

MINUTES
JAMES CITY SERVICE AUTHORITY BOARD OF DIRECTORS
REGULAR MEETING
County Government Center Board Room
101 Mounts Bay Road, Williamsburg, VA 23185
December 8, 2020
5:00 PM

A. CALL TO ORDER

B. ROLL CALL

Michael J. Hipple, Powhatan District
Ruth M. Larson, Vice Chairman, Berkeley District
John J. McGlennon, Roberts District
James O. Icenhour, Jr., Jamestown District
P. Sue Sadler, Chairman, Stonehouse District

Scott A. Stevens, Secretary to the Board
Adam R. Kinsman, County Attorney
M. Douglas Powell, General Manager

ADOPTED

JAN 12 2021

Board of Directors
James City County, VA

C. PRESENTATIONS

I. James City Service Authority Audit Report

Ms. Leslie Roberts, Partner with Brown Edwards and Company, LLP, joined the meeting remotely and stated due to various government changes made at the James City Service Authority (JCSA), the numbers are not blended in with the County's numbers, but rather as a separate column on the James City County Comprehensive Annual Financial Report. She commented both audits were able to be completed on time and referenced the Auditor's Financials, which is the independent auditor's report, pages 1-3 and explained the content. She stated the audits fairly present the operations and balances of both entities, which is the highest level of assurance given. She pointed out Management Discussion and Analysis, located on pages 4-9 of both financial statements, as being the best read of the entire document due to its comparative analysis, fluctuation explanations, and insight. She referenced the County and JCSA financial statements noting there was a Letter of Transmittal, included in the Agenda Packet, which gives a high overview on the entity. She referenced the Statement of Financial Position, also included in the Agenda Packet, located on page 10, and discussed the financial position of the JCSA. She explained the JCSA had a positive change in net assets of approximately \$1.3 million with operating revenues up approximately \$1.4 million related to the water and sewer rate increases. She discussed the notes to the financial statements which follow the basic financials and give the reader more information about the entity and how it operates. She noted this information appears on pages 14-60 of the Statement of Financial Position. She briefly discussed the Independent Auditors Report included in the Agenda Packet and stated that it does not show any significant deficiencies, material weaknesses, or instances of noncompliant making it a clean report. She briefly discussed various procedures required to do by the Auditor of Public Accounts as the external auditor and did not find any exceptions with those procedures.

She asked if there were any questions thus far and there were none.

She proceeded to move on and explained the components of the Management Letter in regard

to the JCSA. She commented there were no new Governmental Accounting Standards implemented this year due to the COVID-19 Pandemic, and noted webinar staff training provided free of charge.

D. PUBLIC COMMENT

None.

E. CONSENT CALENDAR

1. Authorization of a 2% General Wage Increase

A motion to Approve was made by Ruth Larson, the motion result was Passed.

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

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

F. PUBLIC HEARING(S)

1. Acceptance of Responsibility for a Memorandum of Agreement for Grease Control Devices; Public Hearing on Endorsement of the Fats, Oils, and Grease Program, Enforcement Response Plan; and Adoption of Civil Penalties

A motion to Approve was made by Ruth Larson, the motion result was Passed.

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

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Powell discussed three purposes for the resolution this evening. He noted that at the October 13, 2020, James City County Board of Supervisors (BOS) meeting, the BOS entered into a Memorandum of Agreement (MOA) with the Hampton Roads Sanitation District and the Hampton Roads localities in support of regional standards on grease control devices as part of the Fats, Oils, and Grease Program. He explained the BOS delegated the responsibility for administration and enforcement of the MOA to the JCSA Board of Directors (BOD). He referenced the October 27, 2020, BOD meeting and stated the BOS approved a revised version of the JCSA Regulations which delegated the responsibility for certain policies to the General Manager, noting one of those policies was the Fats, Oils, and Grease (FOG) Program. He explained the purpose of tonight's resolution: 1) for the BOD to accept responsibility for the MOA adopted by the BOS on October 13, 2020, regarding the regional standards for grease control devices; 2) to endorse the JCSA FOG regulations and the associated enforcement response plan; and 3) to adopt civil penalties for violations of the FOG regulation in the amount of \$100 for the initial summons and \$150 for any additional summons, but not more than \$3,000, for a series of violations for the same situation. Mr. Powell noted the purpose for the Public Hearing was administratively staff cannot establish the civil penalties and recommended approval of the resolution.

Ms. Sadler opened the Public Hearing.

As there were no speakers, Ms. Sadler closed the Public Hearing.

G. BOARD CONSIDERATION(S)

1. Participation in the Coronavirus Aid, Relief, and Economic Security Act Delinquent Utility Bill Grant Program

A motion to Approve was made by John McGlennon, the motion result was Passed.

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

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

Mr. Powell referenced the last BOD meeting and noted at that meeting discussion regarding a program which provides Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to municipal utilities to assist customers impacted by COVID-19 with delinquent utility bills. He stated that recently the JCSA was notified its share of these CARES Act Funds is \$315,872. He commented as of October 31, 2020, the JCSA 60-day delinquency was a little over \$364,000 and the 31-60-day delinquency was \$121,000; therefore, the amount of CARES Act funds received is a good percentage of current overall outstanding delinquencies. He briefly discussed the details of the resolution.

Ms. Larson inquired whose responsibility it was to make certain the delinquency was related to the COVID-19 Pandemic.

Mr. Powell responded there are a lot of intricacies in the administration of the program; however, it is the customer's responsibility to certify their delinquency is related to a COVID-19 hardship. He noted the state has provided the JCSA with a form the customer will have to sign certifying the customer's eligibility for these funds due to hardship related to COVID-19.

Mr. McGlennon inquired about a robust public information campaign notifying individuals regarding the advantages of this program.

Mr. Powell responded plans were in the making regarding this topic.

Mr. McGlennon clarified if someone had difficulty paying their utility bill due to COVID-related circumstances, they could possibly have funding applied to their bill and not have to repay the money.

Mr. Powell responded correct; the funds would be credited to the individual's account and do not require being repaid by the customer.

H. BOARD REQUESTS AND DIRECTIVES

Ms. Larson stated she would miss the JCSA holiday gathering this year and extended her thanks to staff for its hard work. She referenced a plan Mr. Powell sent to the Board earlier regarding split shifts and stated it was an excellent idea.

Mr. Powell expressed his thanks and commented he would pass that information along to staff. He noted staff's disappointment of not holding the annual holiday luncheon this year, due to the COVID-19 Pandemic.

The Board echoed those sentiments.

Ms. Sadler expressed appreciation for all that had been done in an effort for things to run smoothly this past year.

I. GENERAL MANAGER'S UPDATE

Mr. Powell noted the absence of the Dashboard in this month's package due to the short

period of time between the two meetings. He stated the JCSA obtained the bid for the White Oaks project, noting the low bid was under budget and a Bid Award for that project would be forthcoming to the January 2021 BOD meeting. He referenced the Hampton Roads Sanitation District ransomware attack and the effect it had on JCSA billing. He anticipated the November 2020 bills would go out on December 10, 2020 and discussed billing options moving forward. He expressed appreciation for the BOD's continued support and felt the organization made progress this past year in spite of difficult circumstances.

J. ADJOURNMENT

1. Adjourn until 4 p.m. on January 4, 2021 for the Organizational Meeting

A motion to Adjourn was made by Michael Hipple, the motion result was Passed.

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

Ayes: Hipple, Icenhour Jr, Larson, McGlennon, Sadler

At approximately 6:15 p.m., Ms. Sadler adjourned the Board of Directors.


Deputy Secretary