

AT A WORK SESSION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 22ND DAY OF OCTOBER, 2002, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

James G. Kennedy, Chairman, Stonehouse District
Jay T. **Harrison**, Sr., Vice Chairman, Berkeley District
John J. **McGlennon**, **Jamestown** District
Michael J. Brown, **Powhatan** District
Bruce C. **Goodson**, Roberts District

Sanford B. Wanner, County Administrator
Frank M. Morton, **III**, County Attorney

B. BOARD CONSIDERATION

1. Groundwater Treatment Plant Financing Plan

Mr. Foster introduced David Rose and Courtney Rogers of **Davenport & Company**, LLC, the financial advisors, and provided an overview of the Groundwater Treatment Facility project.

Mr. Rose and Mr. Rogers provided the Board with an overview of the goals and objectives of the financing plan for the Groundwater Treatment Plant.

Mr. Brown inquired about the proposed ratio of debt versus cash to fund the capital projects identified over the next five to **fifteen** years.

Mr. **Goodson** inquired about the King William Reservoir Project financing and the capital outlay expected from the County.

Mr. Foster provided the anticipated fiscal costs of the project based on cost per million gallons per day of production capacity of raw water at various withdrawal levels. It is anticipated that the cost of the project would be \$15-20 million per 2 million per production capacity. The **JCSA's** share could range from \$30 to 80 million.

The Board, Mr. Rose, and Mr. Rogers discussed the current interest rates and borrowing at the low rates, not borrowing, borrowing a portion of the needed funds for the project, and maximizing cash reserves in order to position the Authority for the next capital project.

Mr. Rose and Mr. Rogers provided the Board with financing options that include building cash reserves, borrowing for the project, amortize the debt over fifteen years, and to pay down the loan prior to final maturity; provided funding strategies for the project; and discussed funding methods.

Mr. Foster requested questions, guidance, and direction from the Board

Mr. Kennedy inquired about the proffered money from developers towards the desalinization project.

Mr. Foster stated that the proffered money is set aside as build-out occurs and the fees are paid

The Board and staff held a discussion on allocating the proffered money towards a water supply project, anticipated growth models for the development of the recommendations as well as other factors utilized in the development of the recommendations; the potential impacts of water conservation/restrictions on the Authority's revenues was also discussed.

The Board recommended that Davenport & Company, LLC, move forward with its recommendation and refinancing, and then bring back an update to the Board at its meeting on November 12, 2002. The recommendation included **funding** the entire debt of approximately \$17 million over a 15 year amortization period.

2. Meeting with Members of the General Assembly

Mr. Wanner introduced Senator Norment, Delegate **Barlow**, and Delegate Hamilton, and stated that a key issue is the State budget shortfalls and the impacts on localities.

Mr. Morton thanked the legislators for taking the time to meet with the Board.

a. Budget

Senator Norment stated that the General Assembly members have worked hard to minimize the State Budget reduction impacts to citizens and provided a quick overview of some of the reductions.

Delegate Hamilton stated that the second round of cuts would be significant

The Board and legislators discussed the biennial budget reductions, the need for contingencies, car **tax** relief, the desire to provide support for public education, public safety, and health care that includes: mental health and retardation services as well as substance abuse prevention services.

A discussion was held regarding equality of taxing powers between cities and counties.

b. Land-Use Issues

The Board and legislators discussed the role of the State government vs. local government in controlling urban sprawl and land-use zoning.

c. Adequate Public Facilities Legislation

Mr. **McGlennon** requested information on the possible proposal for legislation for adequate public facilities test.

Mr. Norment stated that legislation is being drafted, citizen input is welcome, that the balance of adequacy of the public facilities must be outlined in a reasonable manner, and the comprehensive plans could establish a benchmark for the adequacy of public facilities.

d. Legislation Proposals that Impact Local Government

The Board and legislators discussed legislation that has significant impacts at local levels, the volume of bills proposed each session, and the role of the local government in lobbying legislation.

e. Dillon Rule

The Board and legislators discussed the feasibility of amending a portion of the **Dillon Rule** to permit local government greater flexibility to govern.

f. Photo-Red

The Board and legislators discussed the possibility of the Photo-Red legislation to be brought back for reconsideration **during** the 2003 session.

g. Water

The Board and legislators discussed the comprehensive way the County has addressed the water supply concerns, that the State will be limiting the number of studies initiated in the upcoming years, and that rolling studies together such as **desalinization** and gray-water would be recommended.

h. Solid Waste Importation

The Board and legislators discussed the importation of **solid waste to** Commonwealth landfills.

The Board thanked ~~the~~ legislators for taking ~~the~~ opportunity to answer questions and demonstrated interest in representing the localities.

The legislators stated that although there are **bipartisan differences** in representation, they work closely together representing the localities and they welcome input **from** the localities and citizens on any legislation proposal.

i. November 5, 2002. Bond Referenda Issues

The State legislators stated support for the proposed Bond Referenda for higher education facilities and State parks and recreation.

D. ADJOURNMENT

At 6:19 p.m. the Board took a dinner **break** until 7 p.m



Sanford B. Wanner
Clerk to the Board