

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE THIRTY-FIRST DAY OF OCTOBER, NINETEEN HUNDRED EIGHTY-THREE AT 4:15 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

**A. ROLL CALL**

Stewart U. Taylor, Chairman  
 Thomas D. Mahone, Vice-Chairman  
 Perry M. DePue  
 Jack D. Edwards  
 Abram Frink, Jr.

James B. Oliver, Jr., Secretary  
 John E. McDonald, Treasurer  
 Frank M. Morton, III, County Attorney  
 Wayland N. Bass, Consulting Engineer

**B. MINUTES - October 17, 1983**

Mr. Taylor moved for the approval of the Minutes as presented.

The motion passed by a unanimous voice vote.

**C. BOARD CONSIDERATION**

**1. Croaker Service Center Water & Sewer Extensions**

Mr. Morton stated that the developer has requested that the County accept a letter of credit for the amount designated for upgrading Route 60 West.

Mr. DePue stated that he wanted the money clearly earmarked for the purpose intended and then recommended an amendment to the Resolution be made as follows: "3. That the Treasurer be directed to deposit all proceeds received from the developer for sewer improvements in a special escrow fund and shall not allow disbursements from this escrow fund except for the purposes identified in the agreement without the prior approval of the Board of Directors."

He stated that the purpose for the amendment was to have something in writing that would morally bind the future Service Authority Board to use the money escrowed for this purpose.

Mr. Edwards stated that binding a future Board would be an invitation for arguments on proper spending of the funds.

Mr. Frink stated that he could support the amendment but felt that it was unnecessary. He stated that the Authority has in the past used money that was budgeted for one purpose for another purpose because of a need somewhere else.

After further discussion on the matter, on a roll call, the vote on the amendment was: AYE: DePue, Mahone (2). NAY: Frink, Edwards, Taylor (3). The motion failed by a 3-2 vote.

Mr. Frink made the motion to approve the Resolution as presented.

The motion passed by voice vote. Mr. DePue voted nay.

### RESOLUTION

#### RESOLUTION AUTHORIZING EXECUTION OF CROAKER SERVICE CENTER WATER AND SEWER AGREEMENT

WHEREAS, the Authority and the Developer have reached agreement regarding extension of water and sewer facilities to serve Croaker Service Center.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority hereby authorize and direct the following:

1. That the Chairman and Secretary execute that certain agreement entitled Croaker Service Center Water and Sewer (Agreement) dated October 31, 1983 by and between the James City Service Authority and Sixty-four Associates, Inc.
2. That the following rates shall be in effect in the area described in said agreement:
  - o Project Area 2 rates, as amended, for sewer availability and water and sewer quarterly service charges.
  - o Project Area 2 rate for water availability, provided, however, a surcharge of 100% of said water availability rate shall be in effect until refunds totaling \$180,000 have been paid to the Developer by the Authority or until October 31, 1993.

### AGREEMENT

#### CROAKER SERVICE CENTER WATER AND SEWER

THIS AGREEMENT made this 31st day of October 1983 by and between the James City Service Authority A Political Entity existing under the laws of the Commonwealth of Virginia hereinafter referred to as AUTHORITY and SIXTY-FOUR ASSOCIATES, INC. hereinafter referred to as DEVELOPER.

WHEREAS the AUTHORITY has been duly authorized and empowered to operate and maintain water and sewer facilities beyond the boundaries of the Route 60 West Project Service area, as shown in the Facilities Plan Sewage Works Project Route 60 West and Toano July 1976.

WHEREAS the DEVELOPER desires to develop Croaker Service Center adjacent to the interchange of State Route 607 and Inter-State 64, and the property is properly zoned for such development, and

WHEREAS the DEVELOPER proposes to extend sewer facilities outside of the project service area as described above and,

WHEREAS DEVELOPER sewage flow is estimated at 177 gallons per minute, and

WHEREAS upgrading the 60 West sewer system to transmit this additional flow will cost an estimated \$362,000, and

WHEREAS the DEVELOPER and AUTHORITY have reached certain understandings and agreements regarding the financing, construction, operation, maintenance, and ownership of water and sewer system extensions and the upgrading of the existing 60 West sewer system.

NOW THEREFORE WITNESSETH: That for and in consideration of the sums to be paid herein and of the mutual covenants and agreements herein contained the parties hereto agree as follows:

SEWER

The DEVELOPER agrees to pay \$362,000 to the AUTHORITY or to provide a letter of credit payable to AUTHORITY in the amount of \$362,000 acceptable to the County Attorney prior to the beginning of construction activity.

If the DEVELOPER elects to secure this agreement with a letter of credit, the amount of surety shall be adjusted annually by a compound inflation factor (CIF). The CIF shall be the annual change in the engineering news record construction cost index as published by the Engineering News Record for the preceeding calendar year. AUTHORITY shall use the proceeds from the letter to fund capacity improvements in the 60 West sewer system necessary to upgrade this system to handle additional sewage flow from DEVELOPER'S facilities; the timing and actual use of the funds in upgrading said system shall be in the sole discretion of the AUTHORITY.

For a period of ten years following completion of sewer upgrading facilities DEVELOPER may recover proportional sewer upgrading costs if additional development occurs outside the project service area and if such development uses upgraded 60 West sewer facilities funded by DEVELOPER.

AUTHORITY agrees to assess proportional upgrading costs to such additional development and to refund the difference between the assessment and actual costs of improvements to the DEVELOPER and subsequent developers in proportion to their design flows (gpm).

The following formula shall be used to determine upgrading assessments (A) costs based on flow (F) gallons per minute:

$$A = \$2,045 \times F \times (1 + \text{CIF}_1) \times (1 + \text{CIF}_2) \times \dots \times (1 + \text{CIF}_n)$$

Refunds will be made to DEVELOPER and subsequent qualifying developers (up to developer's initial assessment) in proportion to the respective shares of total flows as follows:

$$\text{Total assessments minus total actual costs} = \text{refunds}$$

The DEVELOPER agrees to construct at his sole cost all sewer facilities necessary to connect his development to the 60 West sewer system. The connection point shall be east of Route 60 and west of the railroad on the existing AUTHORITY gravity sewer system. Design, construction, and operating characteristics of DEVELOPER's connecting facilities shall be approved by the AUTHORITY. These facilities shall be dedicated to the AUTHORITY upon completion.

WATER

DEVELOPER agrees to construct at his sole cost a 12 inch main including fire hydrants along Route 607 connecting the Croaker Service Center with the existing AUTHORITY 16 inch water main in Route 60. All design notes specifications, working drawings and construction shall be approved by AUTHORITY. DEVELOPER agrees to dedicate this water main to the AUTHORITY upon completion.


AUTHORITY agrees to adopt a 100% availability surcharge for new development connecting to this water main and to refund surcharge revenues for a time not to exceed fifteen years from the date of dedication and acceptance by the AUTHORITY or an amount not to exceed \$180,000. AUTHORITY agrees to enforce its mandatory connection policy for new development that may occur adjacent to this water main. This policy requires that the developer of any parcel, a portion of which lies within 1,000 feet of the water main and having access to the water main, shall connect all new development to this water main and pay availability charges as set forth in this agreement.

Upon completion the herein described water main shall be dedicated to the AUTHORITY and shall become part of Authority Water Transmission network. The AUTHORITY may make or permit extension at its sole discretion. No refund of availability charge revenues will be due DEVELOPER from any extensions.

This Agreement is contingent upon DEVELOPER obtaining a loan to finance the development and contingent upon the DEVELOPER obtaining the necessary permits to begin construction. In the event that both contingencies are not satisfied, this Agreement shall terminate at no expense to DEVELOPER.

Mr. Frink made the motion to adjourn. The motion passed by a unanimous voice vote.

The Board of Directors meeting **ADJOURNED** at 4:30 P.M.

  
James B. Oliver, Jr.  
Secretary