRAINTS



ENSURE
WASTEWATER
SYSTEM
GROWTH AND
ADAPTABILITY



MAINTAIN A
POSITIVE
CUSTOMER
EXPERIENCE



ATTRACT, DEVELOP,
AND RETAIN TALENT



CONTINUE
TRANSITION TO
INDEPENDENCE

Address Water Supply Constraints



PROJECT

Reduce Daily and Seasonal Demand Peaks
Through Irrigation Reduction

Tactic: Implement Smart Irrigation Controller Rebate Program

Timing: 2026

Lead/Team: Conservation Team: Backflow, Communications, and Customer Service

Success Metric: 20% of eligible irrigators claim rebate

Tactic: Initiate Irrigation Conservation Public Education Campaign

Timing: 2026-2027

Lead/Team: Conservation Team: Backflow, Communications, and Customer Service - Business Manager

Success Metric: Campaign fully implemented

PROJECT

Maintain Adequate Water Supply

Tactic: Complete DEQ permit renewal and associated tasks. Obtain new permit.

Timing: 2027

Lead/Team: Chief Water Engineer, Engineering

Success Metric: Permit approved by 2027

Tactic: Improve System Efficiency with Infrastructure Upgrades

Timing: 2027-2031

Lead/Team: Chief Water Engineer, Engineering

Success Metric: Implement water system analysis study and DEQ permit requirements

Tactic: Increase reserves to fund future improvements

Timing: 2026-2031

Lead/Team: Admin

Success Metric: Reach Reserve Fund target balances

Tactic: Explore partnerships with HRSD/SWIFT, NNWW, New Kent, Williamsburg, regulatory agencies, etc.

Timing: 2026-2031

Lead/Team: Admin/Engineering

Success Metric: Learn what partnership opportunities are available

Ensure Wastewater System Growth and Adaptability



PROJECT

Infrastructure Improvement

Tactic: Address infrastructure repair backlog

Timing: 2026-2030

Lead/Team: Chief Wastewater Engineer/Engineering, Wastewater Collection

Success Metric: Reduce repair backlog by 50% by 2030

Tactic: Initiate reduced cycle time of core Maintenance Operation Management (MOM) tasks by establishing CCTV schedule based on lift station basins. Includes:

- Manhole inspections
- Valve exercising
- Easements inspections and clearing

Timing: 2026-2027

Lead/Team: Chief Wastewater Engineer

Success Metric: Reduced time associated with completing MOM tasks

Tactic: Update MOM plan

Timing: 2027

Lead/Team: Chief Wastewater Engineer

Success Metric: Publish updated plan

PROJECT

Partner with HRSD to Jointly Manage System Growth

Tactic: Coordinate CIP project development with HRSD

Timing: 2026

Lead/Team: Chief Wastewater Engineer

Success Metric: Meeting series established and both continue to participate

Maintain a Positive Customer Experience



PROJECT

Improve Self Service Options for Customers

Tactic: Promote easy access to monthly water usage information and promote opportunities for self service (forms, payments, etc.)

Timing: 2026-2030

Lead/Team: Business Manager

Success Metric: 80% of customers on AMI, reduction in calls to customer service, and increase in Spry Engage sign up rate

Tactic: Create outreach program featuring quarterly outreach message for entire customer base and targeted subsets like irrigators

Timing: 2026

Lead/Team: Communications and Customer Service: Business Manager and Utility Analyst

Success Metric: Program established and continues

PROJECT

Ensure Ongoing Affordability for Customers

Tactic: Provide Conservation Education

- Rebates education
- Irrigation conservation education
- Watering ordinance enforcement

Partner with HOAs, regulatory organizations, and other organizations to share messaging

Timing: 2026

Lead/Team: Conservation Team

Success Metric: Decreased trend in irrigation demand

Tactic: Enhance affordability through full funding of rate stabilization reserve

Timing: 2026-2028

Lead/Team: Treasurer

Success Metric: Fully fund Rate Stabilization Reserve

Attract, Develop and Retain Talent



PROJECT Competitive Compensation, Benefits, and Training	PROJECT Build a Sustainable Workforce	PROJECT Strengthen Training Program
<u>Tactic</u>: Benchmark total rewards and modernize where needed Develop schedule for periodic review of pay and benefits plan <u>Timing</u>: 2026-2031 <u>Lead/Team</u>: Human Resources <u>Success Metric</u>: Reduce time to fill vacancies and improve retention	<u>Tactic</u>: Conduct cross training and knowledge sharing <u>Timing</u>: 2026-2031 <u>Lead/Team</u>: Human Resources/All Staff <u>Success Metric</u>: SOPs in place for key processes and roles	<u>Tactic</u>: Expand New Hire training program <u>Timing</u>: 2026 <u>Lead/Team</u>: Human Resources/Dept Leaders <u>Success Metric</u>: Meeting series established
		<u>Tactic</u>: Expand Supervisor and Personal Development Training Series <u>Timing</u>: 2027-2029 <u>Lead/Team</u>: Human Resources <u>Success Metric</u>: Increased percentage of jobs filled internally
	<u>Tactic</u>: Update Safety Manual <u>Timing</u>: 2026 <u>Lead/Team</u>: Safety and Asset Manager <u>Success Metric</u>: Completed Safety Manual	<u>Tactic</u>: Update Safety Training Program <u>Timing</u>: 2027 <u>Lead/Team</u>: Safety and Asset Manager <u>Success Metric</u>: Improved job site inspection results
		<u>Tactic</u>: Create Internships and Promote Career Paths <u>Timing</u>: 2026-2029 <u>Lead/Team</u>: Human Resources <u>Success Metric</u>: Individuals enrolled in internships

Continue Transition to Independence



PROJECT

Develop and Implement Transition Plan

Tactic: Develop and implement staffing plan for assuming county-supplied services

Timing: 2027-2028

Lead/Team: Admin

Success Metric: Selected services supplied internally

Tactic: Adapt policies and procedures to JCSA internally

Timing: 2027-2028

Lead/Team: Admin

Success Metric: Updated policies and procedures

Tactic: Ensure business process alignment with Strategic Plan

Timing: 2026-2031

Lead/Team: Admin

Success Metric: Annual review of Strategic Plan and business processes

PROJECT

Develop and Implement Tewning Road Facilities Plan

Tactic: Conduct and implement space needs and site utilization study

Timing: 2027-2031

Lead/Team: Admin

Success Metric: Plan completed and implemented

MEMORANDUM

DATE: February 10, 2026

TO: The Board of Directors

FROM: M. Douglas Powell, General Manager, James City Service Authority

SUBJECT: High Priority Inflow and Infiltration Reduction Program Agreement with Hampton Roads Sanitation District

In 2007, the Board authorized the James City Service Authority (JCSA) to enter into a Consent Agreement with the Virginia Department of Environmental Quality to address sewer system overflows (SSOs). Thirteen other Hampton Roads localities entered into similar agreements during the same timeframe. On February 25, 2014, the Board approved a Hybrid Sewer Plan Memorandum of Agreement (MOA) with the Hampton Roads Sanitation District (HRSD) and these localities.

Under this MOA, HRSD is responsible for implementing the Regional Wet Weather Management Plan (RWWMP) to reduce SSOs through a combination of rehabilitation projects to repair deteriorated infrastructure and capacity projects to increase the size of treatment facilities. In addition, HRSD assumed liability for wet weather SSOs due to inadequate capacity upon completion of the construction and rehabilitation work identified in the RWWMP. JCSA is responsible for monitoring and maintaining the local sewer system to Consent Agreement standards.

The Board approved the First Amendment to the MOA on September 11, 2018, whereby HRSD accepted responsibility and liability for all regional wet weather SSOs earlier than proposed in the original MOA. The Amendment transferred this liability to HRSD upon approval of the integrated plan submitted to satisfy Consent Agreement requirements rather than upon completion of the implementation of the RWWMP. The Amendment also added a broad definition of a capacity related SSO and states HRSD and the localities will jointly investigate suspected SSOs.

SSOs are caused by direct “inflow” of unwanted stormwater and “infiltration” of unwanted groundwater through cracked or broken pipes and manholes. HRSD’s RWWMP identifies areas or “basins” surrounding sewer lift stations where reduction of inflow and infiltration through pipe and manhole repairs will most cost-effectively reduce SSOs. Four of the seven basins identified for repairs in the first round of HRSD’s High Priority Inflow and Infiltration Reduction Program (HPIIRP) are in the JCSA sewer service area.

The attached Agreement details JCSA and HRSD responsibilities for the HPIIRP and supplements and clarifies the MOA. HRSD will design and construct the repairs and improvements within each basin. Work may be performed on both JCSA and HRSD infrastructure. Any work on JCSA infrastructure will conform to JCSA’s design standards and JCSA engineering staff will have the opportunity to review and comment on proposed designs in advance of construction. The Agreement was reviewed and approved by JCSA engineering and management staff and the County Attorney’s Office. HRSD’s Commission approved the Agreement on January 27, 2026.

Staff recommends approval of the attached resolution authorizing the General Manager to execute the HPIIRP Agreement with HRSD.

MPD/tm
HPIIRPAgrmt-mem

Attachment

RESOLUTION

HIGH PRIORITY INFLOW AND INFILTRATION AGREEMENT WITH HAMPTON ROADS

SANITATION DISTRICT

- WHEREAS, in 2007, the Board authorized the James City Service Authority (JCSA) to enter into a Consent Agreement with the Virginia Department of Environmental Quality and 13 other Hampton Roads localities to address sewer system overflows (SSOs); and
- WHEREAS, on February 25, 2014, the Board approved a Hybrid Sewer Plan Memorandum of Agreement (MOA) with the Hampton Roads Sanitation District (HRSD) and these localities whereby HRSD is responsible for implementing the Regional Wet Weather Management Plan (RWWMP) to reduce SSOs through a combination of rehabilitation projects to repair deteriorated infrastructure and capacity projects to increase the size of treatment facilities; and
- WHEREAS, on September 11, 2018, the Board approved the First Amendment to the MOA whereby HRSD accepted responsibility and liability for all regional wet weather SSOs earlier than proposed in the original MOA; and
- WHEREAS, HRSD's RWWMP identifies basins surrounding sewer lift stations where reduction of inflow and infiltration through pipe and manhole repairs will most cost-effectively reduce SSOs; and
- WHEREAS, four of the seven basins identified for repairs in the first round of HRSD's High Priority Inflow and Infiltration Reduction Program (HPIIRP) are in the JCSA sewer service area; and
- WHEREAS, the attached Agreement details JCSA and HRSD responsibilities for the HPIIRP and supplements and clarifies the MOA.
- NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes the General Manager to execute the attached High Priority Inflow and Infiltration Reduction Program Agreement with the Hampton Roads Sanitation District.

Barbara E. Null
Chair, Board of Directors

ATTEST:

Teresa J. Saeed
Deputy Secretary to the Board

WAINWRIGHT
ICENHOUR
LARSON
MCGLENNON
NULL

VOTES

<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Adopted by the Board of Directors of the James City Service Authority, James City
County, Virginia, this 10th day of February, 2026.

HPIIRPAgrmt-res

HIGH PRIORITY INFLOW AND INFILTRATION REDUCTION PROGRAM

LOCAL AGREEMENT WITH THE JAMES CITY SERVICE AUTHORITY

This Agreement ("Agreement") is entered into on this ____ day of _____, 2026, by and among the Hampton Roads Sanitation District ("HRSD") and the James City Service Authority ("JCSA" or the "Locality") (HRSD and JCSA each a "Party" and together the "Parties").

Recitals

WHEREAS, the Locality is within the territory of the "District" as defined in 1960 Acts of Assembly, c. 66, as amended (the "Act"), and HRSD provides wastewater transmission and treatment services in the Locality; and

WHEREAS, working closely with the U.S. Environmental Protection Agency, Virginia Department of Environmental Quality, and local communities, HRSD has embarked on an extensive program to reduce sanitary sewer overflows in the District; and

WHEREAS, a critical component of these efforts on behalf of the District and the Locality is the implementation of HRSD's High Priority Inflow and Infiltration Reduction Program (the "Program"), during which HRSD will conduct extensive efforts including studies, design, and construction on sewer systems in the District owned and operated by various localities, governmental authorities, and private property owners, including the Locality; and

WHEREAS, JCSA owns and operates a sanitary sewer collection system (the "Locality System") that collects sewage in James City County and delivers it to HRSD's "sewerage system," as defined in the Act, for conveyance and treatment; and

WHEREAS, to address regional wet weather sewer capacity requirements, HRSD and the Locality, along with other jurisdictions, have been involved in a process to develop and implement a Regional Wet Weather Management Plan ("RWWMP"); and

WHEREAS, as a result, a Memorandum of Agreement, attached and incorporated herein as Exhibit A (the "MOA"), was developed through a cooperative process with HRSD and 14 local governments, including the Locality; and

WHEREAS, HRSD selected the Public-Private Education Facilities and Infrastructure Act of 2002 (Virginia Code § 56-575.1. *et seq.*) (the "PPEA") as its method for developing and contracting for the implementation of the Program in furtherance of the RWWMP and the MOA; and

WHEREAS, following the review and analysis of proposals, HRSD selected Burns & McDonnell Engineering Company, Inc. (the “Design-Builder”) for the planning, design, and construction of the Program; and

WHEREAS, HRSD entered into an interim agreement with the Design-Builder pursuant to Virginia Code § 56-575.9:1, which was approved by the Hampton Roads Sanitation District Commission (the “Commission”) on August 27, 2024, and amended in March 2025 and June 2025 (collectively, the “Interim Agreement”); and

WHEREAS, HRSD and the Commission determined that the Program serves the public purpose of the PPEA under the criteria set forth in Virginia Code § 56-575.4(C); and

WHEREAS, on September 23, 2025 the Commission approved a comprehensive agreement with the Design-Builder pursuant to Virginia Code § 56-575.9 (the “Comprehensive Agreement”), which allows for the development and operation of phases and segments of the Program through HRSD’s approval of specific projects and corresponding scopes of work (each a “Project Package,” used herein as defined in the Comprehensive Agreement); and

WHEREAS, as part of the Interim Agreement, the Design-Builder produced a Comprehensive I/I Reduction Program Plan (the “Plan”), which was incorporated into the Comprehensive Agreement and anticipates that work will be performed under Project Packages within the Locality, possibly including, but not limited to, engineering, planning and design, procurement of materials and equipment, construction, testing, and commissioning of all elements necessary to rehabilitate and replace portions of the Locality System; and

WHEREAS, HRSD expects Design-Builder to perform work in the Locality related to the Locality System in the areas preliminarily identified on map attached and incorporated as Exhibit B; and

WHEREAS, the bonds, insurance, warranty, and guarantees required of the Design-Builder by the Comprehensive Agreement apply to the work to be performed on the Locality System; and

WHEREAS, HRSD and the Locality agree that it is consistent with the MOA and in the best interests of the Parties to have such improvements to the Locality System constructed and paid for by HRSD as part of its work with Design-Builder for the design and construction of the Program, under the terms and conditions of the Comprehensive Agreement, the MOA, and those set forth herein.

NOW, THEREFORE, in consideration of the above recitals, which are incorporated herein by reference, the agreements set forth below, HRSD’s investment in the Program

within the Locality and improvement of the Locality System, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. SUPPLEMENTATION OF THE MOA. This Agreement supplements and clarifies the understanding of the Parties as to certain provisions of the MOA as they relate to the Program generally, and the Project Packages being constructed in the Locality, but does not replace the MOA in its entirety. Where there is a conflict between the terms of this Agreement and the MOA, the terms of this Agreement shall control.

II. DESIGN AND CONSTRUCTION OF IMPROVEMENTS. HRSD will design and construct improvements to sanitary sewer infrastructure in the Locality, including the Locality System, to be described in Project Packages approved by HRSD (such work being the “Improvements”). Each portion of the Locality System and associated real property necessary for completion of the Improvements is referred to herein as a “Site.” The Parties agree that the Improvements will be designed and constructed pursuant to the Comprehensive Agreement and in accordance with the following:

A. Design of Improvements

1. Based on the Plan, HRSD and the Design-BUILDER will prepare Project Packages, including the Improvements in accordance with the Comprehensive Agreement.
2. The Locality will have an opportunity to review and comment on the draft final preliminary engineering report (“PER”) provided by the Design-BUILDER related to the Improvements proposed to the Locality System. The Locality shall promptly, but no later than fourteen (14) days after the PER is provided by HRSD (the “Initial Comment Period”), provide any comments or proposed revisions to the PER in writing to HRSD. The Parties agree that the Initial Comment Period is the Locality’s opportunity to consult and coordinate in the preliminary and detailed design of the Improvements related to the following:
 - a) The Design-BUILDER’s preliminary project schedule, including projected timelines for work being performed on the Locality System.
 - b) The list of applicable Hampton Roads Planning District Commission (“HRPDC”) and HRSD design and construction standards, and identification of JCSA-specific special provisions, amendments, modifications, or additional requirements that supersede or

supplement the HRPDC standards for design and construction requirements (collectively referred to as “Special Provisions”). As of the date of the Agreement, JCSA has identified the following Special Provisions: JCSA’s Design & Acceptance Criteria, which include but are in no way limited to JCSA’s HRPDC Special Provision, MH & Wet Well Contract Specifications, Trenchless Rehabilitation Specifications, Flextran Interceptor Rehabilitation “Large Lining Contracts” Specifications, JCSA Asphalt Repair Specifications. The Parties acknowledge that any applicable Special Provisions will be identified by JCSA during the Initial Comment Period for the Improvements identified on the PER.

c) Locality requests contemplated by the MOA.

If no written comments are received from the Locality during the Initial Comment Period, the PER shall be considered approved by the Locality and HRSD and the Design-Builder will proceed with detailed design of the Improvements using the proposed scope of work and design and construction standards.

3. If no written comments are received from the Locality, or once the Locality’s written comments are satisfied as mutually agreed by the Parties, HRSD and the Design-Builder will use the PER to prepare a set of draft final plans and specifications for the Improvements that will be governed by a Project Package (the “Draft Final Plans and Specifications”).
4. Locality will have an opportunity to review and comment on the Draft Final Plans and Specifications provided by the Design-Builder related to the Improvements proposed to the Locality System. Locality shall promptly, but no later than fourteen (14) days after the Draft Final Plans and Specifications are provided by HRSD (the “Final Comment Period”), provide any comments or proposed revisions in writing to HRSD. If no written comments are received from the Locality during the Final Comment Period, the Draft Final Plans and Specifications shall be considered approved by the Locality and HRSD and the Design-Builder will proceed with completion of the detailed design of the Improvements using the PER and Draft Final Plans and Specifications.
5. If no written comments are received from the Locality, or once the Locality’s written comments are satisfied as mutually agreed by the Parties, HRSD and the Design-Builder will use the Draft Final Plans and Specifications to

prepare a set of final plans and specifications for the Improvements that will be governed by a Project Package (the "Final Plans and Specifications").

6. Locality will have an opportunity to review and approve any "or-equal" or product substitutions proposed by HRSD or Design-Builder for Improvements to the Locality System that vary from the design and construction standards identified in the PER. Locality shall promptly, but no later than fourteen (14) days after receiving notice of the proposed substitution, provide approval or other comments in writing to HRSD. If no written comments are received from the Locality within such fourteen (14) day period, the proposed substitutions will be considered approved and HRSD and the Design-Builder will proceed with detailed design and construction of the Improvements using the proposed substitutions.
7. All Final Plans and Specifications shall comply with the PER unless otherwise approved by the Parties.

B. Construction of the Improvements.

1. HRSD and the Design-Builder shall be responsible for constructing the Improvements in substantial conformance with the Final Plans and Specifications.
2. The Locality will be included as an additional insured on the applicable policies of insurance required by the Comprehensive Agreement for each Project Package involving construction of Improvements to the Locality System.
3. HRSD and the Design-Builder shall be responsible for preparing, finalizing, and executing any and all front-end documents, construction contracts, architectural contracts, engineering contracts, drawings, surveys, bidding documents, bonds, insurance documents, construction plans, and all amendments, revisions and modifications thereto, relating to the construction of the Improvements (collectively, the "Project Documents").
4. The Parties understand and agree that construction of the Improvements, or any portion thereof, may be abandoned by HRSD if, in HRSD's sole discretion, the work is no longer expected to be cost-effective for the reduction of inflow and infiltration and sanitary sewer overflows. If a portion of the Improvements are abandoned during administration of a Project Package, HRSD will use commercially reasonable efforts to leave the Site

and any areas of disturbance related to the Improvements in no worse condition than existed prior to commencing construction of the portion of the Improvements subject to abandonment, and any non-abandoned portion of the Improvements to the Locality System will remain subject to the substantial completion and final completion procedures identified in Section IV.I of this Agreement.

5. HRSD expects that the Design-Builder shall serve as the engineer and contractor for the construction of the Improvements. The Design-Builder, and any subcontractors or replacements therefore, shall meet all stated requirements associated with the Project Documents.
6. HRSD and the Design-Builder shall be responsible for all necessary permits and approvals necessary for the construction of the Improvements.
7. Construction of Improvements in the Locality's jurisdiction is anticipated to begin by April 1, 2026 and be substantially complete by November 1, 2027. HRSD shall arrange and conduct regular progress meetings with the Locality during the construction of the Improvements.
8. HRSD will provide the Locality with notice of the following related to construction of the Improvements to the Locality System:
 - a) The commencement of construction activities on a Site related to the Improvements.
 - b) When a sewer segment is bypassed and when the segment is put back into service.
 - c) When Improvements or a portion thereof will be abandoned as not cost-effective. Such notice will include the steps HRSD or the Design-Builder will take to comply with Section II.B.4 of this Agreement.
 - d) Design-Builder's request for issuance of a certification of substantial completion for the Improvements.
 - e) When a certification of substantial completion is issued by HRSD for the Improvements.
 - f) Design-Builder's request for issuance of a certification of final completion for the Improvements.
 - g) When a certification of final completion is issued by HRSD for the Improvements.

9. HRSD will require the Design-Builder to provide a performance and payment bond for the full amount of the construction of the Improvements.
10. HRSD will use commercially reasonable efforts to have the Design-Builder correct any defects and make any repairs covered by the Design-Builder's warranty of the Improvements or the Design-Builder's applicable policies of insurance that are reported to HRSD by the Locality within one (1) year of the substantial completion of the Improvements.
11. After the Improvements achieve final completion, HRSD will provide the Locality with the record drawings approved by HRSD. Such approved record drawings will be provided to the Locality within thirty (30) days of being received from the Design-Builder.
12. Upon request by the Locality, HRSD will provide other records and data produced by the Design-Builder during the construction of the Improvements to the Locality System: e.g., pre-construction condition assessment closed-circuit television (CCTV) videos and manhole inspection data, GIS map changes, and post-construction CCTV videos.

III. ACCESS TO THE SITE / RIGHT OF ENTRY

- A. HRSD, the Design-Builder, and their authorized subcontractors and agents shall have a license for ingress and egress over the property and easements of the Locality whereon the Improvements are being made and any related infrastructure is located, as well as any other adjacent land owned by, under the control of, accessible by, or within an easement benefiting the Locality, as necessary to access, construct, and maintain the Site or the Improvements, including but not limited to all sewer service laterals and sewer clean-outs, for the purpose of inspecting and reviewing the same, and satisfying HRSD's obligations under this Agreement, the MOA, and the Comprehensive Agreement.
- B. Within thirty (30) days of final execution of this Agreement, the Locality will provide HRSD and the Design-Builder with a letter or other written authorization for presentation to landowners and Locality personnel memorializing HRSD and the Design-Builder's ability to use the Site and the Locality's real property and easements to design and construct the Improvements. The Parties agree to execute such further documentation or instruments as are necessary to confirm, effect, and memorialize the right for HRSD, the Design-Builder, and their authorized subcontractors and agents to access the Locality System, the

Site, and related real property and easements necessary to complete the Improvements.

IV. LOCALITY RESPONSIBILITIES. In addition to the obligations described in the MOA and elsewhere in this Agreement, the Locality is responsible for the following to support the MOA, the RWWMP, the Program, and the Improvements:

- A. Coordination with HRSD and the Design-Builder on all of the Locality's projects being conducted on, or in the area of, the infrastructure that is the subject of the Improvements.
- B. Support and facilitation of HRSD's acquisition of any right-of-entry agreements or easements necessary for HRSD and Design-Builder to access and occupy private property to complete the Improvements.
- C. Participation in predesign meetings with HRSD, the Design-Builder, and subcontractors prior to commencement of detailed design work on the Improvements.
- D. Participation in preconstruction meetings with HRSD, the Design-Builder, and subcontractors prior to commencement of construction field work on the Improvements.
- E. Prompt review of any administrative permits required by the Locality for construction of the Improvements. The Parties' expectation is that complete applications for permits related to the Improvements will receive action from the Locality within fourteen (14) days of submission or resubmission.
- F. When necessary, prompt review of traffic control plans related to the Improvements being performed on infrastructure located in or adjacent to rights-of-way. The Parties' expectation is that complete traffic control plans related to the Improvements will receive action from the Locality within fourteen (14) days of submission or resubmission, whether related to rights-of-way regulated by the Locality, the Virginia Department of Transportation, or others.
- G. Prompt notification of any public inquires, complaints/311 calls, or claims received by the Locality related to construction of the Improvements, but in all cases within three (3) business days of the Locality's receipt.

- H. Prompt communication of any concerns raised during observation of the construction work as it is being performed, but in all cases within twenty-four (24) hours after observation.
- I. Participation in HRSD's process for certification of substantial completion and final completion for the Improvements to the Locality System. The Parties' expectation for prompt participation in these processes are as follows:
 - 1. Substantial Completion. Upon receiving notice from HRSD of Design-Builder's request for issuance of a certification of substantial completion for the Improvements, the Locality may inspect the Improvements or review relevant records (collectively "Review") to confirm that the Improvements are constructed and connected to the Locality System in substantial conformance with the Final Plans and Specifications. Within 10 days of HRSD's delivery of such notice and relevant post-construction inspection records submitted by Design-Builder, the Locality will notify HRSD whether it elects to Review the Improvements. If the Locality elects to Review the Improvements, the Locality will either (i) provide written notice of satisfaction, or (ii) provide written comments identifying all corrections and modifications that the Locality deems necessary for the Improvements to substantially conform to the Final Plans and Specifications (the "Punch List"). If the Locality elects to Review the Improvements, it will promptly conduct the Review and provide the Punch List to HRSD, but in all instances within 10 days of HRSD's delivery of Design-Builder's request for issuance of a certification of substantial completion for the Improvements.
 - 2. Final Completion. If the Locality provided HRSD with a Punch List, upon receiving notice from HRSD of Design-Builder's request for issuance of a certification of final completion for the Improvements, the Locality may Review the Improvements to confirm that the Punch List has been satisfied. Within 10 days of HRSD's delivery of such notice, the Locality will notify HRSD whether it elects to Review the Improvements. If the Locality elects to Review, the Locality will either (i) provide written notice of satisfaction, or (ii) provide written comments identifying all corrections and modifications that the Locality deems necessary for the Improvements to satisfy the Punch List. The Locality will promptly complete the Review, but in all instances within 10 days of HRSD's delivery of Design-Builder's request for issuance of a certification of final completion for the Improvements. The process in this paragraph IV(G)(2) will repeat until the Locality provides HRSD written notice of satisfaction which shall not be unreasonably withheld.

J. JCSEA will perform onsite visual inspections of the surface condition of Improvements sufficient to assess any defects, warranty CCTV inspections, and all other applicable HRPDC Regional Construction Standards inspections and deliver any notice of defects identified by said inspections to all Parties within one (1) year of substantial completion of the Improvements to the Locality System.

V. PROJECT COSTS. HRSD shall be responsible for all costs associated with the design and construction of the Improvements, including but not limited to: engineering design costs; costs of preparing the Final Plans and Specifications, and any amendments thereto; cost of construction of the Improvements; costs of advertising for bids; costs of approval and permits required for construction of the Improvements; costs of construction contract administration and inspection by HRSD or its consultants or Design-Builder; costs of all change orders requested solely by HRSD; costs associated with all temporary or permanent easements and land acquisitions associated with the Improvements over third-party property; costs of retiring any existing facilities replaced by the Improvements; and any related miscellaneous essential expenses.

VI. OWNERSHIP, OPERATION, AND MAINTENANCE OF THE LOCALITY SYSTEM AND THE IMPROVEMENTS.

A. At all times, Locality will own the Locality System and all infrastructure that is related to the Improvements being performed on the Locality System. The Locality hereby grants HRSD, Design-Builder, and their subcontractors and agents a license to access and use any Site to make the Improvements.

B. Prior to the commencement of construction of the Improvements or any portion thereof, the Locality shall have sole responsibility for maintenance and operation of the Locality System, including that portion that will be subject to work for the Improvements.

C. During construction of the Improvements, HRSD and the Locality agree to cooperate and coordinate for the operations and maintenance of the Improvements, as well as of any interconnections between Locality's existing facilities and the Improvements; however, the Locality will have responsibility for the maintenance and operation of any sewer segments within the Locality System rehabilitated as part of the Improvements upon such segments being placed back into service.

- D. Upon HRSD's confirmation of substantial completion of the Improvements in coordination with the Locality, the operation and maintenance of the Improvements and all related components of the Locality System are automatically the responsibility of the Locality.

VII. GENERAL PROVISIONS

A. Notices:

1. All notices related to the Initial Comment Period, Final Comment Period, and the design and construction of the Improvements, including as identified in Sections II and IV, and VI shall be deemed effective when delivered by hand-delivery or electronic mail to the following individuals (each a "Program Representative"), unless notice of a new Program Representative is provided in accordance with Section VII(A)(2):

HRSD's Program Representative:

Beatriz E. Patino,

HRSD Project Manager

bpatino@hrsd.com

2389 G. Avenue, Newport News, VA 23602

With a copy to Design-Builder:

Burns and McDonnell Engineering Company Representative:

John J. Pruss

Program Manager

jjpruss@burnsmcd.com

1317 Executive Blvd. Ste 300. Chesapeake, VA 23320

Locality's Program Representative:

JCSA Chief Engineer

James Canning

Phone: (757) 259-4108

Email: james.canning@jcsava.gov

119 Tewning Road, Williamsburg, VA 23188

2. All notices relating to this Agreement, except those related to the Improvements to be delivered to a Party's Program Representative, shall be deemed effective when delivered by hand-delivery, electronic mail with confirmation of receipt, registered mail, or certified mail return receipt requested, postage prepaid, to the Locality and to HRSD at the respective

addresses herein shown, unless this Agreement is modified in writing to reflect other addresses:

If to JCSA:

JCSA
c/o General Manager
119 Tewning Road
Williamsburg, VA 23188
Email: doug.powell@jcsava.gov

With copies to:

JCSA Counsel
Andrew Dean, Esq.
James City Service Authority
101-D Mounts Bay Road
Williamsburg, VA 23185
Email: Andrew.dean@jamescitycountyva.gov

If to HRSD:

HRSD
c/o General Manager/CEO
PO Box 5911
Virginia Beach, VA 23471
Email: jbernas@hrsd.com

With Copies to:

HRSD Counsel:
Robyn Hansen, Esq.
Sands Anderson PC
4801 Courthouse Street, Suite 203
Williamsburg, VA 23188
Email: Rhansen@sandsanderson.com

- B. Entire Agreement: This Agreement, and any exhibits or attachments made hereto, represent the full agreement and understanding of the Parties hereto relating to the Improvements, there being no additional agreements written, oral or otherwise. This Agreement may be amended only by a writing signed by both Parties.
- C. Authority: The Locality and HRSD both warrant that they have permission and authority derived under their respective organizational documents and

Enabling Acts to execute and undertake this Agreement and that all necessary resolutions and actions of their respective governing bodies to allow execution of this Agreement have been completed. This Agreement shall apply to, and be binding upon both Parties, their elected officials, officers, agents, employees, successors, and assigns.

- D. Compliance with Law: Each Party warrants that, to the best of its knowledge, it has complied with all aspects of applicable federal, state, and local law in entering this Agreement and further warrants that it shall comply with all applicable federal, state, and local laws in the performance of this Agreement.
- E. No Violation: The execution of this Agreement by the Parties will not violate any covenant, condition, or contract to which the Parties hereto are subject at the time of execution.
- F. Insurance. Each Party has the right to review and approve insurance coverage in the various insurance categories that they deem necessary to be carried by the other Party to this Agreement. The Parties acknowledge that the Design-Builder's insurance requirements are governed by the Comprehensive Agreement. Proof of insurance shall be provided at the request of a Party and the insurance coverage shall be maintained during the term of this Agreement.
- G. Governing Law; Venue: This Agreement shall be governed as to all matters whether of validity, interpretations, obligations, performance or otherwise exclusively by the laws of the Commonwealth of Virginia, and all questions arising with respect thereto shall be determined in accordance with such laws without regard to conflict of laws principles. Regardless of where actually delivered and accepted, this Agreement shall be deemed to have been delivered and accepted by the Parties in the Commonwealth of Virginia. Venue shall be in the federal or state courts with jurisdiction in the City of Virginia Beach, Virginia.
- H. Term of Agreement. The term of the Agreement will commence on the date the Agreement is entered into and be completed when each Party has completely performed its obligations hereunder.
- I. Termination. This Agreement may be terminated by Locality or HRSD (i) with cause in the event that a Party materially breaches this Agreement and such breach is not cured within sixty (60) days of the defaulting Party's receipt of

written notice of such breach from the non-defaulting Party; or (ii) by mutual written agreement of the Parties.

- J. Enforcement: The failure of either Party to enforce the terms of this Agreement shall not be considered a waiver as to the enforceability of such terms. If any provision of this Agreement is found to be unenforceable, the remainder of this Agreement shall remain in full force and effect. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Such rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
- K. Force Majeure: No Party shall be responsible for its failure to fulfill an obligation pursuant to this Agreement to the extent that such failure is due to acts of God; labor strikes; war or terrorism; epidemics/pandemics; fires; floods; the actions of a third party; lockouts; strikes, freight embargos, and unusually severe weather or delays of Design-Bulder or subcontractors due to such causes. A Party experiencing a force majeure event that prevents fulfillment of a material obligation hereunder shall (a) give the other Party prompt written notice describing the particulars of the event within seven (7) days of the commencement of the event; (b) suspend performance only to the extent and for the duration that is reasonably required by the force majeure event; (c) use reasonable efforts to overcome or mitigate the effects of such occurrence; and (d) promptly resume performance of the affected obligation if and when such Party is able to do so.
- L. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.
- M. Assignment. No Party may assign its rights under this Agreement without the prior written consent of the other Party.
- N. No Third-Party Beneficiaries. This Agreement is only intended to address items between the Parties related to the MOA and the Improvements being constructed in the Locality. Any intent to create a third-party beneficiary is expressly disclaimed.

- O. Binding Effect: This Agreement shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and permitted assigns.
- P. Reservation: Except as expressly provided herein, nothing in this Agreement shall be construed to limit or otherwise affect the authority, rights, or responsibilities of the Parties.
- Q. Recitals. The Recitals above are incorporated into this Agreement as if fully set forth herein.

[Signature pages follow]

IN WITNESS WHEREOF, the James City Service Authority has caused this Agreement to be signed on its behalf by M. Douglas Powell, General Manager of the James City Service Authority, in accordance with authorization granted at its regular meeting held on _____, _____:

JAMES CITY SERVICE AUTHORITY

By: _____

Name: M. Douglas Powell

Title: General Manager

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

The foregoing Agreement was acknowledged before me this _____ day of _____, 20__, by M. Douglas Powell, General Manager of the James City Service Authority.

Notary Public

My commission expires:

Registration No.:

IN WITNESS WHEREOF, the Hampton Roads Sanitation District Commission has caused this AGREEMENT to be signed on its behalf by its General Manager/CEO in accordance with authorization granted at its regular meeting held on January 27, 2026.

HAMPTON ROADS SANITATION DISTRICT

By:

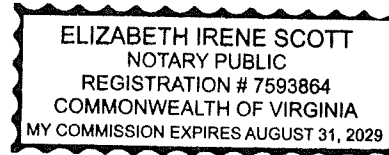
Jay Bernas
Jay Bernas, P.E., General Manager/CEO

COMMONWEALTH OF VIRGINIA
CITY OF VIRGINIA BEACH, to-wit:

The foregoing instrument was acknowledged before me this 27th day of January, 2026 by Jay Bernas, P.E., General Manager/CEO of Hampton Roads Sanitation District. He is personally known to me or provided personally known identification.

Elizabeth Irene Scott
Notary Public

Notary#: 7593864
My Commission expires: August 31, 2029



MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("Agreement") is entered into on this 10 day of ^{March} February, 2014, by and among the Hampton Roads Sanitation District ("HRSD"); and the cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; and the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority (each a "Locality" and collectively, the "Localities").

WHEREAS, HRSD provides wastewater transmission and treatment services for the Localities;

WHEREAS, the Localities individually own and operate sanitary sewer collection systems, which collect sewage within their individual jurisdictional boundaries and deliver it to the HRSD sewer system for conveyance and treatment;

WHEREAS, to address regional wet weather sewer capacity requirements, on February 23, 2010, HRSD, the Virginia Department of Environmental Quality and the United States Environmental Protection Agency entered into a Federal Consent Decree;

WHEREAS, the Federal Consent Decree requires, among other things, that HRSD work in consultation with the Localities to develop a Regional Wet Weather Management Plan ("RWWMP") that will ensure adequate wet weather sewer capacity in HRSD's portion of the regional sewer system;

WHEREAS, on June 25, 2012, HRSD, the Localities (excluding Norfolk), and the Commonwealth of Virginia executed an Amendment to the September 26, 2007 Special Order By Consent that requires the Localities (excluding Norfolk) and HRSD to, among other things, develop a RWWMP identical to the plan called for in the Federal Consent Decree;

WHEREAS, on March 17, 2005, HRSD, Norfolk and the Commonwealth of Virginia executed a second phase to the December 17, 2001 Special Order by Consent (collectively, the "Norfolk/HRSD Consent Orders") that required HRSD and Norfolk, to among other things, address wet weather issues in the City of Norfolk with a Long Term Control Plan requiring a minimum annual investment in sewer infrastructure;

WHEREAS, pursuant to the Norfolk/HRSD Consent Orders, the City of Norfolk has made significant financial investments of over \$100 million, though additional capacity-related investments in the Norfolk sewer system are expected as part of further implementation of the Norfolk/HRSD Consent Order (the "Norfolk/HRSD Consent Order Capacity Projects");

WHEREAS, substantial additional wet weather capacity-related investments in the Norfolk sewer system will still be required to achieve the regional wet weather management capacity requirements in the approved RWWMP (the "Norfolk System RWWMP Projects");

WHEREAS, during the ongoing planning for the RWWMP, HRSD and the Localities conducted a study to determine if HRSD ownership of the Localities' sewer systems would provide significant capital and operational cost savings to the region's ratepayers under the RWWMP;

WHEREAS, the regional study was completed in the summer of 2013 and estimated that HRSD ownership of the regional sewers could potentially save the overall region's ratepayers more than one billion dollars over a 30-year period in capital and operation/maintenance costs as compared to a scenario where HRSD and the Localities independently seek to address wet weather capacity needs, although the amount of savings varied significantly among the Localities;

WHEREAS, full regionalization of the Localities' sewer systems is unlikely at this time for a variety of reasons;

WHEREAS, a significant portion of the estimated savings from full regionalization can still be obtained for the benefit of the region's ratepayers if HRSD agrees to take sole responsibility for financing and implementing the approved RWWMP across the entire regional sewer system; and

WHEREAS, if HRSD assumes sole responsibility for funding and implementing the approved RWWMP, HRSD will have to raise its regional rates in order to fund the cost of the approved RWWMP, and each Locality which is a party hereto acknowledges that such rate increases will be necessary in order to achieve the more affordable and cost-effective RWWMP (which each Locality will have the opportunity to provide input into and to challenge if it believes the RWWMP is not an affordable and cost-effective approach);

NOW, THEREFORE, in consideration of the premises, mutual covenants and obligations contained herein, HRSD and the Localities do hereby enter into this Agreement for the purpose of defining the roles, responsibilities, and obligations of HRSD and the Localities for the development, financing, and implementation of the RWWMP and the assurance of adequate wet weather sewer capacity in the Regional Sanitary Sewer System in the future.

A. DEFINITIONS

"2007 MOA" means the Memorandum of Agreement dated June 28, 2007, by and among HRSD; the cities of Chesapeake, Hampton, Newport News, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority.

"Board" means the State Water Control Board, a permanent citizens body of the Commonwealth of Virginia as described in Virginia Code §§ 62.1-44.7 and 10.1-1184.

"DEQ" means the Department of Environmental Quality, an agency of the Commonwealth of Virginia as described in Virginia Code §10.1-1183.

"EPA" means the United States Environmental Protection Agency.

"Federal Consent Decree" means the Amended Consent Decree filed in the United States District Court for the Eastern District of Virginia on February 23, 2010 (Civil Action No. 2:09cv-481), and any subsequent amendments thereto.

"Party" or "Parties" means one or more signatories to this Agreement.

"Regional Sanitary Sewer System" means the collective sanitary sewer systems owned and operated by HRSD and the Localities, including gravity sewer lines, manholes, pump stations, lift stations, pressure reducing stations, force mains, wastewater treatment plants, and all associated appurtenances.

"Special Order By Consent" means the special order by consent dated September 26, 2007, and any subsequent amendments thereto, by and among the Board and HRSD; the cities of Chesapeake, Hampton, Newport News, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Town of Smithfield; the counties of Gloucester, Isle of Wight, and York; and the James City Service Authority.

"Significant Defect" means a physical condition in the sanitary sewer system owned or

operated by a Locality, including: (i) existing or imminent structural failures, cave-ins, and similar defects and (ii) significant sources of inflow and infiltration (including but not limited to missing and/or damaged public clean-outs, missing manhole inserts, direct storm water connections, and unsealed manhole pipe penetrations).

“Warranties” means any warranties and/or rights under bonds or similar instruments securing or assuring the quality, adequacy or timeliness of the design, materials, installation or construction of any improvements conveyed by HRSD to a Locality as contemplated in this Agreement.

B. ROLES AND RESPONSIBILITIES

1. HRSD agrees to:

a. In consultation with the Localities: Develop a reasonably affordable and cost-effective RWWMP, including the Norfolk System RWWMP Projects, in accordance with this Agreement and Paragraph 10 of the Federal Consent Decree, to achieve the wet weather capacity requirements of the Federal Consent Decree for the affected portions of the Regional Sanitary Sewer System including the Norfolk sewer system.

b. Implement the approved RWWMP in accordance with the approved RWWMP long-term schedule;

c. Design and construct all RWWMP projects in accordance with HRSD Standards and Preferences, the applicable portions of the Hampton Roads Planning District Commission Regional Construction Standards, and Locality preferences, policies, or guidelines with respect to operation and maintenance issues where such preferences, policies, or guidelines have been established and are broadly applied by the Locality;

d. Fully fund implementation of the RWWMP regardless of asset ownership through a regional HRSD rate applied equally across all HRSD accounts in the Localities;

e. Upon full implementation of the applicable RWWMP facilities for each HRSD treatment plant service area and the successful completion of the Post-RWWMP Performance Assessment for that service area, HRSD shall be responsible for ensuring and maintaining adequate wet weather capacity for those portions of the Regional Sanitary Sewer System in that service area, whether owned or operated by HRSD or a Locality, up to the applicable capacity level defined in the approved RWWMP;

f. Maintain a flow monitoring program in accordance with the Federal Consent Decree;

g. Investigate, in cooperation with affected Localities, any sanitary sewer overflow where system capacity is reasonably suspected of being a contributing cause or the sole cause of such overflow to determine the actual cause or causes (in support of such inquiry, HRSD shall make available to Localities in a timely manner, upon request, any potentially relevant information it may have) and the appropriate response;

h. Provide to the applicable Locality complete copies of record drawings of improvements constructed by HRSD within that Locality pursuant to the RWWMP within thirty (30) days of completion or amendment of such drawings;

i. Convey to each Locality improvements which HRSD may install or construct pursuant to the approved RWWMP, for addition or modification to the Locality’s sewer system;

j. Negotiate and obtain customary commercial Warranties for pavement and other project improvements in Locality systems and enforce such Warranties during warranty periods as necessary, provided that following such warranty period, any assets conveyed to a Locality are the sole responsibility of such Locality;

k. Make available to the Localities information HRSD uses in the development and implementation of the RWWMP and any other relevant information HRSD may have;

l. Comply with applicable Locality ordinances and other laws and regulations in the planning, design, and implementation of the RWWMP;

m. Assume regulatory liability for wet weather overflows occurring upon completion of the RWWMP implementation (including the Post RWWMP Implementation Performance Assessment) and which are determined to result from lack of adequate capacity as defined in the RWWMP for such sanitary sewer overflows;

n. Reimburse, to the extent permitted by law, any Locality for reasonable claims paid to any third-party resulting from wet weather overflows occurring upon completion of the RWWMP implementation (including the Post RWWMP Implementation Performance Assessment) and which are determined to result from lack of adequate capacity as defined in the RWWMP for such sanitary sewer overflows, provided that HRSD retains the right to assert governmental immunity as allowed by law if HRSD determines a claim is unreasonable or due to causes beyond HRSD's control;

o. Provide staff and/or consultant resources to coordinate development and implementation of the approved RWWMP as it applies to each Locality in accordance with the approved RWWMP schedule;

p. Issue in a timely manner and in accordance with established processes any approvals, and timely execute any documents, necessary for implementation by a Locality of improvements or management, operations or maintenance measures as required by the RWWMP or contemplated by the Special Order by Consent, and not unreasonably withhold, condition or delay such approvals or execution of documents;

q. Support the modification of the Special Order by Consent between DEQ, HRSD and the Localities consistent with the changes to the Federal Consent Decree;

r. Consult with the Localities as necessary to facilitate the timely implementation of the approved RWWMP; and

s. Cooperate with Localities when requested to incorporate other locally funded infrastructure improvements as part of any RWWMP project, provided that HRSD can do so consistent with the approved RWWMP schedule and HRSD's project-related costs do not increase by more than ten percent (10%) (a Locality may pay any amount of additional HRSD cost above the 10% threshold in order to satisfy this condition).

2. Each Locality agrees to:

a. Maintain and operate Locality-owned collection system assets and any improvements constructed by HRSD in Locality-owned assets as part of the RWWMP. This obligation shall be performed in accordance with any approved Management, Operations, and Maintenance program and industry accepted practices relating to sewer inspection, Sewer System Evaluation Survey work and repair of Significant Defects (not scheduled to be addressed by the

RWWMP within a reasonable period of time but excluding those for which HRSD is responsible under Section B.1.j above);

b. Provide full access to data, information and Locality-owned assets necessary for timely and cost-effective development of the RWWMP. This includes, but is not limited to, flow monitoring data, calibrated hydrologic models, long-term simulations, SSES data and results, Rehabilitation Plans and Preliminary Capacity Assessments including hydraulic models and related calculations;

c. Maintain and calibrate the existing locality-owned flow monitoring equipment (previously required by the Regional Technical Standards) and provide data at regular intervals in a mutually acceptable form, throughout the development of the RWWMP;

d. Provide staff and/or consultant resources to coordinate development and implementation of the approved RWWMP as it applies to each Locality in accordance with the approved RWWMP schedule, subject to appropriation, provided that in the event adequate resources are not appropriated, HRSD shall be relieved of its obligations under Section B.1.a with respect to consultation with the Localities and Section B.1.q of this Agreement;

e. Timely issue any Locality administrative permits in accordance with established processes and, subject to applicable law, timely execute any documents, as necessary for implementation of RWWMP-related improvements in that Locality, and not unreasonably withhold, condition or delay such permits or execution of documents;

f. Accommodate reasonable contractor requests for standard work hours and maintenance of traffic in accordance with existing Locality policies during implementation of RWWMP improvements within the Locality;

g. Support the modification of the September 26, 2007 Special Order by Consent, as amended, between DEQ, HRSD and the Localities consistent with the changes to the Federal Consent Decree;

h. Upon HRSD's request, provide a written letter of support for a modification of HRSD's Federal Consent Decree to establish HRSD's responsibilities consistent with this Agreement;

i. Cooperate with HRSD and the other Localities as necessary to facilitate the timely implementation of the approved RWWMP; and

j. Provide timely notice of and investigate, in cooperation with HRSD, all capacity-related sanitary sewer overflows.

C. REMEDIES AND RESERVATIONS OF RIGHTS

1. If any Party shall fail to perform or observe any of the material terms, conditions, or provisions of this Agreement applicable to it, and said failure is not rectified or cured within thirty (30) days after receipt of written notice thereof from another Party, then the defaulting Party shall be deemed in breach of this Agreement; provided, however, that no Party shall have a right to issue a notice of default pursuant to this Section C.1 until the dispute resolution procedures set forth in Section C.2 below have been exhausted. The Parties agree that, in the event of a material breach of this Agreement, a non-defaulting Party, which is or would be harmed by the breach, may seek injunctive relief or specific performance of the defaulting Party's obligations without the requirement to post a bond. The Parties acknowledge that each Party's performance of its material

obligations is valuable and unique and that, for purposes of allowing the non-defaulting Party to seek injunctive relief, the failure of a Party to perform its material obligations hereunder may result in irreparable injury to the other Parties. Nothing in this Agreement shall be deemed to modify, alter, or otherwise affect such other rights and remedies as may be available to the Parties under applicable law or equity.

2. If any dispute arises with respect to the alleged failure of any Party to perform or observe any of the material terms, conditions, or provisions of this Agreement applicable to it, as a condition precedent to instituting a formal action in a court with competent jurisdiction, the parties shall first attempt to resolve the dispute through the dispute resolution procedures contained in this Section C.2. A Party may initiate the dispute resolution procedures of this Section C.2 by providing to the other Parties to the dispute written notice of the existence and nature of the dispute. Within thirty (30) days of such notice, the Parties to the dispute shall meet and attempt in good faith to resolve the dispute. Upon the request of any Party to the dispute, the Parties to the dispute shall participate in non-binding mediation. The mediator shall be selected by mutual agreement of the Parties to the dispute, and the cost of the mediator shall be shared equally by those Parties engaged in the mediation. If the dispute cannot be resolved within sixty (60) days after receipt of written notice of the dispute or any reasonable extension as may be mutually agreed upon by the Parties, then any Party to the dispute may elect to end dispute resolution by providing written notice of such election to the other Parties to the dispute, in which case the dispute resolution procedures shall be deemed to have been exhausted. The dispute resolution procedures may also be deemed exhausted by written agreement of all the Parties to the dispute.

3. Nothing herein shall be construed as or otherwise constitute a waiver or release by any Party of any right, power, immunity, or standing of that Party that may exist pursuant to applicable law or regulation, including, without limitation, such right or standing to appeal or seek review of any case decision or other reviewable determination of the Board, DEQ, EPA, a Court having jurisdiction over the dispute, or any other agency or governmental body related to the matters addressed in this Agreement, the Federal Consent Decree, or the Special Order By Consent.

D. MISCELLANEOUS

1. Amendments to Agreement. Amendments to this Agreement must be in writing and signed by all the Parties.

2. Entire Agreement. This Agreement contains the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, written or oral, with respect thereto, including the 2007 MOA.

3. Severability. If any provision of this Agreement is found to be unenforceable, the remainder of this Agreement shall remain in full force and effect.

4. Authority. The Parties represent that they have the authority to enter into this Agreement and that the individuals signing this Agreement on their behalf have the requisite power and authority to bind the Parties to its terms and conditions. This Agreement shall apply to, and be binding upon the Parties, their elected officials, officers, agents, employees, successors, and assigns.

5. Reservation. Except as expressly provided herein, nothing in this Agreement shall be construed to limit or otherwise affect the authority, rights, or responsibilities of the Parties.

6. Notices and Written Communications. All notices and written communication pursuant to this Agreement shall be submitted to the recipients listed in Attachment A. A Party may change its designated notice recipient by so informing all other Parties in writing.

7. Effective Date. This Agreement shall be effective and binding upon its execution by all Parties and shall continue in effect until terminated in accordance with Section D.11.

8. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Virginia, without regard to the conflict of laws and rules thereof.

9. Force Majeure. No Party shall be responsible for its failure to fulfill an obligation pursuant to this Agreement to the extent that such failure is due to acts of God; strikes; war or terrorism; the actions of a third party; the actions of another Party; lockouts; or other events not reasonably within the control of the Party claiming force majeure. A Party experiencing a force majeure event that prevents fulfillment of a material obligation hereunder shall (a) give the other Parties prompt written notice describing the particulars of the event; (b) suspend performance only to the extent and for the duration that is reasonably required by the force majeure event; (c) use reasonable efforts to overcome or mitigate the effects of such occurrence; and (d) promptly resume performance of the affected obligation if and when such Party is able to do so.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any Party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

11. Termination. This Agreement shall terminate (a) if the Motion to Amend the Federal Consent Decree contemplated herein is either not filed with the Court by May 31, 2014 or is filed but denied by the Court; (b) if the Federal Consent Decree is not amended as contemplated herein by August 31, 2014; (c) if the State Special Order by Consent is not, by December 31, 2014, either (1) rescinded in its entirety or (2) amended to relieve the Localities of any obligation to develop, fund, and implement the Regional Wet Weather Management Plan; or (d) upon the written agreement of all Parties. If this Agreement is terminated for any reason, except upon the agreement of HRSD, then HRSD reserves the right to assert a force majeure under the Federal Consent Decree.

12. Not for Benefit of Third Parties. This Agreement and each and every provision hereof is for the exclusive benefit of the Parties and not for the benefit of any third party.

13. Binding Effect. This Agreement shall inure to the benefit of the Parties and shall, to the maximum extent permitted by law, be binding on the Parties and their successors and assigns.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officials as of the dates next to their respective signatures as shown below.

By: [Signature]
Date: 2-27-2014
Locality: City of Chesapeake

By: [Signature]
J. Randall Wheeler
Poquoson City Manager
Date: 2/26/13
Locality: City of Poquoson

By: [Signature]
Date: February 25, 2014
Locality: Gloucester County

By: [Signature]
John L. Rowe, Jr., City Manager
Date: FEB 26, 2014
Locality: City Of Portsmouth

By: [Signature]
Mary B. Bunting, City Manager
Date: 2/18/2014
Locality: City of Hampton

By: [Signature]
Peter M. Stephenson
Town Manager
Date: 02/04/2014
Locality: Town of Smithfield

adopted the 20th day of February, 2014.

[Signature]
Byron B. Bailey, Chairman
Isle of Wight County
Board of Supervisors

By: [Signature]
Selena Cuffee-Glehn, City Manager
Date: 2/27/14
Locality: City of Suffolk, Virginia

By: [Signature]
Date: 2/26/2014
Locality: JAMES CITY COUNTY

Date: 2.12.14
By: [Signature]
City Manager
Locality: City of Williamsburg

Date: 2/14/14
By: [Signature]
City Manager
Locality: City of Newport News

By: [Signature]
James O. McReynolds
County Administrator
Date: 2-24-2014
Locality: County of York

By: [Signature]
City Manager
Date: 3/10/14
Locality: City of Norfolk

Date: 2/26/2014
By: [Signature]
General Manager
Locality: HRSD

LIST OF SIGNATORIES

CITY OF CHESAPEAKE

GLOUCESTER COUNTY

CITY OF HAMPTON

ISLE OF WIGHT COUNTY

JAMES CITY COUNTY

CITY OF NEWPORT NEWS

CITY OF NORFOLK

CITY OF POQUOSON

CITY OF PORTSMOUTH

CITY OF SUFFOLK

CITY OF VIRGINIA BEACH

CITY OF WILLIAMSBURG

YORK COUNTY

TOWN OF SMITHFIELD

HAMPTON ROADS SANITATION DISTRICT

This listing of participants is followed by the signature page to be completed by each party.

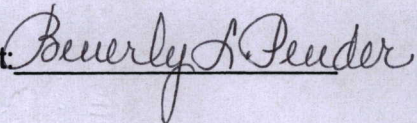
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

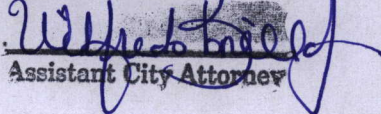
Date: 2-27-2014

Locality: City of Chesapeake

Date: 2-27-2014

Attest: 

Approved as to Form


Assistant City Attorney

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: Brenda H. Garton

Date: February 25, 2014

Locality: Gloucester County

Date: February 25, 2014

Attest: Patricia L. Conner

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: Mary B. Bunting
Mary B. Bunting, City Manager

Date: 2/18/2014

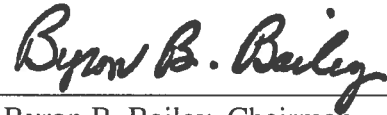
Locality: City of Hampton

Date: 2/19/14

Attest: Katherine K. Glass
Katherine K. Glass
Clerk of Council

CITY OF HAMPTON
OFFICE OF THE CITY ATTORNEY
Approved as to legal form and sufficiency
Date: 02.18.2014
[Signature]
Attorney

Approved by the Isle of Wight County Board of Supervisors at a regular meeting by motion duly adopted the 20th day of February, 2014.



Byron B. Bailey, Chairman
Isle of Wight County
Board of Supervisors

Attested:


Carey Mills Storm, Clerk

Approved as to form:


Mark C. Popovich, County Attorney

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: M. D. P. P. P.

Date: 2 / 26 / 2014

Locality: JAMES CITY COUNTY

Date: 2 / 26 / 2014

Attest: Lune Selloff

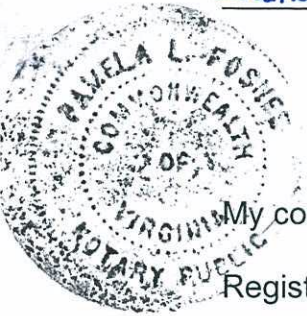
IN WITNESS WHEREOF, the City of Newport News has caused this Agreement to be executed by their duly authorized official as shown below:

Date: 2/14/14

By: James M. Bourney
City Manager

Commonwealth of Virginia
City of Newport News

The foregoing instrument was acknowledged before me this 20th day of February by James M. Bourney, City Manager, on behalf of the City of Newport News. ²⁰¹⁴



Pam L. Foshee
Notary Public

My commission expires: 8-31-2014

Registration No: 299515

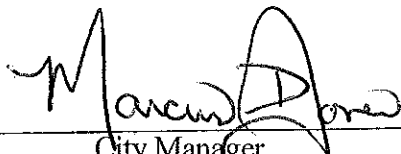
APPROVED AS TO FORM:

[Signature]
Deputy City Attorney

ATTEST:

[Signature]
City Clerk

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 
City Manager

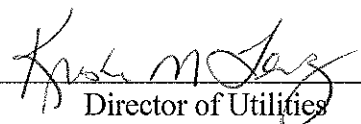
Date: 3/10/14

Locality: City of Norfolk

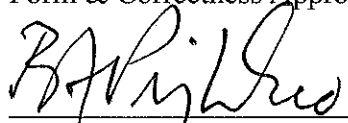
Date: 3/11/14

Attest: 
City Clerk

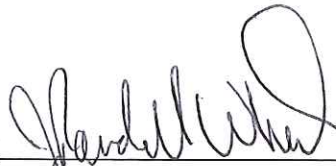
Contents Approved:


Director of Utilities

Form & Correctness Approved:


City Attorney

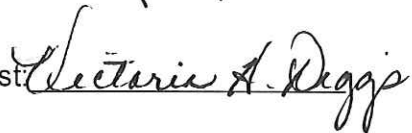
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 
J. Randall Wheeler
Poquoson City Manager

Date: 2/26/13

Locality: City of Poquoson

Date: 2/26/2014

Attest: 

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: John L. Rowe

John L. Rowe, Jr., City Manager

Date: FEB 26, 2014

Locality: City Of Portsmouth

Date: Feb 26, 2014

Attest: Debra Y. White

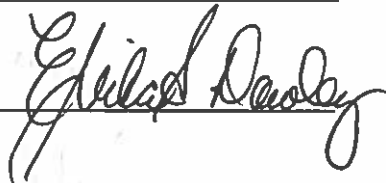
IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 
Selena Cuffee-Glenn, City Manager

Date: 2/27/14

Locality: City of Suffolk, Virginia

Date: _____

Attest: 

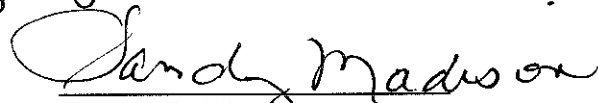
IN WITNESS WHEREOF, the City of Virginia Beach has caused this Agreement to be executed by their duly authorized official as shown below.

Date: 2.12.14

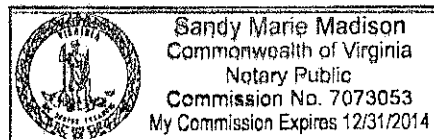
By:  DCM
City Manager

Commonwealth of Virginia *Attest: [Signature] mme*
City of Virginia Beach: *city clerk*

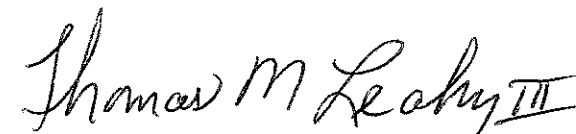
The foregoing instrument was acknowledged before me this 14th day of February, 2014 by ~~James K. Spore~~, City Manager, on behalf of the City of Virginia Beach..
David L. Hansen, Deputy City Manager


Notary Public

My commission expires: 12-31-14



Approved as to Content:


Dept. of Public Utilities

Approved as to Legal Sufficiency:


City Attorney's Office

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

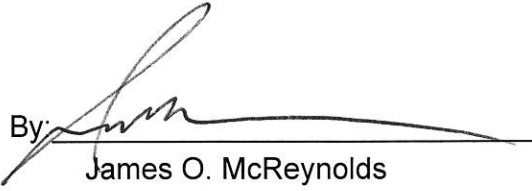
Date: 2/14/2014

Locality: City of Williamsburg

Date: 2/14/14

Attest: Dan Clayton, DIR PW

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.

By: 

James O. McReynolds
County Administrator

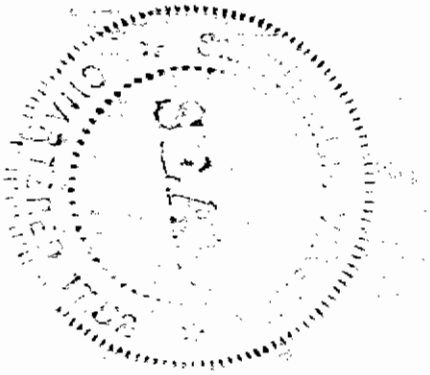
Date: 2-24-2014

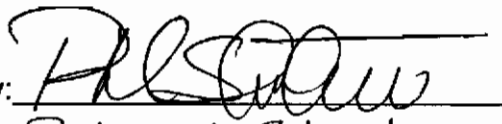
Locality: County of York

Date: 2-24-2014

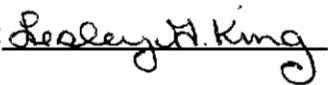
Attest: Donals A. Vance

IN WITNESS WHEREOF, the Party has caused this Agreement to be executed by their duly authorized officials as shown below.



By: 
Peter M. Stephenson
Town Manager
Date: 02/04/2014
Locality: Town of Smithfield

Date: 2-4-14

Attest: 

IN WITNESS WHEREOF, HRSD has caused this Agreement to be executed by their duly authorized official as shown below.

Date: 2/26/2014

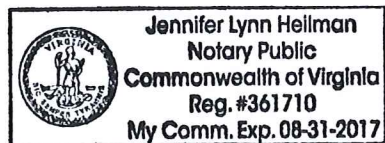
By: 
General Manager

Commonwealth of Virginia
City/County of Virginia Beach

The foregoing instrument was acknowledged before me this 26th day of February, 2014 by Ted Henifin, General Manager of HRSD, on behalf of HRSD.


Notary Public

My commission expires: August 30, 2017



ATTACHMENT A

List of Individuals to Receive Notices Pursuant to Paragraph D.6:

Mr. James E. Baker
City Manager
City of Chesapeake
306 Cedar Road, 6th Floor
Chesapeake, VA 23328

Ms. Brenda G. Garton
County Administrator
Gloucester County
6467 Main Street
Gloucester, VA 23061-0329

Ms. Mary Bunting
City Manager
City of Hampton
22 Lincoln Street
Hampton, VA 23669

Ms. Anne Seward
County Administrator
Isle of Wight County
17090 Monument Crescent, Suite 138
Isle of Wight, VA 23397

Mr. Douglas Powell
Interim County Administrator
James City County
101C Mounts Bay Rd
Williamsburg, VA 23187-8784

Mr. Jim Bourey
City Manager
City of Newport News
2400 Washington Avenue
Newport News, VA 23607

Mr. Marcus Jones
City Manager
City of Norfolk
1101 City Hall Building
810 Union Street
Norfolk, VA 23510

Mr. J. Randall Wheeler
City Manager
City of Poquoson
500 City Hall Avenue
Poquoson, VA 23662

Mr. John L. Rowe Jr.
City Manager
City of Portsmouth
801 Crawford Street
Portsmouth, VA 23704

Ms. Selena Cuffee-Glenn
City Manager
City of Suffolk
PO Box 1858
Suffolk, VA 23439

Mr. James K. Spore
City Manager
City of Virginia Beach
2401 Courthouse Drive, Suite 243
Virginia Beach, VA 23456

Mr. Jackson C. Tuttle II
City Manager
City of Williamsburg
401 Lafayette Street, Suite 202
Williamsburg, VA 23185

Mr. James O. McReynolds
County Administrator
York County
224 Ballard Street
Yorktown, VA 23690

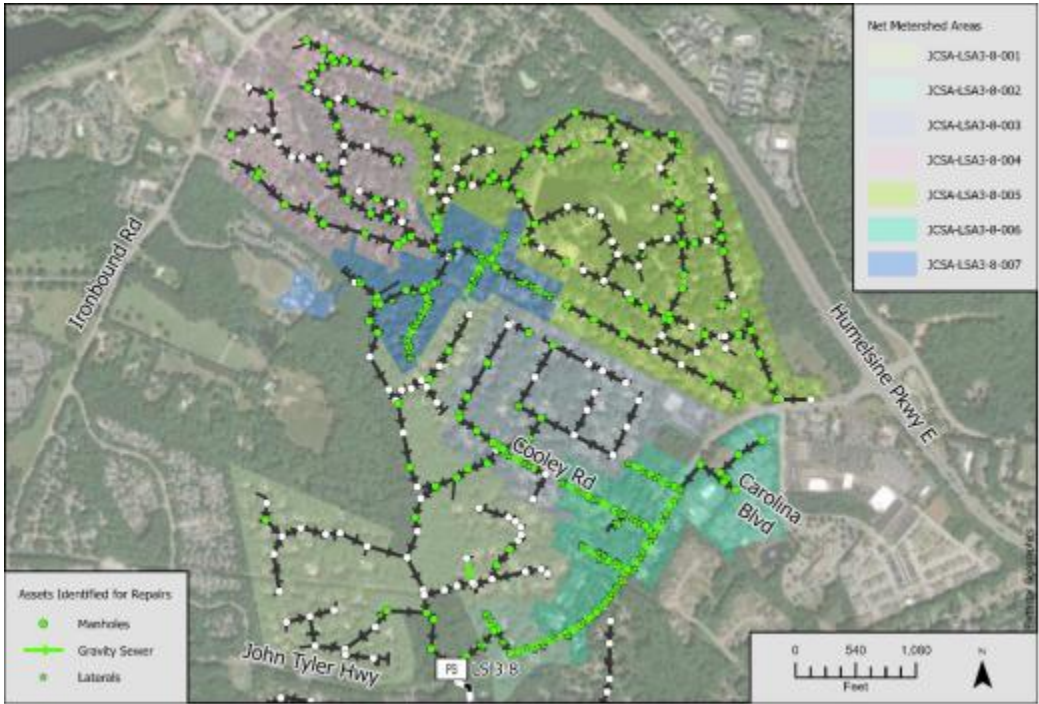
Mr. Peter M. Stephenson AICP
Town Manager
Town of Smithfield
315 Main Street
Smithfield, VA 23431

Mr. Edward G. Henifin
Hampton Roads Sanitation District
PO Box 5911
Virginia Beach, VA 23471

Figure ES-1 Assets Identified for Repairs in LSA3-6



Figure ES-2 Assets Identified for Repairs in LSA3-8



MEMORANDUM

DATE: February 10, 2026

TO: The Board of Directors

FROM: M. Douglas Powell, General Manager, James City Service Authority

SUBJECT: Pay Plan Revision - Steps Expansion

Recruiting and retaining staff with the knowledge required for water and sewer utility work is an ongoing challenge because these skilled employees are in high demand in the workplace.

The step pay plan introduced in Fiscal Year 2025 was designed to address this challenge by providing regularly scheduled wage increases throughout an employee's career in addition to annual cost-of-living increases. It supports early career retention with 5% annual salary increases for the first four years of service and 1.5% annual increases thereafter. Larger increases during an employee's first years create an incentive for employees to remain with the James City Service Authority (JCSA). The plan has improved JCSA's employee retention rate over the past two years.

The pay plan currently has 17 grades or salary ranges ranging from Grade 9 up to Grade 25. Each grade has 26 steps reflecting up to 25 years of employee service.

To promote equity for long-term employees, better match typical retirement timelines, reduce possible salary compression within grades, and increase career growth opportunities, five step expansions are proposed for the pay plan. As shown in the attachment, the proposed plan would have 31 steps reflecting up to 30 years of employee service.

Staff recommends approval of the resolution authorizing the pay plan revision shown in the attachment.

MPD/tm
PayPlnGrdeExp-mem

Attachment

RESOLUTION

PAY PLAN REVISION – STEPS EXPANSION

WHEREAS, recruiting and retaining staff with the knowledge required for water and sewer utility work is an ongoing challenge because these skilled employees are in high demand in the workplace; and

WHEREAS, the step pay plan introduced in Fiscal Year 2025 that provides regularly scheduled wage increases throughout an employee's career in addition to annual cost-of-living increases has improved the James City Service Authority's employee retention rate; and

WHEREAS, expanding the number of steps in the plan will promote equity for long-term employees, better match typical retirement timelines, reduce possible salary compression within grades, and increase career growth opportunities.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes the pay plan revision shown in the attachment.

BE IT FURTHER RESOLVED that the attachment showing the proposed revision be made part of this resolution.

Barbara E. Null
Chair, Board of Directors

ATTEST:

Teresa J. Saeed
Deputy Secretary to the Board

WAINWRIGHT
ICENHOUR
LARSON
MCGLENNON
NULL

VOTES

AYE NAY ABSTAIN ABSENT

_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 10th day of February, 2026.

PayPlnGrdeExp-res

Effective February 11, 2026 - Added Steps Highlighted

Step	Grade 9	Grade 10	Grade 11	Grade 12	Grade 13	Grade 14	Grade 15	Grade 16	Grade 17	Grade 18	Grade 19	Grade 20	Grade 21	Grade 22	Grade 23	Grade 24	Grade 25
1	39,676	42,402	45,337	48,487	51,881	55,526	59,449	63,666	68,198	73,072	78,314	83,950	90,010	96,526	103,532	111,065	119,166
2	41,659	44,522	47,603	50,912	54,476	58,303	62,421	66,849	71,608	76,725	82,229	88,148	94,510	101,352	108,709	116,618	125,124
3	43,742	46,748	49,984	53,457	57,199	61,218	65,542	70,191	75,188	80,561	86,341	92,555	99,236	106,420	114,144	122,449	131,380
4	45,930	49,086	52,483	56,130	60,059	64,279	68,819	73,701	78,948	84,590	90,658	97,183	104,198	111,741	119,851	128,571	137,949
5	48,226	51,540	55,107	58,937	63,062	67,493	72,260	77,386	82,895	88,819	95,191	102,042	109,408	117,328	125,844	135,000	144,847
6	48,949	52,313	55,933	59,821	64,008	68,505	73,344	78,547	84,138	90,151	96,618	103,572	111,049	119,088	127,732	137,025	147,019
7	49,683	53,098	56,772	60,719	64,968	69,533	74,444	79,725	85,400	91,504	98,068	105,126	112,714	120,874	129,648	139,080	149,225
8	50,429	53,894	57,624	61,629	65,942	70,576	75,561	80,921	86,681	92,876	99,539	106,703	114,405	122,687	131,592	141,166	151,463
9	51,185	54,703	58,489	62,553	66,932	71,634	76,694	82,135	87,982	94,269	101,032	108,303	116,121	124,528	133,566	143,284	153,735
10	51,953	55,523	59,366	63,492	67,936	72,709	77,845	83,367	89,301	95,683	102,547	109,928	117,863	126,396	135,570	145,433	156,041
11	52,732	56,356	60,256	64,444	68,955	73,799	79,012	84,617	90,641	97,119	104,086	111,577	119,631	128,291	137,603	147,614	158,381
12	53,523	57,201	61,160	65,411	69,989	74,906	80,198	85,887	92,000	98,575	105,647	113,251	121,426	130,216	139,667	149,829	160,757
13	54,326	58,059	62,077	66,392	71,039	76,030	81,401	87,175	93,380	100,054	107,231	114,949	123,247	132,169	141,762	152,076	163,169
14	55,141	58,930	63,009	67,388	72,104	77,171	82,622	88,482	94,781	101,555	108,840	116,674	125,096	134,152	143,889	154,357	165,616
15	55,968	59,814	63,954	68,398	73,186	78,328	83,861	89,810	96,203	103,078	110,473	118,424	126,972	136,164	146,047	156,673	168,100
16	56,808	60,711	64,913	69,424	74,284	79,503	85,119	91,157	97,646	104,624	112,130	120,200	128,877	138,206	148,238	159,023	170,622
17	57,660	61,622	65,887	70,466	75,398	80,696	86,396	92,524	99,111	106,194	113,812	122,003	130,810	140,280	150,461	161,408	173,181
18	58,525	62,546	66,875	71,523	76,529	81,906	87,691	93,912	100,597	107,787	115,519	123,833	132,772	142,384	152,718	163,829	175,779
19	59,402	63,485	67,878	72,596	77,677	83,135	89,007	95,321	102,106	109,403	117,252	125,691	134,763	144,519	155,009	166,287	178,416
20	60,294	64,437	68,896	73,685	78,842	84,382	90,342	96,751	103,638	111,044	119,010	127,576	136,785	146,687	157,334	168,781	181,092
21	61,198	65,403	69,930	74,790	80,025	85,647	91,697	98,202	105,192	112,710	120,795	129,490	138,837	148,887	159,694	171,313	183,808
22	62,116	66,385	70,979	75,912	81,225	86,932	93,073	99,675	106,770	114,401	122,607	131,432	140,919	151,121	162,090	173,882	186,565
23	63,048	67,380	72,043	77,050	82,443	88,236	94,469	101,170	108,372	116,117	124,446	133,403	143,033	153,388	164,521	176,491	189,364
24	63,993	68,391	73,124	78,206	83,680	89,560	95,886	102,687	109,997	117,858	126,313	135,405	145,179	155,688	166,989	179,138	192,204
25	64,953	69,417	74,221	79,379	84,935	90,903	97,324	104,228	111,647	119,626	128,208	137,436	147,356	158,024	169,494	181,825	195,087
26	65,928	70,458	75,334	80,570	86,209	92,266	98,784	105,791	113,322	121,421	130,131	139,497	149,567	160,394	172,036	184,552	198,014
27	66,917	71,515	76,464	81,779	87,502	93,650	100,266	107,378	115,022	123,242	132,083	141,589	151,811	162,800	174,617	187,320	200,984
28	67,921	72,588	77,611	83,005	88,815	95,055	101,770	108,989	116,747	125,091	134,064	143,713	154,088	165,242	177,236	190,130	203,999
29	68,939	73,676	78,775	84,250	90,147	96,481	103,296	110,623	118,498	126,967	136,075	145,869	156,399	167,721	179,894	192,982	207,059
30	69,974	74,782	79,957	85,514	91,499	97,928	104,846	112,283	120,276	128,872	138,116	148,057	158,745	170,236	182,593	195,877	210,165
31	71,023	75,903	81,156	86,797	92,872	99,397	106,418	113,967	122,080	130,805	140,188	150,278	161,126	172,790	185,332	198,815	213,317

MEMORANDUM

DATE: February 10, 2026

TO: The Board of Directors

FROM: M. Douglas Powell, General Manager, James City Service Authority

SUBJECT: Setting a Public Hearing - Fiscal Year 2027 Utility Rates

The proposed Fiscal Year (FY) 2027 changes to the water service rates and water and sewer fixed charges reflect the multi-year plan from the 2025 Comprehensive Rate Study. The changes are designed to maintain adequate revenue and reserves amid increased operating and capital costs and continued decreases in water usage. To promote affordability and avoid sudden large one-time increases, the plan spreads the required increases over a multi-year period.

The total monthly water and sewer bill for a typical 5,000 gallons per month residential user would increase by \$4.56 per month from \$55.11 to \$59.67, remaining one of the lowest in the Hampton Roads region. The water portion would increase by \$3.06 from \$34.90 to \$37.96 and the sewer portion would increase by \$1.50 from \$20.21 to \$21.71.

The proposed water and sewer fixed charge increases promote long-term revenue and rate stability and move the James City Service Authority's (JCSA) fixed cost recovery level closer to the range favored by credit rating agencies. All customers pay the fixed charge regardless of consumption level. Water service charges based on consumption are proposed to increase, but no changes are proposed to the current sewer service rate. Flat sewer rates, paid by sewer customers without a water meter to measure consumption, are proposed to increase by 7.4%, the same percentage increase as the proposed typical 5,000 gallons per month residential sewer customer's bill.

Changes to the water and sewer system facility fees are also proposed for FY 2027. Facility fees are charged to new development in JCSA's service area to cover the cost of system expansion so that "growth pays for growth". System facility fees assessed for major backbone infrastructure and local facility fees assessed for smaller water distribution and sewer collection mains are proposed to increase 2.7% to reflect current costs.

The remaining proposed change is an increase to the grinder pump maintenance fee to better match the program's current contract, inspection, and administrative costs.

Staff recommends the Board authorize advertisement of a public hearing on April 14, 2026, for changes in the rates and charges effective July 1, 2026, as listed in the attached resolution. The Board can change the advertised charges and rates during its subsequent discussions.

MDP/ap
PH-FY27UtilRates-mem

Attachment

RESOLUTION

SETTING A PUBLIC HEARING - FISCAL YEAR 2027 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 that the Board of Directors of the James City Service Authority, James City County, Virginia, will hold a Public Hearing on April 14, 2026, and request staff to review the proposed amendments to the Regulations Governing Utility Service and make changes to the rates as summarized in the attachments which will become effective July 1, 2026, if adopted.

BE IT FURTHER RESOLVED that the proposed amendments be made part of this resolution.

Barbara E. Null
Chair, Board of Directors

ATTEST:

Teresa J. Saeed
Deputy Secretary to the Board

WAINWRIGHT
ICENHOUR
LARSON
MCGLENNON
NULL

VOTES

<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Adopted by the Board of Directors of the James City Service Authority, James City County, Virginia, this 10th day of February, 2026.

PH-FY27UtilRates-res

SECTION 17. GENERAL RATE POLICY AND RATE SCHEDULE

General rate policy. Rates for water and sanitary sewer service shall be established by the Board of Directors pursuant to the Virginia Water and Waste Authorities Act (Va. Code § 15.2-5100 et seq.).

A. Wastewater charges.

1. System facilities charge. A system facility charge for wastewater collection service to be furnished through each new separate service connection which is to be made to the Authority's Sanitary Sewer System shall be paid by each applicant for service prior to the installation of wastewater service connections, as follows:

(a) Metered water service

Meter Size	Wastewater System Facilities Fee
5/8"	\$ 3,810 3,710
3/4"	\$ 5,716 5,566
1"	\$ 9,526 9,276
1 1/2"	\$ 19,051 18,550
2"	\$ 30,481 29,680
3"	\$ 66,679 64,926
4"	\$ 114,518 111,507
6"	\$ 257,186 250,425
8"	\$ 304,814 296,800
10"	\$ 438,170 426,650

The system facilities charge for compound meters shall be based on the largest meter size unless the Authority determines, at its sole discretion, the charge shall be based on a smaller meter size fee as supported by project specific data and sound engineering judgement.

Additional system facility charges shall apply for additions to existing structures requiring an increase in meter size. The additional charge shall consist of the incremental increase from the original meter size to the new meter size. No credit shall be granted for a decrease in meter size.

(b) Non-metered water service.

Where water is provided by an unmetered source, the charges shall be assessed as follows:

Non-metered single family residential connections shall pay the 5/8" meter size wastewater system facilities fee.

Non-metered commercial and non-metered non-single-family residential connections shall pay the wastewater system facilities fee based on the water meter size that would be required for the facility to be served if water service was available. The applicant shall provide the Authority with the plumbing fixtures associated with the facility and the Authority will determine the appropriate meter size as follows:

1. Peak water demand will be calculated from fixture unit load valves based on Table E103.3 (2) from the 2003 International Plumbing Code.
2. The meter size will then be selected from Table C.1.1.12 (AWWA Standard C700-77) assuming 80% safe operating capacity for the meter.

The purpose of the system facility charge is to defray in part the cost of providing force mains, pump stations, and collection systems. The charge shall be paid prior to the issuance of a plumbing permit from Building Safety and Permits.

2. Wastewater service connection fee. A wastewater service connection fee of ~~\$1,818~~ **\$1,867** for each separate connection to the Authority's sanitary sewer system shall be paid by each applicant upon approval of the application for service, and prior to the issuance of a plumbing permit by Building Safety and Permits, and making the connection.

If the service connection is required by the Authority, the wastewater service connection fee shall be paid and the Authority shall provide the service connection. Exceptions are as follows:

- a. If the service connection is not required by the Authority, the service connection fee shall be waived and the applicant shall be required to make the connection at their own expense.
- b. If a service connection previously installed by a developer exists to the applicant's property, the service connection fee is waived.
- c. Non-Residential properties are exempt from the service connection fee; however, the applicant must make the connection at their own expense.

The purpose of this charge is to defray in part the cost of installing wastewater service connections where applicable. The charge shall be paid prior to the issuance of a plumbing permit from Building Safety and Permits.

3. Grinder Pump Maintenance Charge.

- (a) Maintenance of sanitary sewer grinder pumps is the responsibility of the property owner, unless a residential property owner applies for and enters into a grinder pump service agreement with the Authority subject to compliance with the Authority's current grinder pump policy. The Authority shall not maintain nonresidential grinder pumps or other commercial pump stations unless it is deemed to be in the best interest of the Authority.
- (b) If a residential grinder pump service agreement is entered into, an annual grinder pump maintenance charge of ~~\$500.00~~ ~~\$475.00~~ shall be paid for each separate connection to a grinder pump. The payment for this charge will be prorated in equal amounts in the customers' utility service charge billing.
- (c) Existing grinder pump service agreements, contracts, or grandfathered grinder pump maintenance agreements between the property owner and the Authority are not transferable or assignable by the property owner and automatically terminate upon transfer of title or ownership of the property.

4. Retail service charge. The wastewater service charge shall be based on usage from a metered water source where available. For wastewater service on an unmetered water source a meter size equivalent shall be used, based upon an estimated charge. Wastewater service charges shall be as follows:(a) Metered water source.

Charge for all collection of wastewater.

- (1) Fixed Charge - Each customer bill shall include a fixed charge based upon the size of the meter serving the customer. The fixed charge for each billing cycle shall be calculated based on the monthly fixed charge chart below. This fixed charge is for expenses associated with operating and maintaining the wastewater collection system.

Meter Size	Monthly Fixed Charge
5/8"	\$ 6.01 4.51
3/4"	\$ 9.02 6.76
1"	\$ 15.03 11.25
1-1/2"	\$ 30.05 22.49
2"	\$ 48.08 35.99
3"	\$ 105.18 78.93
4"	\$ 180.90 135.30
6"	\$ 405.68 304.43
8"	\$ 480.80 359.83
10"	\$ 691.15 517.26

- (2) Volumetric Charge - The wastewater service charge shall be based upon a volumetric consumption (of water) charged as follows:

<u>Volume</u>	<u>Collection</u>
Per 1,000 gallons of water consumed	\$3.14
Per 100 cubic feet of water consumed	\$2.35

Wastewater volumetric charges may be reduced by a sub-metered reading if an irrigation sub-meter is registered with the Authority. Sub-meter reading adjustments will only be allowed up to the consumption in the current billing period and must be submitted by the required due date.

All single-family residential wastewater collection bills dated February 1, 2024, and later shall be capped at a maximum consumption of 8,000 gallons per monthly billing period and shall not be subject to reduction by a sub-metered reading. The February 1, 2024, effective date may be extended at the General Manager's discretion.

- (b) Unmetered water source.

Where no meter exists or where meter readings are not made available by the water supplier to the Authority, then the following estimated charges shall be assessed:

<u>Activity, use</u>	<u>Unit</u>	<u>Collection-Monthly</u>
Single-family residences	Each	\$ 15.04 14.00
Single-family mobile homes	Each	\$ 15.04 14.00
Mobile homes in parks	Each lot	\$ 13.34 12.42
Duplex, apartments and townhouses	Each	\$ 13.34 12.42
Manufacturing	1,000 square feet	\$ 3.97 3.70
Minimum		\$ 20.00 18.62
Warehouses	1,000 square feet	\$ 2.66 2.48
Minimum		\$ 16.65 15.50
Restaurants	Seat	\$ 1.77 1.65
Minimum		\$ 20.00 18.62
Commercial	1,000 square feet	\$ 6.64 6.18
Minimum		\$ 20.00 18.62
Churches	Each	\$ 14.55 13.55

Commercial condensate discharged to the sanitary sewer system, when approved by HRSD and the Authority, shall be billed at the current wastewater collection volumetric rate. The bill shall be based on an estimated condensate volume prepared in accordance with HRSD's criteria and shall be agreed upon by HRSD and the Authority.

The purpose of the retail service charge is to defray all costs associated with operation and maintenance, and capital improvement for providing wastewater collection for domestic, commercial, and industrial uses including replacement, renewals, and extensions, and the repayment of money borrowed to acquire or construct the wastewater collection and transmission system.

B. Water charges.

1. System facilities charge. A system facilities charge for water service to be furnished through each new separate service connection which is to be made to the Authority's water system shall be paid by each applicant for service prior to the installation of the water service connection, as follows:

Meter Size	Water System Facilities Fee
5/8"	\$ 4,259 4,147
3/4"	\$ 6,389 6,221
1"	\$ 10,648 10,368
1 1/2"	\$ 21,296 20,736
2"	\$ 34,073 33,177
3"	\$ 74,535 72,575
4"	\$ 128,010 124,645
6"	\$ 287,488 279,930
8"	\$ 340,726 331,768
10"	\$ 489,794 476,917

Designated Fire Protection Connection Size	Designated Fire Protection Connection Fee
5/8"	\$ 1,107 1,078
3/4"	\$ 1,661 1,617
1"	\$ 2,768 2,696
1 1/2"	\$ 5,537 5,391
2"	\$ 8,859 8,626
3"	\$ 19,379 18,870
4"	\$ 33,283 32,408
6"	\$ 74,747 72,782
8"	\$ 88,589 86,260
10"	\$ 127,346 123,998

- (a) The system facilities charge for compound meters shall be based on the largest meter size.
- (b) The system facilities charge for a designated fire protection connection as shown above shall be based on the connection size rather than the meter size.
- (c) A meter installation charge of \$50, plus the meter cost if the meter is provided by the Authority, shall be paid by each applicant for each new service connection and meter installation prior to the connection being made.
- (d) Additional system facility charges shall apply for additions to existing structures requiring an increase in meter size. The additional charge shall consist of the incremental increase from the original meter size to the new meter size. No credit shall be granted for a decrease in meter size.

- (e) System Facilities Charge Exemption. Any lots created after August 10, 2004, which are to be served by an Independent Water System, shall be exempt from the Water System Facilities Charge.

The purpose of the system facilities charge is to defray in part the cost of providing major supply, transmission main, booster pumping, distribution storage tanks, and distribution system. The charge shall be paid prior to the issuance of a plumbing permit from Building Safety and Permits.

- 2. Water service connection fee. A water service connection fee of ~~\$1,475~~ ~~\$1,436~~ for each separate connection to the Authority's water system shall be paid by each applicant upon approval of the application for service, and prior to the issuance of a plumbing permit by Building Safety and Permits and making the connection.

If the service connection is required by the Authority, the water service connection fee shall be paid and the Authority shall provide the service connection. Exceptions are as follows:

- a. If the service connection is not required by the Authority, the service connection fee shall be waived and the applicant shall be required to make the connection at their own expense.
- b. If a service connection previously installed by a developer exists to the applicant's property, the service connection fee is waived.
- c. Non-Residential properties are exempt from the service connection fee; however, the applicant must make the connection at their own expense.

The purpose of this charge is to defray in part the cost of installing water service connections where applicable.

- 4. Retail service charge. The water service charge shall be based on usage from a metered water source, as follows:
 - (a) Fixed Charge - Each customer bill shall include a fixed charge based upon the size of the meter serving the customer. The fixed charge for each billing cycle shall be calculated based on the monthly fixed charge chart below. This fixed charge is for expenses associated with operating and maintaining the water distribution system.

Meter Size	Monthly Fixed Charge
5/8"	\$ 10.52 9.02
3/4"	\$ 15.78 13.53
1"	\$ 26.30 22.53
1-1/2"	\$ 52.60 45.09
2"	\$ 84.16 72.15
3"	\$ 184.10 157.83
4"	\$ 316.65 270.55
6"	\$ 710.10 608.77
8"	\$ 841.60 721.52
10"	\$ 1,209.80 1,037.16

- (b) Volumetric Charge - Water service shall be based upon a volumetric consumption charge, as follows:

Single-Family Residential			
Tier 1	Tier 2	Tier 3	Tier 4
Monthly Use:	Monthly Use:	Monthly Use:	Monthly Use:
0-4,000 gallons	4,001-8,000 gallons	8,001-12,000 gallons	12,001+ gallons
Rate Per 1,000 Gallons			
\$4.72 \$4.45	\$8.56 \$8.08	\$17.12 \$16.15	\$26.54 \$25.04

Multi-Family Residential and Non-Residential	
<u>All Meter Sizes</u>	<u>All Use</u>
Rate Per 1,000 Gallons	\$ 7.45 7.03

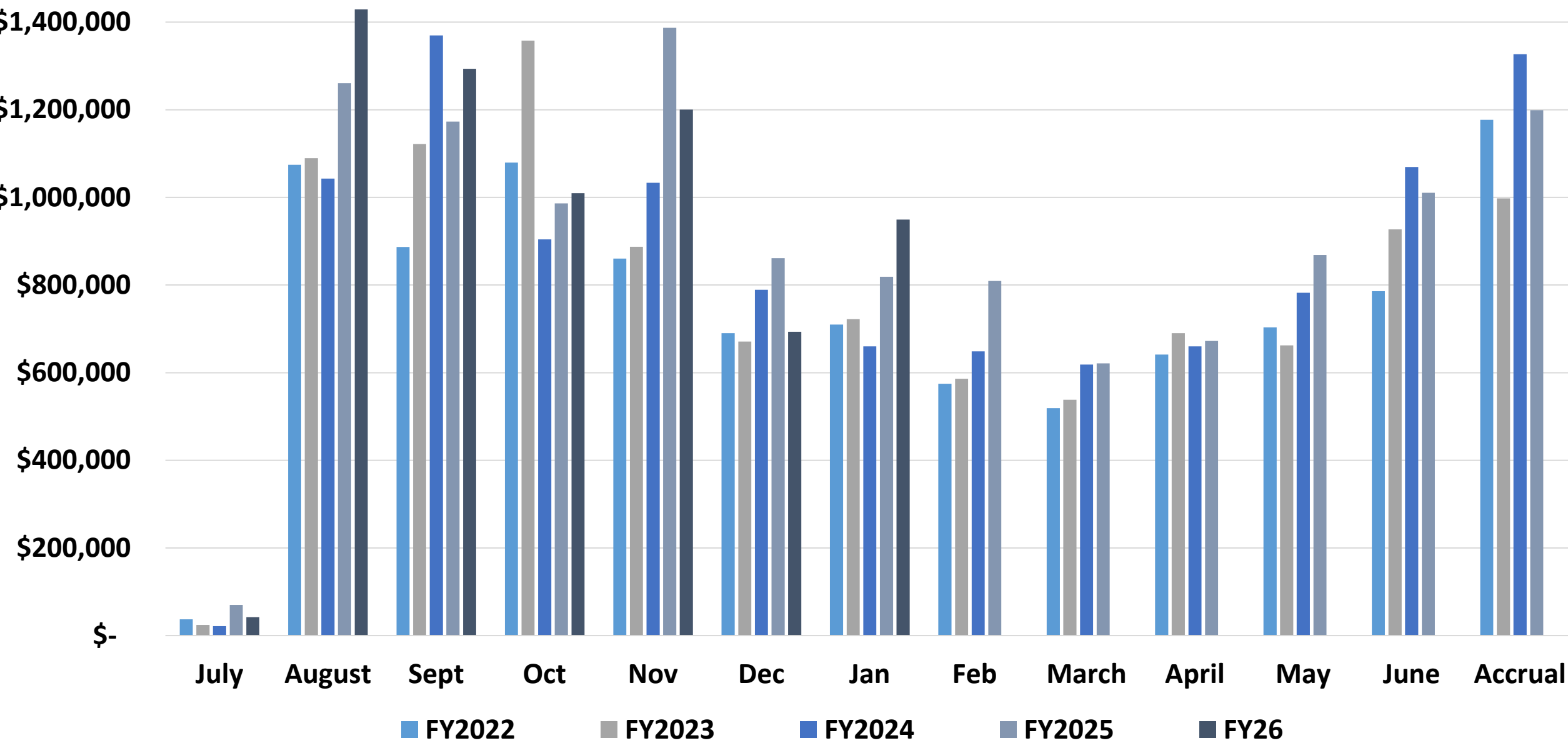
The purpose of the retail service charge is to defray all costs associated with operation and maintenance, and capital improvement for providing water treatment, transmission, and distribution for domestic, commercial, and industrial uses and for firefighting purposes, including replacement, renewals, and extensions, and the repayment of money borrowed to acquire or construct the water treatment, transmission, and distribution system.

- D. Independent Water Systems Connection Fee. The developer of any subdivision that requires an Independent Water System to comply with the County Subdivision Ordinance, shall be required to pay to the Authority a connection fee as follows:

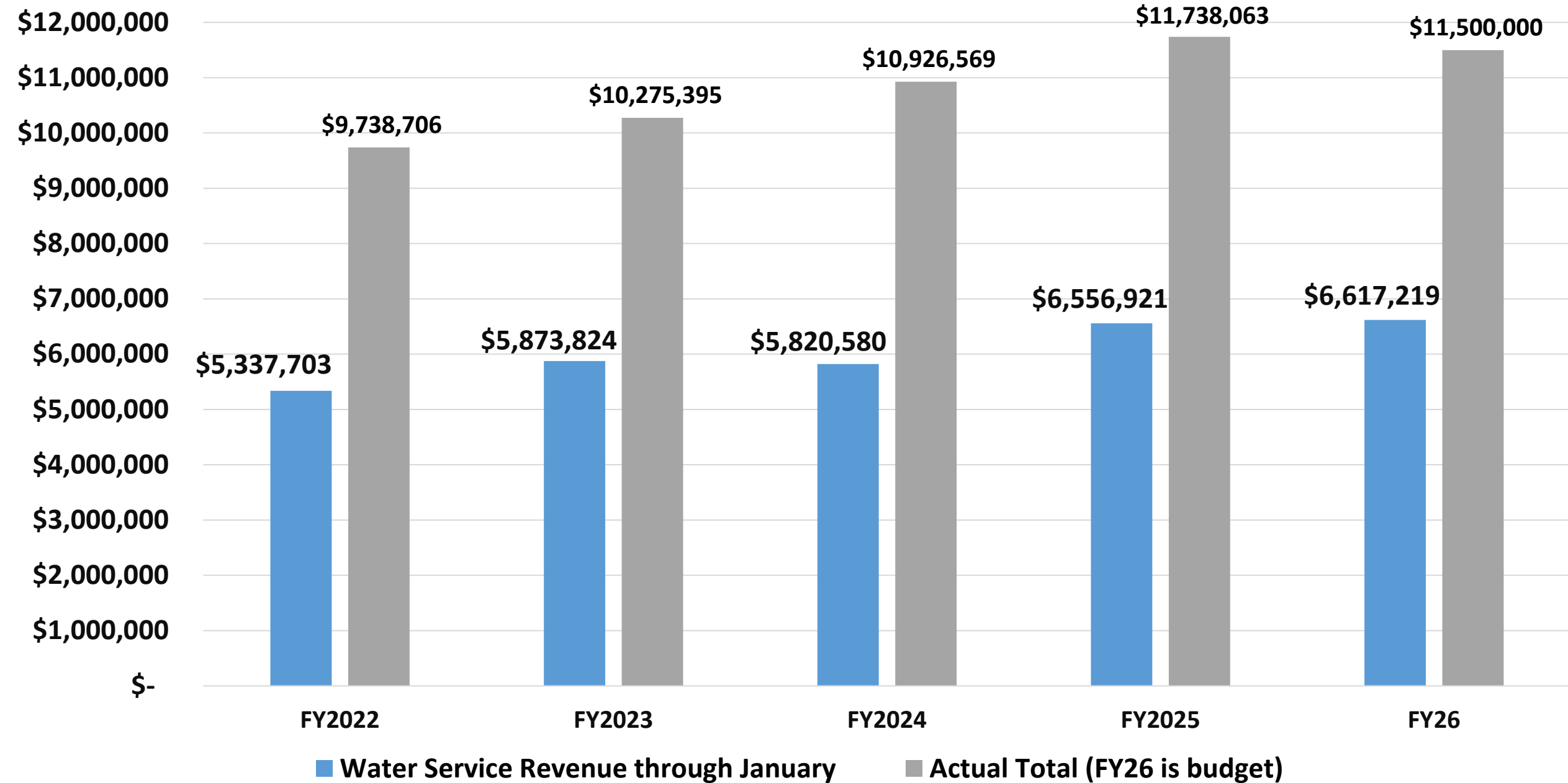
1. An independent water system approved by the County and the Authority prior to April 26, 2011, shall pay a fee of \$4,000 per lot or residential unit. Payment shall be made prior to final approval of a subdivision plat.
2. An independent water system approved by the County and the Authority after April 26, 2011, shall pay a fee of \$8,000 per lot or residential unit. Payment shall be made prior to the acceptance by the Authority of the independent water production and treatment facility.

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

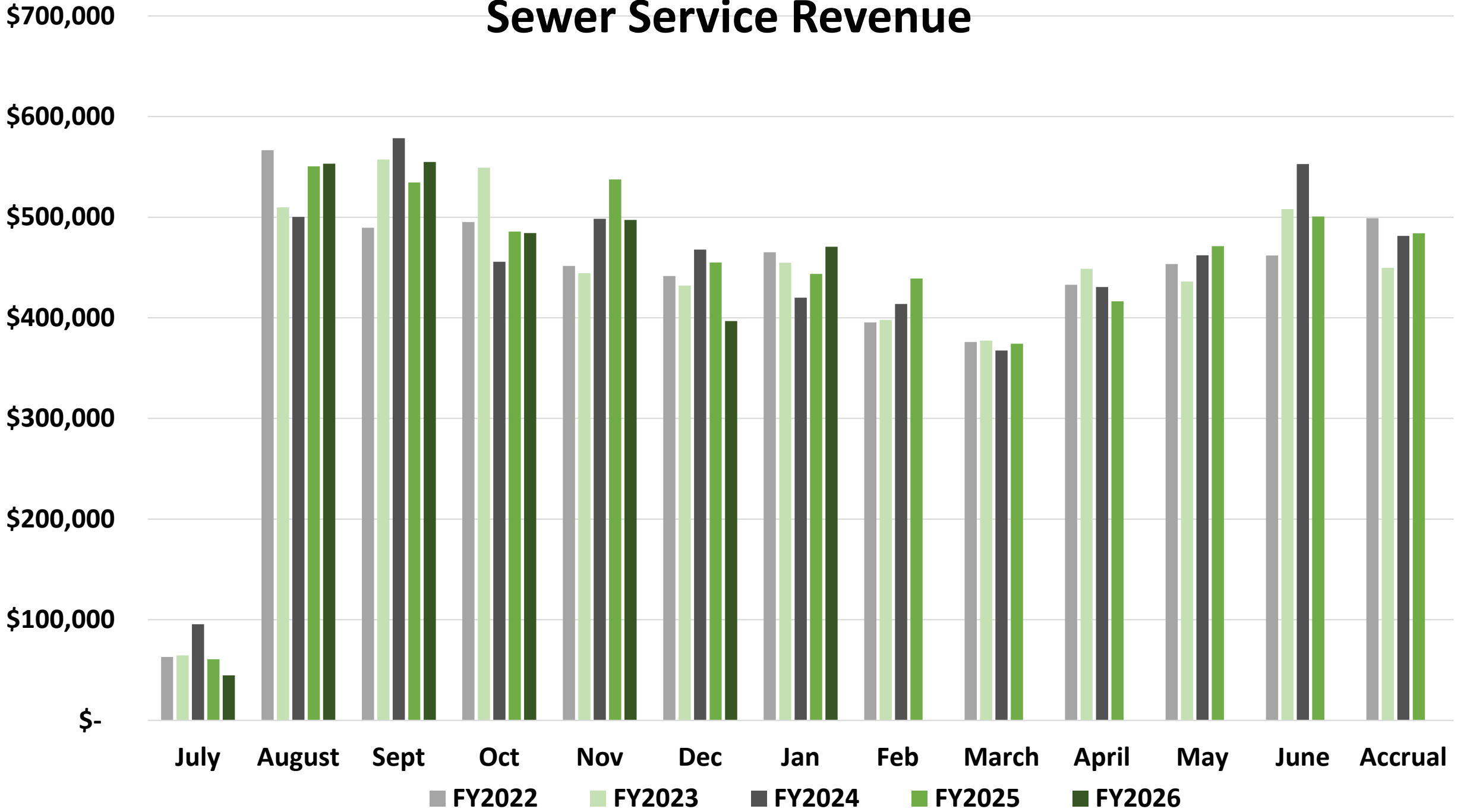
Water Service Revenue



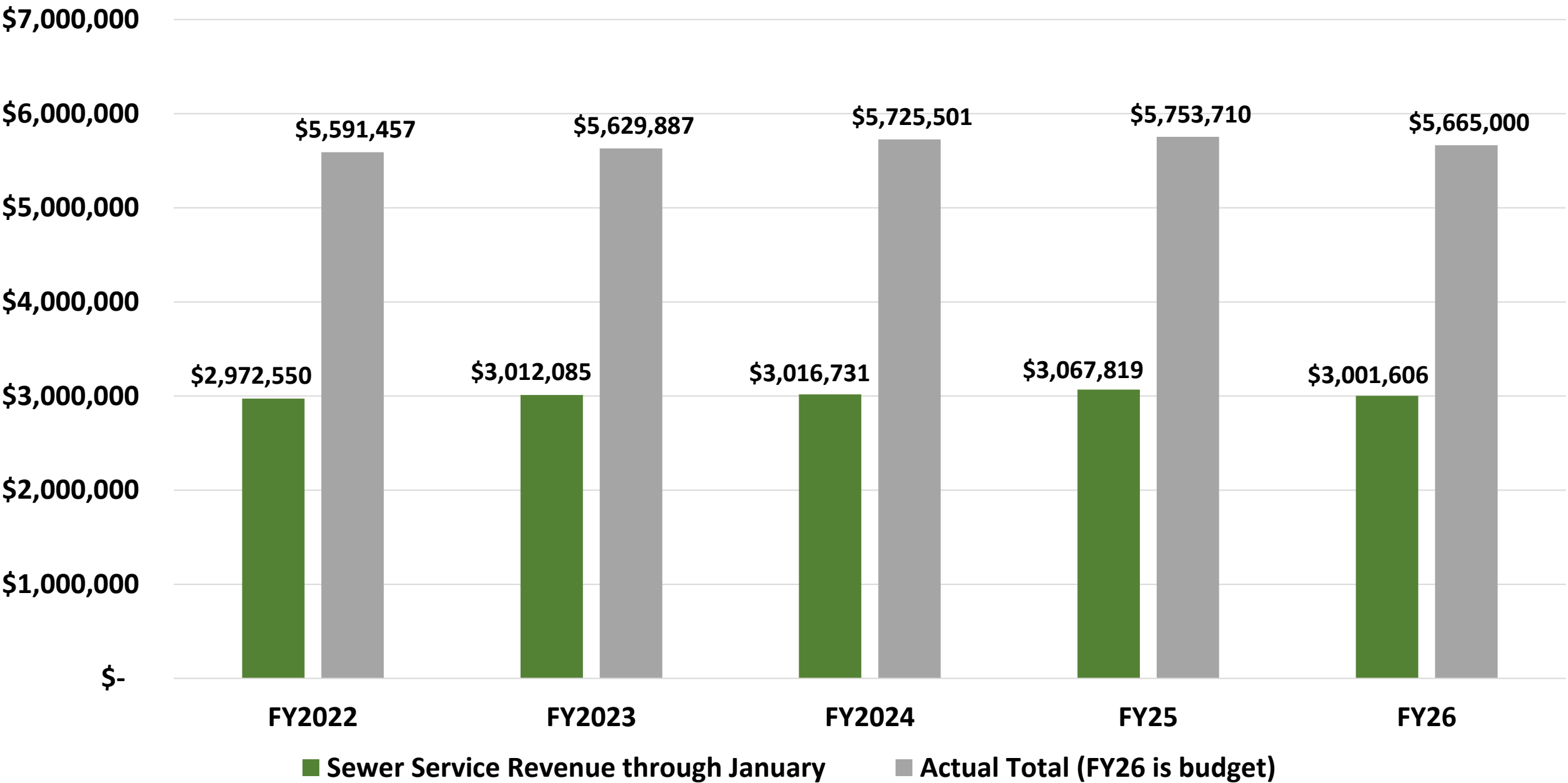
Water Service Revenue through January



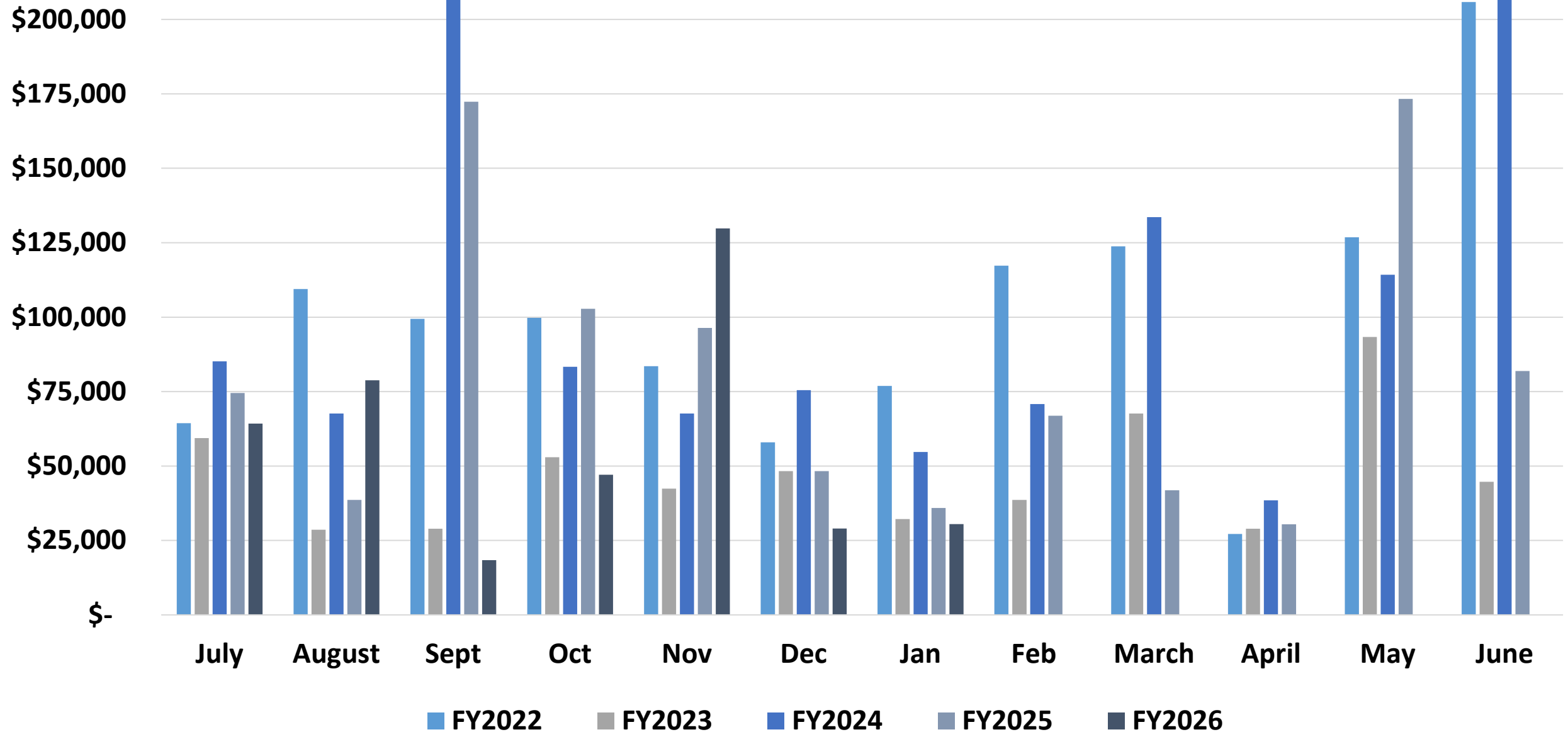
Sewer Service Revenue



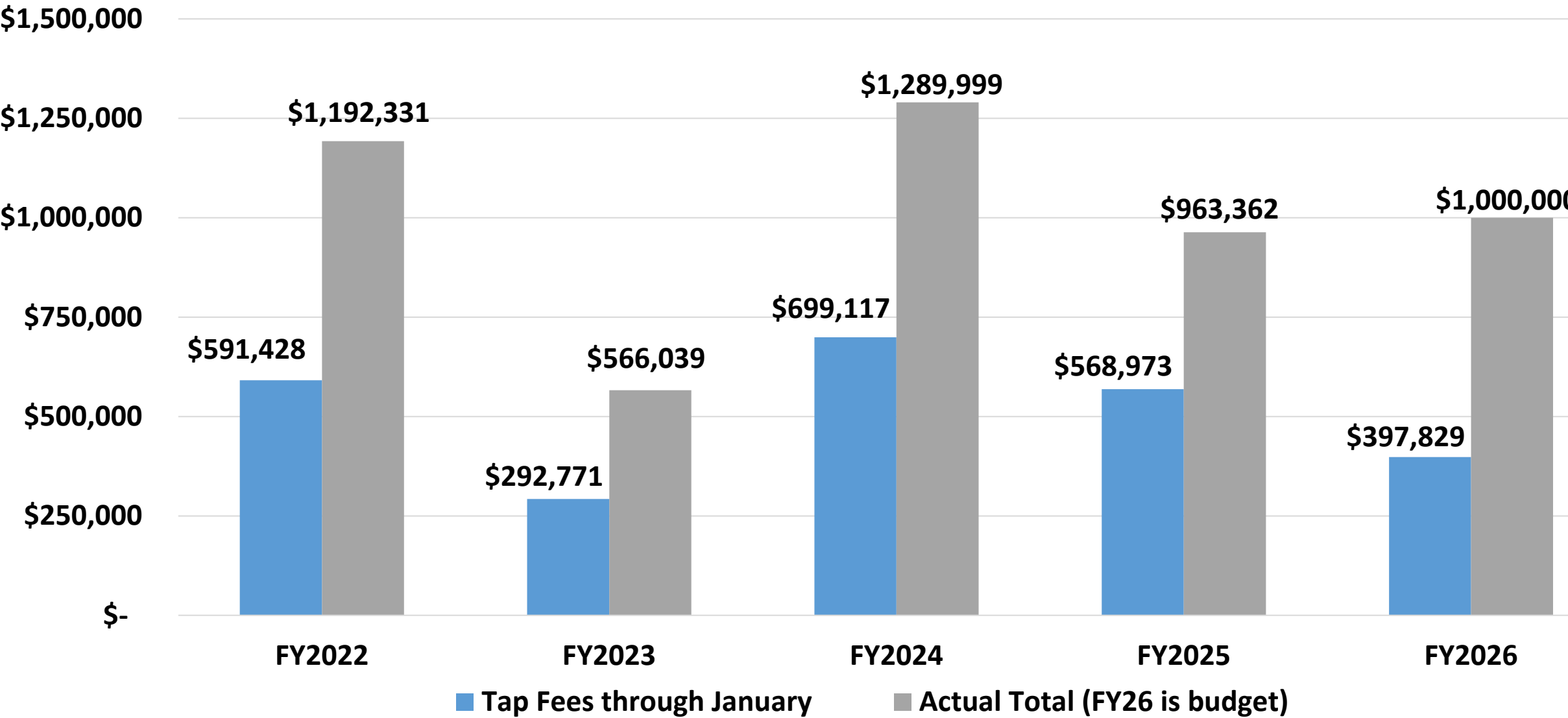
Sewer Service Revenue through January



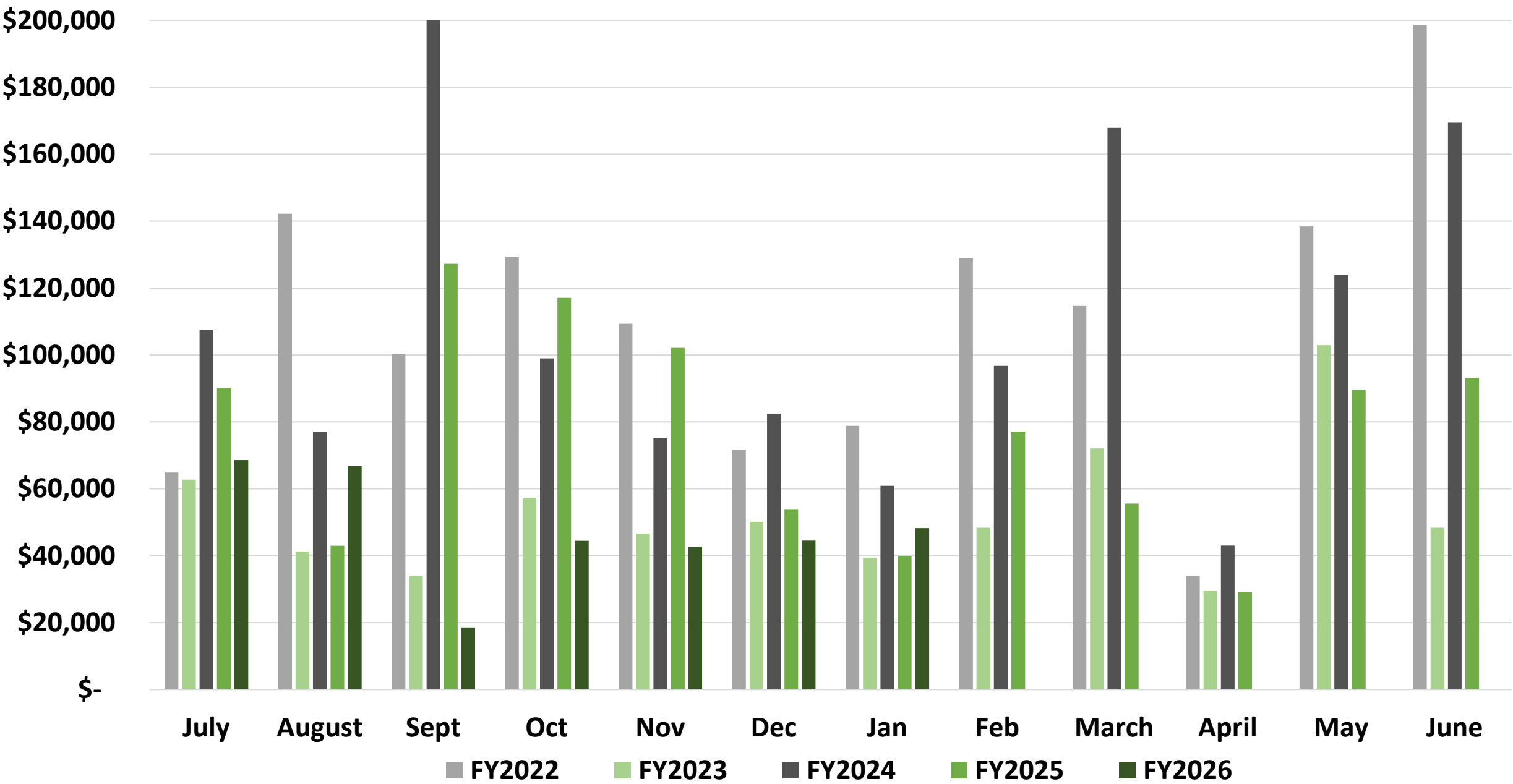
Water Tap Fees



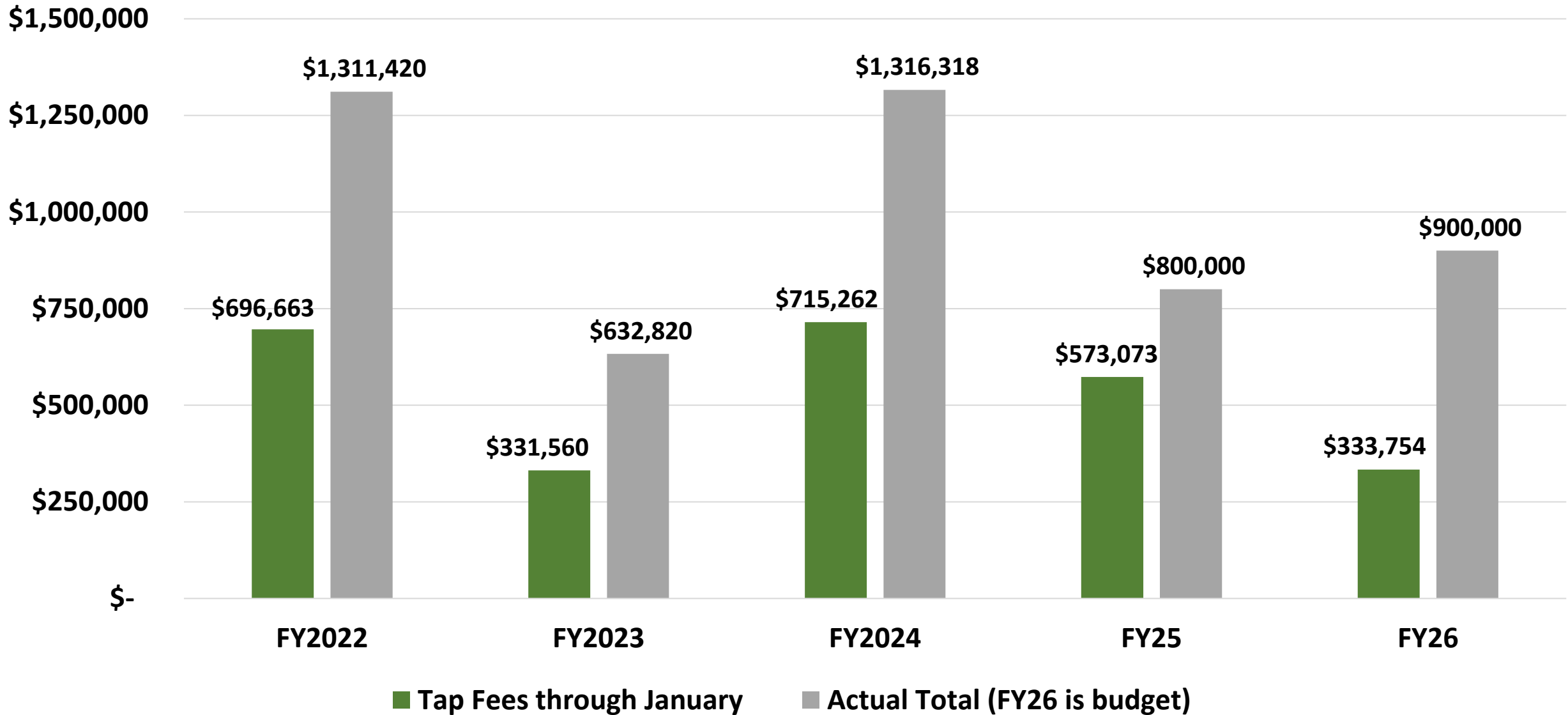
Water Tap Fees through January



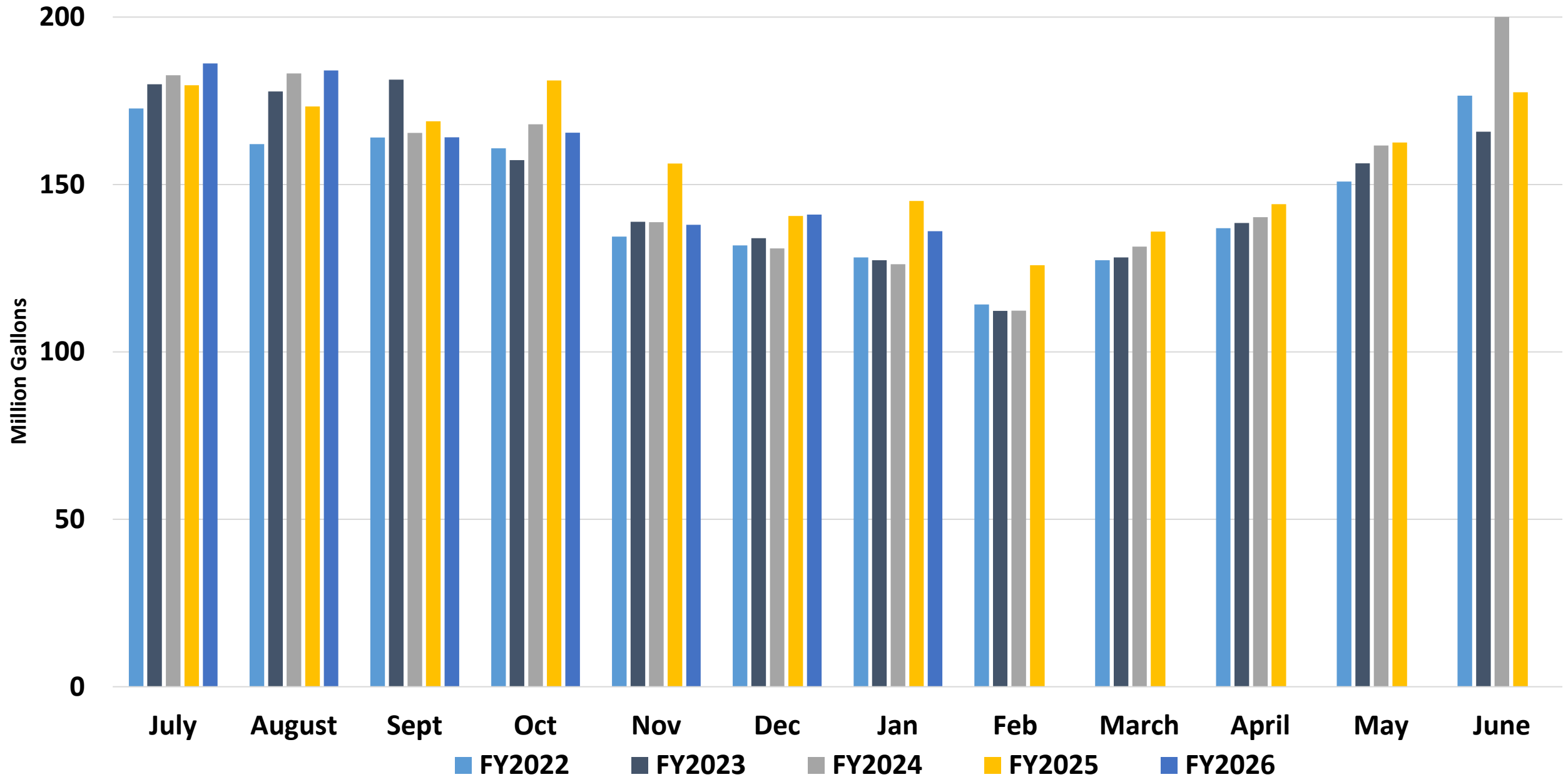
Sewer Tap Fees



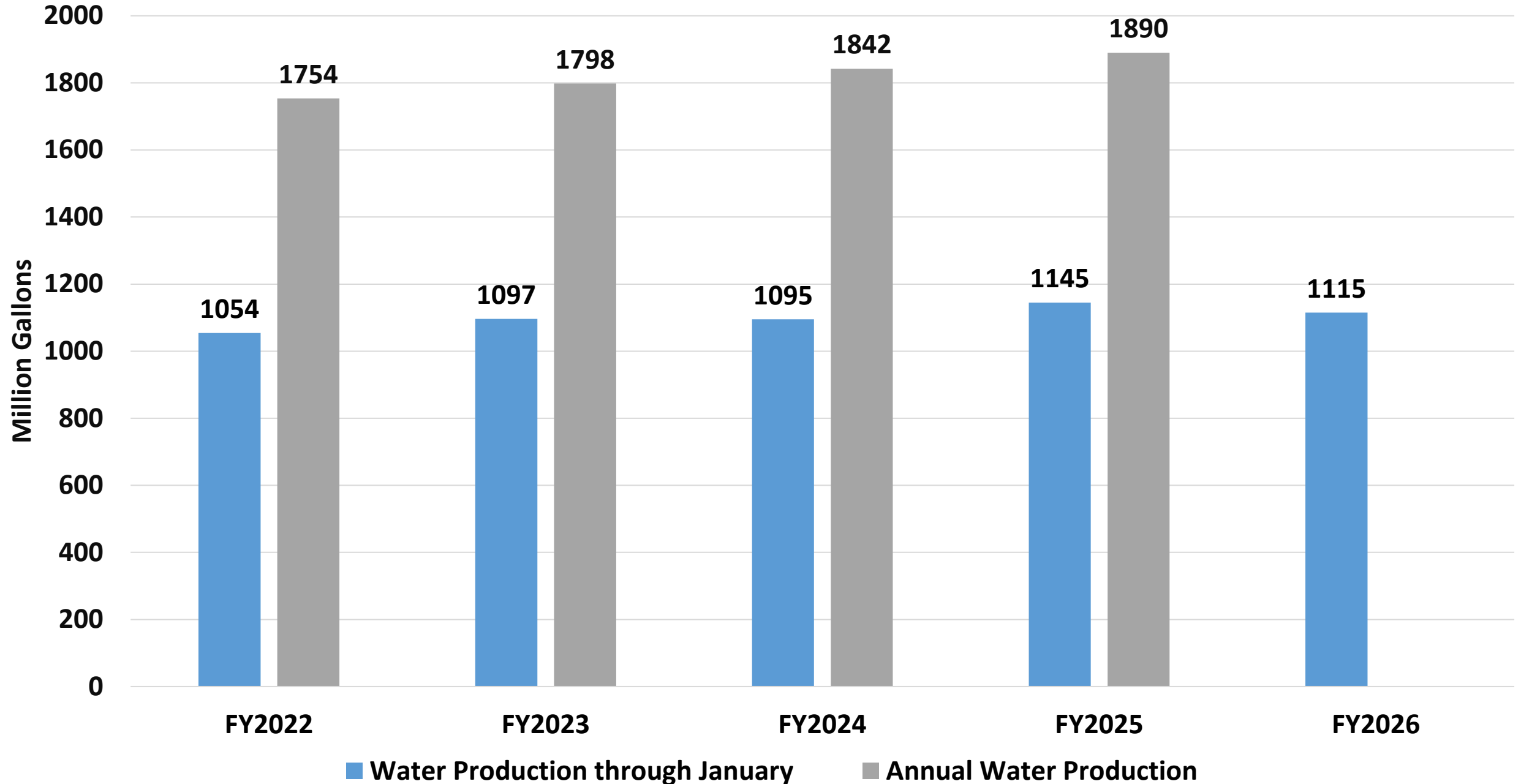
Sewer Tap Fees through January



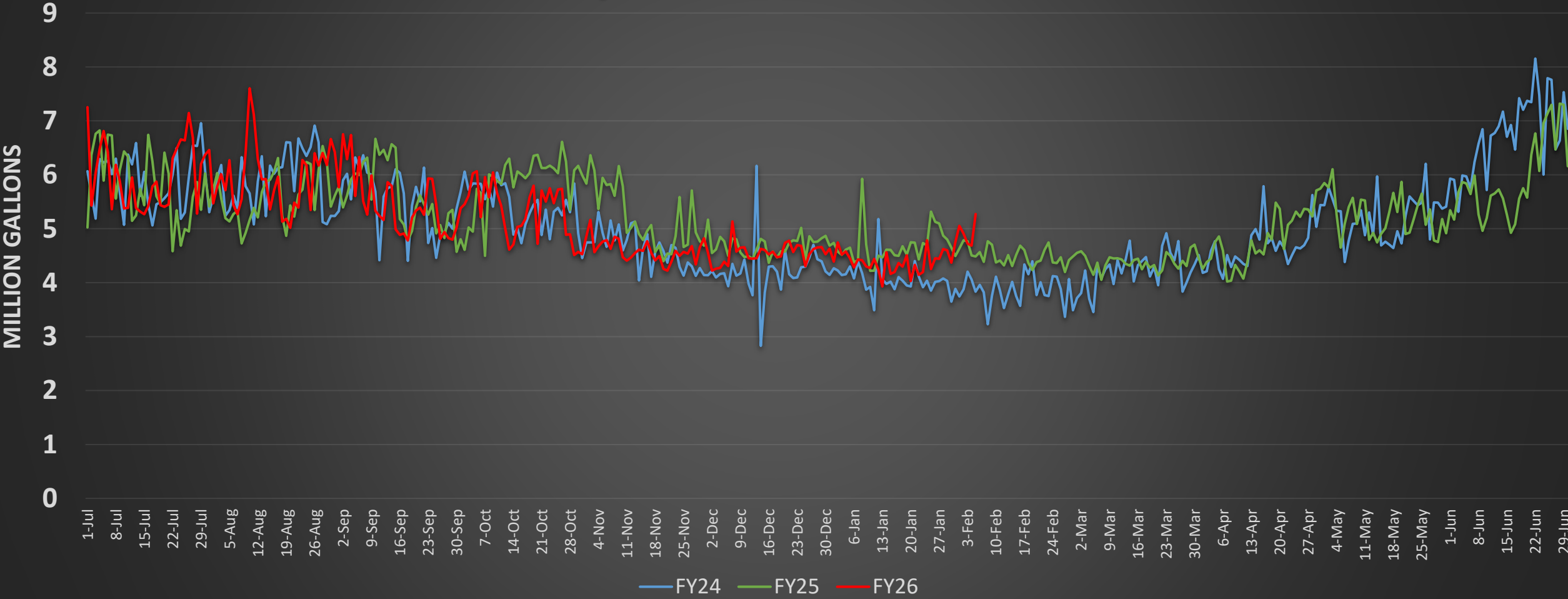
Monthly Water Production



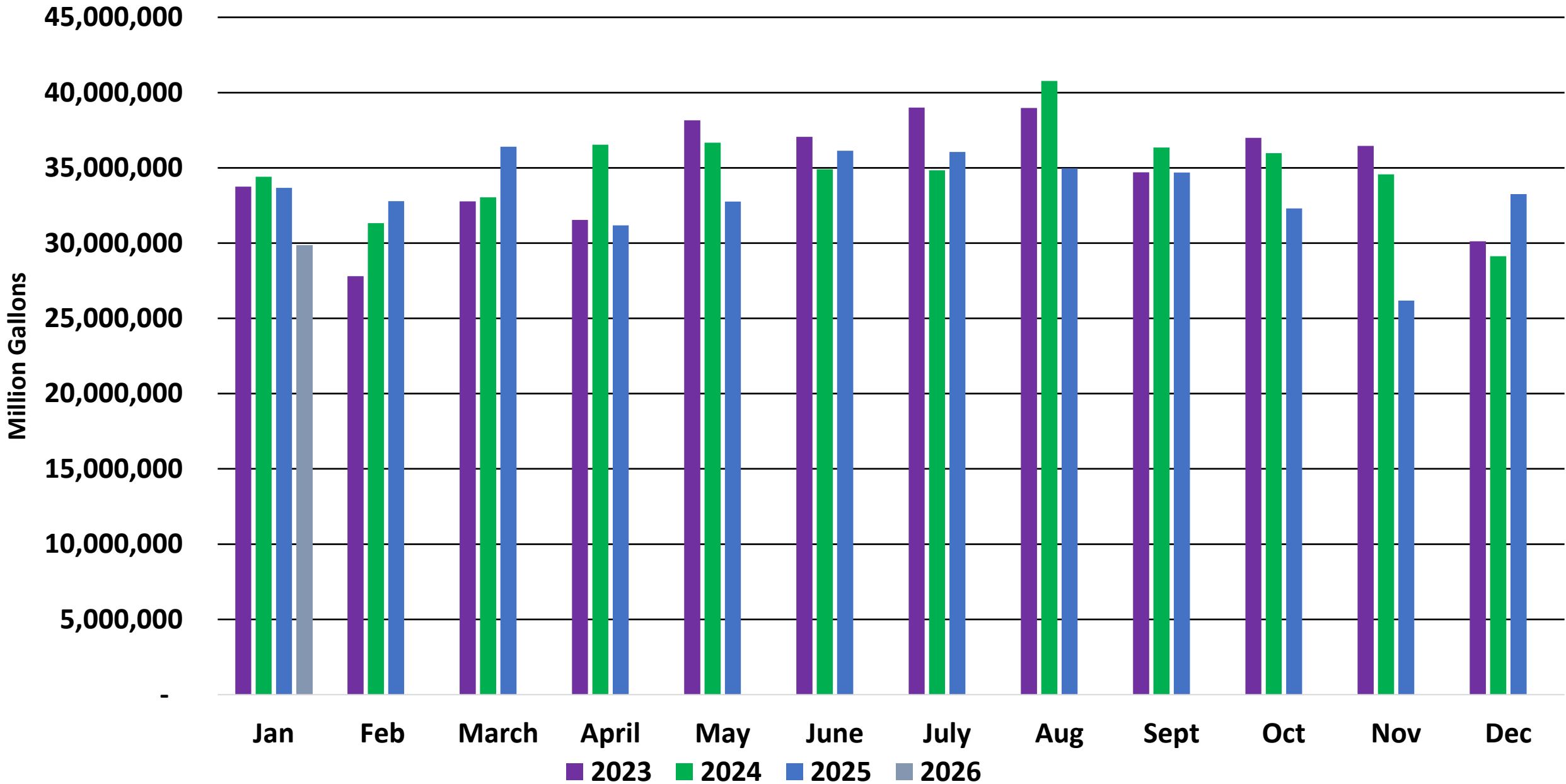
Water Production through January



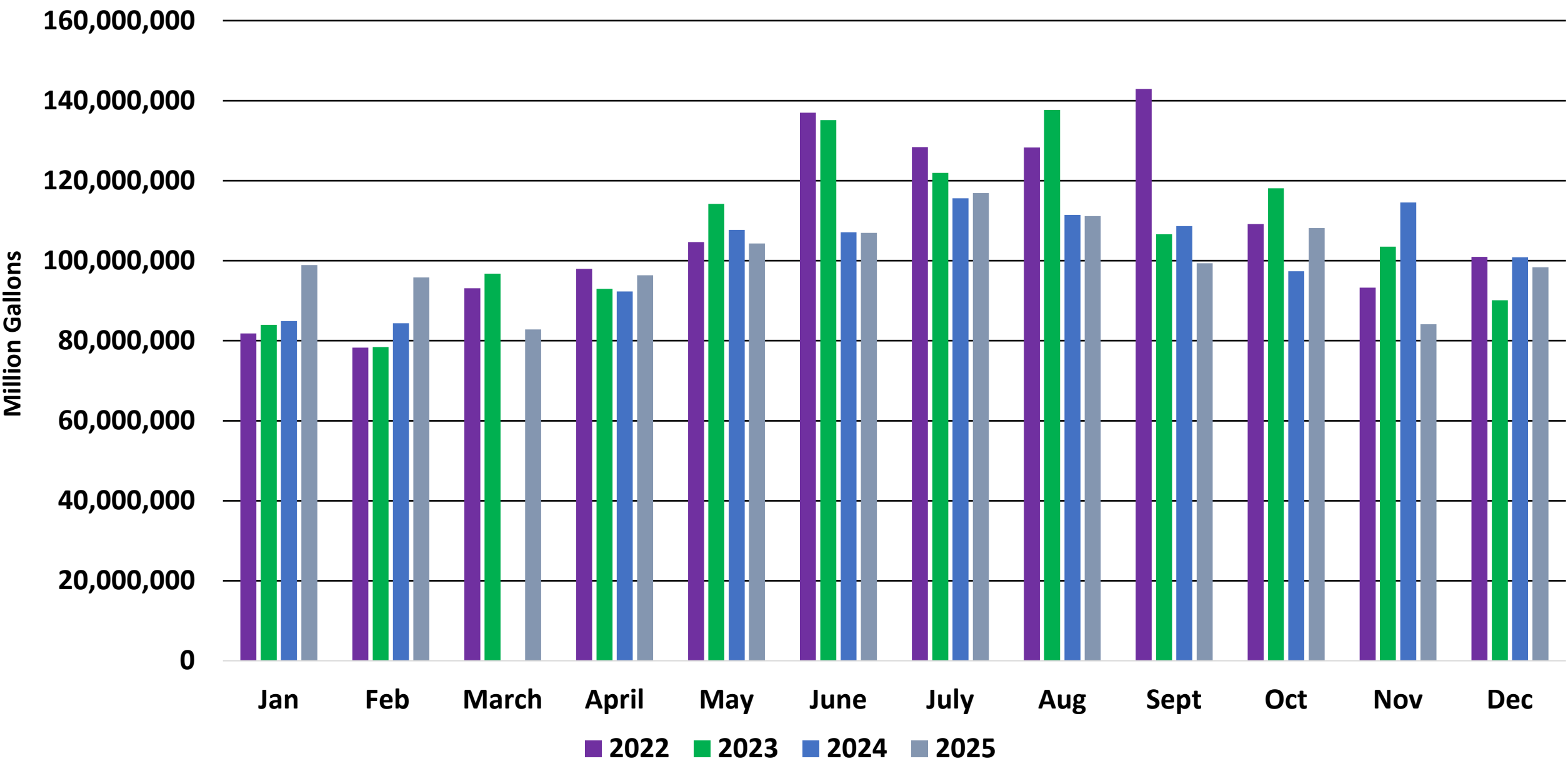
Daily Water Production



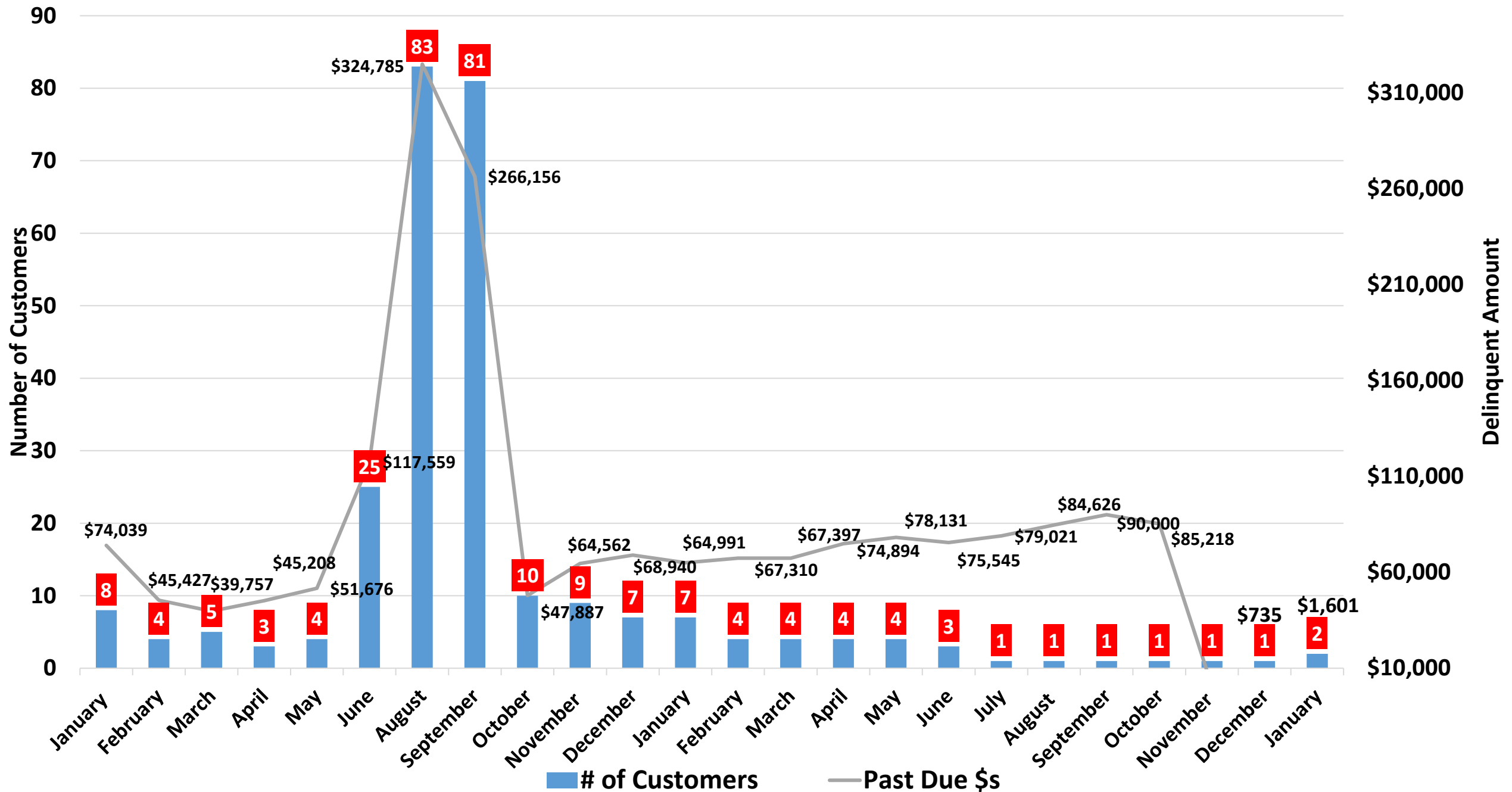
Commercial Consumption



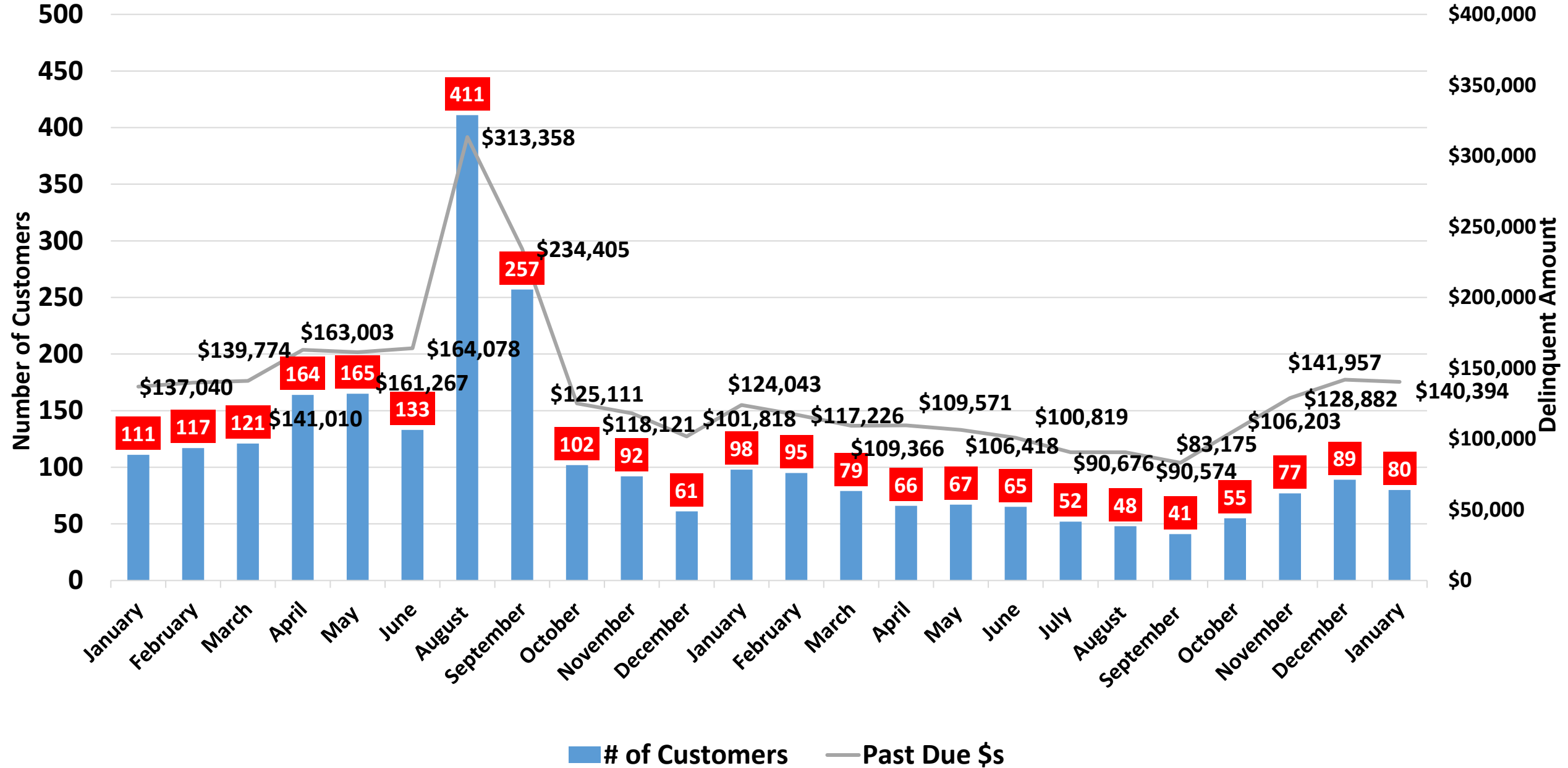
Residential Consumption



Delinquent Commercial Accounts Over \$500 and Over 90 Days



Delinquent Residential Accounts Over \$300 and Over 90 Days



Customer Service Call Volume

