

AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 27TH DAY OF FEBRUARY 2001, AT 7:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

Jay T. Harrison, Sr., Chairman
James G. Kennedy, Vice Chairman
John J. McGlennon
Ronald A. Nervitt
Bruce C. Goodson (Absent)

Sanford B. Wanner, Secretary
Robert H. Smith, Treasurer
Frank M. Morton, III, County Attorney
Larry M. Foster, General Manager

B. CONSENT CALENDAR

1. Sale of Surplus Property - removed from agenda, no action required.
2. Water Purchase Agreement - Newport News Waterworks and James City Service Authority

Mr. Foster stated the Board of Directors at its October 24, 2000, meeting, endorsed the elements of an agreement to purchase water from Newport News Waterworks. These elements were translated into this agreement.

Mr. McGlennon stated that the Board received a thorough explanation last fall regarding this matter.

Mr. Kennedy stated that the agreement was a good cooperative move for regionalism. Mr. Kennedy made a motion to approve the resolution.

Mr. Nervitt inquired if this agreement would slow down or stop the County's plan to build a desalination plant or its efforts to develop the King William Reservoir.

Mr. Foster explained that the agreement would not slow down or stop progress on the desalination plant and that the agreement is an interim step to ensure adequate water supply until the desalination plant comes online.

Mr. Nervitt inquired about phasing the extension of Newport News water out to Route 5, James Terrace, New Town, Governor's Land, and the projected time lines to extend lines.

Mr. Foster explained how the Service Authority plans the extensions and how they can be done economically and meet the JCSA's water demands.

Mr. Nervitt asked if the agreement provides a discount on the more water purchased.

Mr. Foster explained there is no discount and that the \$1.65 per 1,000 gallons is a fair price.

Mr. Nervitt asked how purchasing water fits in with the desal plant that comes online in four years.

Mr. Foster answered the Service Authority only needs to purchase water for three to four years.

Mr. Harrison stated that Brookhaven residents were concerned about rumors of a water tank across from their property.

Mr. Nervitt said staff did a great job working with the citizens in Kristiansand to place a water tank in that community. Everyone worked together and was satisfied with the outcome.

Mr. Wanner stated the Board can be assured staff will work with the Brookhaven residents for a similar result.

Mr. Kennedy made a motion to approve the resolution.

On a voice vote, the vote was: AYE: McGlennon, Nervitt, Kennedy, Harrison (4). Nay: (0). Absent: Goodson.

RESOLUTION

WATER PURCHASE AGREEMENT BETWEEN

NEWPORT NEWS WATERWORKS AND THE JAMES CITY SERVICE AUTHORITY

WHEREAS, the James City Service Authority (JCSA) has identified the need for an additional water supply to meet projected demands until a permanent water supply can be finalized; and

WHEREAS, the JCSA and the City of Newport News (NNWW) have evaluated available water supplies within the region and determined that additional water supply is available in the NNWW systems; and

WHEREAS, the water can be made available through a relatively inexpensive interconnection of the two public water systems; and

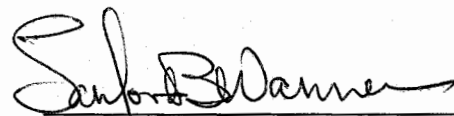
WHEREAS, an agreement providing the terms for purchasing water from the City of Newport News has been developed.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the James City Service Authority, James City County, Virginia, hereby authorizes its Chairman to sign the Water Purchase Agreement with the City of Newport News.

Mr. Harrison made a motion to adjourn until March 27, 2001.

On a voice vote, the vote was: AYE: McGlennon, Nervitt, Kennedy, Harrison (4). Nay: (0). Absent: Goodson.

The Board adjourned at 9:24 p.m.



Sanford B. Wanner
Secretary to the Board