

AGENDA
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
RETREAT
JCSA OPERATIONS BUILDING
119 TEWNING ROAD
WILLIAMSBURG, VA 23188
February 24, 2026
8:30 AM

A. CALL TO ORDER

B. ROLL CALL

C. PRESENTATION(S)

1. Administration
 - a. Groundwater Trading
 - b. Organizational Updates
 - c. FY 27 Budget
 - d. AMI
2. Water
 - a. Update on Groundwater Withdrawal Permit
 - b. Water Supply/Gradient Study
3. Sewer
 - a. Sewer Capacity Study
 - b. Neighborhoods in Primary Service Area on Septic

D. BOARD DISCUSSION/GUIDANCE

E. ADJOURNMENT

1. Adjourn until 5 pm on March 10, 2026 for the Regular Meeting

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

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

SUBJECT: Groundwater Trading

As you know, I serve on the Eastern Virginia Groundwater Management Advisory Committee. With the first Sustainable Water Initiative for Tomorrow injection currently projected to begin in October, discussions are increasing about the possibility of a groundwater trading program, which is a system that allows users to buy or sell groundwater rights, creating a market to manage the scarce resource.

The idea of a groundwater trading system is not supported by all of the stakeholders. Among the concerns are the state's ability to manage such a program, and the policy question of monetizing a natural resource.

If there is ultimately an attempt to develop a Groundwater Trading program, I will have the opportunity to participate in the process and want to solicit the Board's feedback and approval for my participation.

MDP/tm
GrndWtrTrg-mem

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

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

SUBJECT: James City Service Authority Organizational Issues

Staff will provide a brief update on organizational issues related to the James City Service Authority's (JCSA) evolution into an independent organization. Staff intends for the JCSA to develop its own policies and initiatives in the upcoming months as follows:

- JCSA will develop its own Purchasing Policy and assume all purchasing functions.
- JCSA will develop its own Personnel Policy.
- JCSA will modify its Pay Plan to increase the number of steps from 25 to 30.
- JCSA will begin administering its own bonds for development projects.
- JCSA will begin billing on behalf of James City County (JCC) for trash/recycling services.

A proposed Purchasing Policy, a proposed Personnel Policy, and a proposed modification to the Pay Plan will be presented to the Board at future meetings for adoption. Board action may also be necessary for the JCSA to administer its own bonds, and will be necessary to approve any new bond fees. A Memorandum of Understanding between JCSA and JCC will require Board approval for JCSA to bill for trash and recycling.

MDP/tm
JCSA OrgIssues-mem

Attachment

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

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

SUBJECT: Fiscal Year 2027 Budget

Staff will provide a brief update on the Fiscal Year (FY) 2027 Budget. While the proposed budget has not been fully developed, I do not anticipate any significant changes in the Operating Budget. The biggest changes I expect are in the Capital Improvement Program, most notably the acceleration of the Kingspoint project and increased funding for wastewater improvement projects.

As a reminder, a Five-Year Rate Study was completed last year, and it is my intent to base the FY 2027 Budget on the rates recommended by the Rate Study. A summary of the Rate Study is attached.

MDP/tm
FY27Budget-mem

Attachment

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

FROM: Stephanie Luton, Assistant General Manager, James City Service Authority

SUBJECT: Advanced Metering Infrastructure

The Advanced Metering Infrastructure (AMI) project will help manage a growing customer base by providing real-time meter data via remote collectors, reducing the number of drive-by meter routes required for monthly billing. This real-time consumption data will also help customers and staff detect leaks sooner and promote conservation.

AMI is planned as a multi-year project. Initial funding in the FY 22 CIP budget covered preliminary project data conversion, meter reading software upgrades, and installation of the first data collector in May 2025. The FY 26 CIP budget funds placement of additional data collectors and software linking the AMI meter reads with the billing software. Staff will describe project progress, benefits to the James City Service Authority and our customers, next steps, and how AMI data can expand customer engagement through the online portal.

SL/tm
AdvMeterInfras-mem

Attachment

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

FROM: Mike Youshock, Chief Engineer, James City Service Authority

SUBJECT: Groundwater Withdrawal Permit Update

James City Service Authority's Central Water System groundwater withdrawal permit expires on February 6, 2027. The application for renewal is due 270 days prior to the expiration date, by May 12, 2026. James City Service Authority (JCSA) staff have begun the reapplication process, including updating the groundwater withdrawal projections. JCSA staff will present an update on the status of the application process.

MY/tm
GrndWtrPemitUpdt-mem

Attachment

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

FROM: Mike Youshock, Chief Engineer, James City Service Authority

SUBJECT: Water Supply/Gradient Study

James City Service Authority (JCSA), in conjunction with its consultant, CDM Smith Inc., recently completed a study to evaluate operational improvements for its water system, focusing on areas south of News Road where there is limited water storage. The results of this study indicated that the water system can benefit from the installation of elevated water storage in the southern portion of the water system to improve operational efficiency and system reliability. JCSA staff will present an overview of the water system and recommendations for improvements. Development of an implementation plan for improvements will be contingent on receipt of the new Virginia Department of Environmental Quality groundwater withdrawal permit, which is expected in February 2027.

MY/tm
WtrSuppGradStdy-mem

Attachment

MEMORANDUM

DATE: January 27, 2026

TO: The Board of Directors

FROM: James Canning, Chief Engineer, James City Service Authority

SUBJECT: Wastewater Collection System Capacity Study

At the Board Retreat in January 2025, staff presented to the Board concerns about sewer capacity, which have led to sanitary sewer overflows.

James City Service Authority (JCSA), along with its consultant CDM Smith Inc., conducted a capacity study to identify issues within the collection system that experiences frequent sanitary sewer overflows, as well as to assess potential growth that may exacerbate these problems in the future. The study highlights that the anticipated growth in population and industry, combined with the limited capacity of the Hampton Roads Sanitation District (HRSD) interceptor force main, could lead to even more significant challenges for the collection system. As the demand on the system increases, its performance may become strained, resulting in a higher frequency of overflows and elevated water levels.

Staff will present the current and future capacity constraints and concerns regarding the sanitary system, emphasizing the importance of coordination with HRSD to implement necessary system improvements that will prevent future sanitary overflows. They will also address how new developments within the Primary Service Area are increasing pressure on the existing infrastructure. This situation necessitates a more thorough examination of development to allow HRSD to upgrade the interceptor system, ensuring comprehensive support as land use changes occur.

JC/tm
WtrCollectSytMCapStdy-mem

Attachment

M E M O R A N D U M

DATE: January 27, 2026

TO: The Board of Directors

FROM: James Canning, Chief Engineer, James City Service Authority

SUBJECT: Septic Areas in the Public Service Area Surrounded by Public Sewer

At the request of the James City County Board of Directors, James City Service Authority staff will present areas within the Primary Service Area that may have the ability to connect to the public sewer system.

JC/tm
SepticPSAPubSwr-mem

Attachments: