

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 2ND DAY OF JUNE NINETEEN HUNDRED EIGHTY-SIX AT 7:05 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

Thomas D. Mahone, Chairman
Perry M. DePue, Vice-Chairman
William F. Brown
Jack D. Edwards
Stewart U. Taylor

James B. Oliver, Jr., Secretary
John E. McDonald, Treasurer
Frank M. Morton, III, County Attorney
Sanford B. Wanner, Business Manager

Mr. Brown called the Board of Supervisors into session at 7:05 p.m.

C. PUBLIC HEARINGS

1. Utility Rates and Fees

Staff recommends adoption of the resolution.

Mr. Mahone noted this public hearing involved wastewater fees.

Mr. Sanford B. Wanner, Service Authority Business Manager, stated that in accordance with the State Code, notice of the proposed rate and fee changes were mailed to the City of Williamsburg and York County and a public hearing notice was published sixty days prior to the public hearing in a local newspaper.

Mr. Bob Savage, Management Assistant, gave an overview of the proposed rates and fees.

Mr. Taylor inquired as to the justification for an increase in the local facilities charge from \$250 to \$1,300. Mr. Taylor stated he would prefer to charge a smaller amount over a period of three years.

Mr. Wanner responded that most developers put in a local system and then dedicate it to the Service Authority to operate and maintain.

Mr. DePue inquired as to how those not connecting now would be affected by the local system facilities charge.

Mr. Savage responded that if the developer puts in the line a connection fee will not be charged, but if the Service Authority puts in the line the local facilities fee would apply.

Mr. Brown inquired as to the last time wastewater rates were increased.

Mr. Savage responded the last significant increase was July 1981.

Mr. Mahone opened the Service Authority public hearing.

Mr. Brown opened the Board of Supervisors public hearing.

1. Ms. Catherine Pierce, 4 Braywood, referred to an article published in a local newspaper, The Times Herald, dated May 29, 1986. Ms. Pierce asked what the present amount was in the General Fund from neighborhoods affected by the fees and how much would be used over and above that amount for operation and maintenance costs and debt service payments. Ms. Pierce stated she is willing to pay what she owes, but would like clarification of this information.

Mr. Brown stated this was a complicated issue and requested Ms. Pierce discuss the issue with Mr. Savage. Mr. Brown further stated that the Service Authority separated financially from the County General Fund last year and these rates were being established to fully finance operating expenses of utilities by its customers.

2. Mr. Robert E. Gilley, 2130 Lake Powell Road, spoke in opposition to the rate increases.

Mr. Mahone also stated that the Service Authority separated from the County General Fund last year and that the rates were being established to subsidize the operation of utilities. Mr. Mahone further stated the utility costs are high but necessary and the fee structure is intended to fully fund the Service Authority. Mr. Mahone further stated that there is a lot of support for the Ware Creek Reservoir and a fee structure is needed to cover the debt financing of that project.

3. Mr. Doug Kinley, 72 Pocahontas Trail, spoke in opposition to the rate increases. Mr. Kinley stated that the rate increases will make it very difficult for him to build houses that meet FHA guidelines and that low income people can purchase.

Mr. Mahone closed the Service Authority public hearing.

Mr. Brown closed the Board of Supervisors public hearing.

Mr. DePue stated the greatest challenge on this issue is public education and public information. Mr. DePue requested Ms. Veronica Nowak, Communications Administrator, to publicize the reason for these increases and to encourage citizens to connect to water and sewer at the present rate prior to July 1, 1986.

In response to a question from Mr. DePue, Mr. Bob Savage responded that even with the \$1.60 per gallon rate for wastewater retail service, an additional 3,700 customers will be required to cover costs.

Mr. DePue noted that money is being set aside but it is not enough to cover the costs of upgrading facilities. Mr. DePue stated he feels the requested fees are conservative as the sewer and quarterly fees are not even coming close to covering operating expenses.

Mr. Brown stated the fees are to cover the costs of upgrading pumping stations, transmission lines, water hydrants, etc. and places the utility fees on a user basis.

Mr. DePue stated he feels the quarterly fee will have the greatest impact on citizens, but the connection fee will have the greatest impact on new customers. Mr. DePue further stated that he feels the local facilities charge is being increased too much at one time.

Mr. Edwards stated there were two issues to consider: 1) the greatest impact will be on new houses, and 2) discussions had been held on this issue and these rates were used in the preparation of the FY87 Budget.

Mr. Taylor made a joint motion to amend the resolution by changing the local facilities charge so it would be spread over a three-year period as follows: \$750 the first year, \$1,000 the second year, and \$1,300 the third year.

On a roll call of the Service Authority, the vote was AYE: Brown, DePue, Mahone, Taylor (4). NAY: Edwards (1). The motion passed by a 4-1 vote.

On a roll call of the Board of Supervisors, the vote was AYE: Brown, DePue, Mahone, Taylor (4). NAY: Edwards (1). The motion passed by a 4-1 vote.

Mr. Edwards made a joint motion to approve the amended resolution.

On a roll call of the Service Authority, the vote was AYE: Brown, Edwards, DePue, Mahone, Taylor (5). NAY: (0).

On a roll call of the Board of Supervisors, the vote was AYE: Brown, Edwards, DePue, Mahone, Taylor (5). NAY: (0).

RESOLUTION**Utility Policy Changes**

WHEREAS, the Board of Supervisors of James City County and the Board of Directors of the James City Service Authority has held a public hearing on certain proposed changes to the "Regulations Governing Utility Service."

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of James City County, Virginia and the Board of Directors of the James City Service Authority, James City County, Virginia hereby jointly adopt the attached changes, to be effective as of July 1, 1986:

1. Set the retail service rate for wastewater collection at \$1.60 per 1,000 gallons (\$1.20 per 100 cubic feet).
2. Set quarterly retail service charges for wastewater collection where water service is provided by an unmetered source as follows:

	<u>Unit</u>	<u>Charge</u>
Single Family Residences	Each	\$32.00
Single Family Mobile Homes	Each	\$32.00
Mobile Homes in Parks	Each Lot	\$28.40
Duplex, Apartments, and Town Houses	Each	\$28.40
Schools (with showers)	Student	\$ 3.25
Schools (without showers)	Student	\$ 2.05
Motels and Hotels	Room	\$14.20
Minimum		\$142.00
Manufacturing	Msf	\$ 8.50
Minimum		\$46.20
Warehouses	Msf	\$ 5.70
Minimum		\$35.50
Service Stations	Each	\$38.10
Camping Facilities	Each Space	\$12.40
Minimum		\$49.00
Restaurants	Seat	\$ 3.85
Minimum		\$42.60
Commercial	Msf	\$14.20
Minimum		\$42.60
Churches	Each	\$31.00
Swimming Pools	Sfe	\$31.00
Laundromats	Sfe	\$31.00

3. Set system facilities charges for wastewater service as follows:

<u>Meter Size (inches)</u>	<u>Charge</u>	<u>Meter Size (inches)</u>	<u>Charge</u>
5/8	\$1,500	2	\$12,000
3/4	\$2,250	3	\$24,000
1	\$3,750	4	\$37,500
1½	\$7,500	6	\$75,000

4. Set system facility charges for wastewater service where water service is provided by an unmetered source as follows:

<u>Activity, Use</u>	<u>Unit</u>	<u>Charge</u>
Single Family Residences	Each	\$1,500
Single Family Mobile Homes	Each	\$1,500
Mobile Homes in Parks	Each Lot	\$1,500
Two Family Apartments and Town Houses	Each	\$1,500
Schools (with showers)	Student	\$ 80
School (without showers)	Student	\$ 50
Motels and Hotels	Room	\$ 650
Camping Facilities	Each Space	\$ 500

5. Set the local facilities charge for wastewater service to cover a three-year period at \$750 the first year, \$1,000 the second year, and \$1,300 the third year.
6. Eliminate all wastewater combined collection and treatment charges.

D. CONSENT CALENDAR

Mr. Brown made a motion to approve the Consent Calendar.

The motion passed by a unanimous voice vote.

1. Meter Deposits

RESOLUTION

Removal of Meter Deposits

WHEREAS, a Utility Operating Policy modification prior to 1980 eliminated the requirement to collect meter deposits from utility customers, and

WHEREAS, attempts have been made to refund or give credits for deposits held at the time of the change of the Operating Policy and the deposits held have remained unchanged over the past six years.

NOW, THEREFORE, BE IT RESOLVED that the Treasurer is hereby authorized to transfer the deposits amounting to \$1,480 to income to clear the books of unclaimed meter deposits.

2. Reappropriation of Revenue Sharing Funds

RESOLUTION

Reappropriation of Revenue Sharing Funds

WHEREAS, the Board of Directors of the James City Service Authority is a secondary recipient of Revenue Sharing Funds; and

WHEREAS, Revenue Sharing regulations require that funds received and unspent after two years, as well as all accrued interest income, be formally reappropriated; and

WHEREAS, it has been recommended that revenue sharing funds be concentrated in certain capital projects where the funds, and the administrative requirements, can be most effectively managed; and

WHEREAS, funds previously identified for the Centerville Road waterline are no longer needed and it is recommended that they be used to lower the requirements for debt financing of the projects.

NOW, THEREFORE, BE IT RESOLVED that that the Board of Directors of the James City Service Authority hereby authorizes the following account transfers and reappropriates Federal Revenue Sharing Funds, as follows:

REVENUES

Revenue Sharing Accrued Interest	\$ 118,500
Revenue Bonds	(353,500)
	<u>\$(235,000)</u>

<u>EXPENDITURES</u>	<u>REVENUE SHARING</u>	<u>OTHER SOURCES</u>	<u>NET</u>
Rt. 31 Waterline	\$ (16,000)	\$ 16,000	\$ 0
Eastern State Storage	(72,000)	72,000	0
Centerville Road Waterline	(250,000)	15,000	(235,000)
James Terrace Waterline	200,000	(200,000)	0
Ware Creek Land Acquisition	256,500	(256,500)	0
	<u>\$ 118,500</u>	<u>\$(353,500)</u>	<u>\$(235,000)</u>

3. Norge Primary School WellRESOLUTIONAcquisition of the Norge Primary School Well System

WHEREAS, the Board of Directors of the James City Service Authority desires to acquire the Norge Primary School Well System, including pump facilities, hydropneumatic pressure tank, well house, well lot, and all easements that are pertinent thereto; and

WHEREAS, an agreement has been reached between representatives of the School Board and the Service Authority Business Manager, whereby in exchange for the Norge Primary School Well System, the Service Authority will connect the Norge Primary School to the Authority's water system at no charge, and will grant to Norge Primary School a two (2) year billing credit for quarterly water consumption charges.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia hereby authorizes and directs the Chairman and Secretary to execute a contract of purchase between the School Board and the Service Authority under the following conditions:

1. The contract has been drawn to the satisfaction of the County Attorney.

2. The acquisition of the Norge Primary School Well System shall be in accordance with the terms heretofore set forth.
 3. The Chairman and Secretary be authorized to execute all such documents as are necessary to finalize the acquisition of the Norge Primary School Well System.
4. Redemption of Longhill Bond Issue

RESOLUTION

Longhill Road Water Revenue Bonds

WHEREAS, the Authority issued \$750,000 in Water Revenue Bonds dated March 19, 1973; and

WHEREAS, the staff and Trustees have determined that funds will be available on September 1, 1986 to retire the outstanding bonds, pay interest and all associated costs; and

WHEREAS, issuing a call for redemption of said bonds under Article XIII, Section 1301 and 1302, would discharge the Authority from its obligations under the indenture agreement.

NOW, THEREFORE, BE IT RESOLVED that the Treasurer be directed and authorized to provide the Trustees (United Virginia Bank) the necessary information to call the Longhill Water Revenue Bonds for redemption on September 1, 1986.

BE IT FURTHER RESOLVED that effective July 1, 1986 the Longhill Bond Fund be eliminated and, with the approval of the Trustee, all revenues and assets be transferred to the General Fund.

5. Newport News Water Extension Agreement - Fairfax Woods,
Phase III

RESOLUTION

**City of Newport News Water Extension Agreement
Fairfax Woods, Phase III**

WHEREAS, Busch Properties, Inc., has prepared plans for Fairfax Woods, Phase III, a development in Kingsmill; and

WHEREAS, the City of Newport News has prepared a Water Extension Agreement for the extension of City water mains to serve this development; and

WHEREAS, all testing fees and inspection fees have been paid by Busch Properties, Inc.

NOW, THEREFORE, BE IT RESOLVED that the Chairman and Secretary of the James City Service Authority, James City County, Virginia, be authorized to execute the Newport News Water Extension Agreement on behalf of the Service Authority.

6. Pinedell Subdivision - Extension of 12-inch Water Transmission Main

RESOLUTION

Pinedell Subdivision Water Extension Agreement

WHEREAS, the Board of Directors of the James City Service Authority desires to extend water mains as recommended in the Master Water Plan within the primary service area; and

WHEREAS, the developer of Pinedell Subdivision has agreed to construct a 12-inch water transmission main along John Tyler Highway from Greensprings Road to 700 feet north of John Rolfe Lane, and connect the proposed main to the existing waterline along John Rolfe Lane which presently serves residents of Shellbank Woods.

NOW, THEREFORE, BE IT RESOLVED that the Chairman and Secretary to the Board of Directors of the James City Service Authority, James City County, Virginia are hereby authorized and directed to execute an agreement with the developer of said subdivision.

BE IT FURTHER RESOLVED that the Board of Directors hereby authorizes and directs the Secretary to the Board to execute all contracts necessary to construct said water main.

E. BOARD REQUESTS AND DIRECTIVES

B. MINUTES - May 5, 1986 - Regular Meeting

Mr. Mahone made a motion to approve the minutes as presented.

The motion passed by a unanimous voice vote.

Mr. Edwards made a motion to adjourn the Service Authority.

The motion passed by a unanimous voice vote.

The Board of Directors adjourned at 7:48 p.m.



James B. Oliver, Jr.
Secretary

THIS DEED, made this 23rd day of May, 1986, by and between the JAMES CITY COUNTY SCHOOL BOARD AND THE CITY OF WILLIAMSBURG SCHOOL BOARD, a body politic under the laws of the Commonwealth of Virginia, party of the first part, hereinafter referred to as GRANTOR and THE JAMES CITY SERVICE AUTHORITY, created by the County of James City, Virginia, organized and existing under the laws of the Commonwealth of Virginia, party of the second part, hereinafter referred to as GRANTEE.

WITNESSETH: That for and in consideration of the sum of ONE DOLLAR (\$1.00), cash in hand paid, and other good and valuable considerations by the Grantee to the Grantor, the receipt of which is hereby acknowledged, the said GRANTOR does hereby GRANT, BARGAIN, SELL and CONVEY with GENERAL WARRANTY and ENGLISH COVENANTS OF TITLE, unto the said GRANTEE the following described property to wit:

PARCEL 1 All that certain lot, piece, or parcel of land lying and being situate in James City County, Virginia, shown and designated as "WELL LOT" on that certain plat entitled "WELL LOT, JAMES CITY COUNTY TO BE CONVEYED TO JAMES CITY SERVICE AUTHORITY," dated May 23, 1986, which said plat is attached hereto and incorporated herein for a more complete description of the property conveyed.

BILL OF SALE

COMES NOW, JAMES CITY COUNTY SCHOOL BOARD AND THE CITY OF WILLIAMSBURG SCHOOL BOARD (School Board) for and in consideration of ONE DOLLAR (\$1.00) and other good and valuable considerations paid by the JAMES CITY SERVICE AUTHORITY (Authority) to the School Board; the receipt whereof is hereby acknowledged, the School Board does hereby grant, sell, transfer and deliver unto the Authority, the following goods and chattels, to wit:

The Norge Primary School Well System, including pump facilities, hydropneumatic pressure tank, well house, well lot, as identified as Parcel 1 on the attached Deed, and those easements and rights-of-way as shown on the attached Deeds of Easement and Right-of-Way.

To have and to hold all singular the said goods and chattels to the Authority.

For and in consideration thereof, the Authority hereby covenants and agrees:

To connect the Norge Primary School to the Authority's water system at no charge, and to grant to Norge Primary School a two (2) year billing credit for quarterly water consumption charges.

And, the School Board hereby covenants with the Authority that it is the lawful owner of such goods and chattels, that it has the right to convey same and aforesaid, that they are free from all encumbrances, and that the School Board will warrant and defend the same against all lawful claims and demands existing at the time of conveyance.

Extension Agreement No. 65 - 1986
Location: **Fairfax Woods - Phase III**
 James City County, Virginia

CITY OF NEWPORT NEWS, VIRGINIA
DEPARTMENT OF PUBLIC UTILITIES
AGREEMENT TO EXTEND WATER MAIN

This Agreement, made this _____ day of _____, 19 ____, by and between the City of Newport News, a Municipal Corporation in the Commonwealth of Virginia, hereinafter referred to as "City", and James City Service Authority, hereinafter referred to as "Applicant".

WHEREAS, the Applicant has applied to the City for permission to connect to its system and extend the water main or mains to serve the premises, constructed or intended to be constructed, on the tract or plot of land as shown on the development map or plot plan attached hereto and made a part hereof, known as Fairfax Woods - Phase III, and marked Exhibit "A"; and,

WHEREAS, the City is willing to permit connection to its system and provide retail water service to the aforementioned development; and,

WHEREAS, the Applicant will furnish all necessary easements without cost to the City; and,

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants and agreements herein contained the parties hereto agree as follows:

1. The Applicant agrees:

a. At his own sole cost and expense, to furnish all labor, tools, materials and services to install water mains and appurtenances in accordance with the layout shown on Exhibit "A", and to conform to the Specifications and Details attached hereto, and made a part hereof. Construction Drawings will be furnished by the City upon execution of this Agreement and water pipeline work will not begin without these drawings.

b. At his own cost and expense upon completion thereof, to furnish "as-built" drawings, manufacturer's affidavits for pipe, fittings, valves and hydrants, as well as a breakdown of the total cost of the installation as paid by the Applicant.

c. To pay the City upon execution and delivery of this Agreement, the sum of Twenty-Eight Thousand One Hundred Dollars, (\$28,100.00), the cost of hydrant rentals, service pipes, supervision, inspection, blow-off installations and the estimated cost of the tie-ins into the existing system as shown on Exhibit "B", attached hereto. Upon completion of the tie-ins and blow-off installations, if it is found that the actual cost exceeds the estimated cost of \$4,700.00, then you will pay this amount to the City, and if the actual cost is less than \$4,700.00, the City will refund you the over payment. The cost of the hydrant rentals, service pipes, supervision and inspection is in no event refundable.

d. To furnish, at no cost to the City, all necessary easements for laying water mains, prepared in compliance with City standard form (see Exhibit "C") prior to acceptance of the water system and tie-in to the existing system.

e. The Applicant will pay to the City the established rental charge per annum for each fire hydrant installed in the development for five years after date of installation of all fire hydrants in the subject development.

f. To furnish plat showing location of service pipes and provide a marker on site indicating location for service pipe installation on each lot or building as required.

2. The City agrees, upon completion of the installation by the Applicant and compliance with the other terms of this Agreement:

a. To sterilize and tie the installation into the existing system.

b. Install service pipes to current ordinance requirements as follows:

(1) All applications for water service connections or tap must be installed within a period of three years. If through no fault of the Department of Public Utilities, installation is not made within three years from the date of application, the fees paid in connection therewith shall be forfeited.

c. Maintain and operate the system.

d. Refund \$300.00 for each fire hydrant installed by the Applicant in accordance with Exhibit "A".

3. The Applicant and City agree:

a. That no work shall be started until this Agreement has been executed by the Applicant, approved by the City, and all streets and sidewalks have been brought to final subgrade.

b. That the City assumes no responsibility for pavement repair if services must be installed after streets are paved.

c. That the City assumes no responsibility for the settlement of the trenches for water mains or service laterals after the installations are completed.

d. That the City shall have the right to make further extension of this water main extension after its completion.

e. That this Agreement shall be binding upon the respective parties, their successors and assigns.

f. That the facilities installed under this Agreement shall be the property of the City, its successors and assigns.

END OF PAGE THREE

Continued on Page 4....

EXHIBIT "B"

Estimated cost of the installation of water facilities to serve the property known as Fairfax Woods - Phase III, as shown on plat attached and charge for service pipes.

5800	feet of 8"	Ductile Iron Pipe (Class 52)	
136	feet of 6"	Ductile Iron Pipe (Class 52)	
940	feet of 4"	Ductile Iron Pipe (Class 52)	
11	fire hydrants		

DEVELOPER'S ESTIMATED COST TO CONTRACTOR (Pipe to be laid by the Developer in accordance with Specifications)	\$118,500.00
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CITY'S COST

83 - Service Pipes @ \$205.00 (which will service 5/8" meters)	17,015.00
11 - Fire Hydrant Rentals @ \$160.00	1,760.00
Supervision & Inspection	4,625.00
Tie-Ins, Flushing and Blow-Off Installations	4,700.00
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DEVELOPER'S COST TO CITY	\$ 28,100.00
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TOTAL ESTIMATED COST	\$146,600.00
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A maintenance bond or letter of credit in the amount of \$12,000.00 is to be posted prior to acceptance of the water system and tie-in to the existing system which shall be in effect for one year beginning at date of pressure test.

The Developer shall mark in blue paint on face of wooden stake the letter "W" to indicate location for water services.

In the event that meters and service pipes may be covered with concrete driveways or walks, then such meters and service pipes shall be relocated at the expense of the Developer or Owner.

The estimated cost of pipeline does not include the cost of connection to City's Distribution System. Material for this work and the labor and equipment will be furnished by the Department of Public Utilities at expense of Developer as provided in the Agreement.

AGREEMENTC. LEWIS WALTRIP II/JAMES CITY SERVICE AUTHORITY/WATERPINEDELL SUBDIVISION

WHEREAS, C. LEWIS WALTRIP II (Waltrip) and the JAMES CITY SERVICE AUTHORITY (Authority) are desirous of reaching agreement on the provision of Authority water to that certain parcel of land located on John Tyler Highway containing approximately 73 acres and referred to as Pinedell, which parcel is situated in the primary service area of the County and generally located in the area of First Colony (on tax map parcel (45-1)(1-5A)).

WHEREAS, the Authority water line is currently located at the intersection of John Tyler Highway and Greensprings Road, and

WHEREAS, Waltrip's water needs for Pinedell would be met by the installation of an eight-inch water transmission main from its current location on Greensprings Road, and

WHEREAS, it is the desire of the Authority to increase the off-site water main to 12-inches.

NOW THEREFORE THIS AGREEMENT WITNESSETH that for and in consideration of the mutual promises hereinafter made and the payment of the sum of TEN DOLLARS (\$10.00) from Waltrip to Authority, the Authority and Waltrip agree as follows with respect to the off-site extension of the Authority's water transmission main:

1. Waltrip agrees to pay for and to build or have built a 12-inch water transmission main from Greensprings Road to serve Pinedell, said main to be extended from its current location on Greensprings Road along John Tyler Highway in a

northerly direction approximately 700 feet north of the intersection of John Rolfe Lane and John Tyler Highway. Engineering design, working drawings, and specifications shall be subject to review and approval by the Authority. The proposed water main shall be connected to the existing water main on John Rolfe Lane.

2. Prior to recordation of the Pinedell Subdivision Plat the developer shall demonstrate to the satisfaction of the Authority that he can obtain and dedicate all right-of-way for said transmission main.
3. Waltrip shall be entitled to refunds for the off-site extension of the water main under terms and conditions set forth in Section 28 of Regulations Governing Utility Service. The total amount of refunds shall not exceed \$77,000.00.
4. If Authority or another developer desires to make the off-site water extension from the point in 1 above, along John Tyler Highway, then Waltrip shall be given first option to make or cause such off-site extension to be made. The Authority shall advise Waltrip of the proposed off-site extension in writing, and Waltrip shall have 60 days from the date of the letter informing him of same to accept or decline responsibility for the proposed extension. If Waltrip desires to extend the off-site waterline, an agreement shall be entered into between Waltrip and the Authority under terms and conditions substantially similar to those set forth herein. Such an agreement shall be executed within 15 days of Waltrip accepting responsibility for the off-site extension.

If Waltrip declines to accept responsibility for extending the off-site waterline from the point in 1 above, along John Tyler Highway, the Authority shall be entitled to extend the line or enter into agreement(s) with other developers for the off-site extension(s) and no refund shall be due Waltrip for such extension(s).

5. Waltrip shall satisfactorily complete said 12-inch water transmission main and dedicate same along with the necessary right-of-way to Authority by December 31, 1986, or this agreement shall expire and all obligations set forth herein shall be null and void.