

AT A WORK SESSION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON THE 27TH DAY OF JULY, 2004, AT 4:00 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

A. ROLL CALL

Bruce C. Goodson, Chairman, Roberts District
Michael J. Brown, Vice Chairman, Powhatan District
John J. McGlennon, Jamestown District
M. Anderson Bradshaw, Stonehouse District
Jay T. Harrison, Sr., Berkeley District

Sanford B. Wanner, County Administrator
Leo P. Rogers, Acting County Attorney

B. BOARD DISCUSSION

1. Economic Development Authority

Ms. Virginia Hartmann, Vice Chair of the Economic Development Authority (EDA), provided an overview of the mission and values statements of the EDA and the rationale for the name change of the authority from "Industrial Development Authority" to "Economic Development Authority," including the reflective statement of the broader base of recent economic involvement rather than strictly industrial.

Mr. Mark Rinaldi, EDA Director, stated that many localities in the Commonwealth are changing to an Economic Development Authority as it sends a signal to the business community that the County is progressive and not solely focused on industry. Ms. Hartmann and Mr. Rinaldi provided an overview of possible activities the EDA would pursue to enhance the awareness of the role and nature of the EDA, establishment of a joint task force to identify ways to ease the regulatory process for economic development target projects, interest in attracting large retail establishments, and ways to maximize other economic development opportunities while still supporting small businesses in the County.

The Board and staff discussed the use of performance standards versus the standard of list of uses in zoning districts to ease the Special Use Permit (SUP) process for applicants and the proposal for the Board to relinquish control of SUP application reviews and approvals to staff.

The Board requested the County Administrator develop a proposal with the EDA for a Joint Task Force and bring that back to the Board for further review and consideration.

At 4:56 p.m., the James City Service Authority Board of Directors was called to order.

2. Independent Water System Connection Fee

Mr. Larry Foster, General Manager of the James City Service Authority (JCSA), provided an overview of the number of independent water systems the JCSA operates, the Code of Virginia requirements for independent water systems, and a brief overview of the guidance the Board has provided in the concept of assessing a fee.

Mr. Foster recommended a per-unit fee be assessed for independent water systems; fees be assessed on lots or units created by development plans submitted after August 1, 2004; the fee be paid before acceptance by JCSA; the revenue from the fee be deposited in a restricted fund; investment returns would be used to offset expenses associated with operating the system; and any remaining fee revenue would remain in the fund.

Mr. Brown inquired why the initial idea to offset the additional operating cost of the water system has evolved to offsetting the additional cost of the connections and if it is wise.

Mr. Foster stated that a connection fee evolved and is being considered rather than a revenue equalization fund fee to better define what the fee reflects.

Mr. Brown stated concern about mixing operating funds and deficits for independent water systems with the capital costs associated with system facility.

The Board discussed the recommendation of the staff and the name of the fee.

Mr. Rogers commented that the name change and the timing of the collection applies to when the dedication to the JCSA is to occur versus when the subdivision is approved. The Independent Water System Connection fee is paid when the JCSA accepts the independent water system.

The Board and staff discussed the revenue anticipated to be generated from the \$4,000 fee to offset the operating cost, that it is not anticipated the investment will result in a five percent **return** to meet the differential, the timing of the connection fee collection, and concern that issues expressed by members of the community resulted in the revamping of a rate equalization fee to a connection fee, and covering expenditures associated with the maintenance and upgrading of the central system.

Mr. Robert Duckett, Director of Government and Community Relations, of the Peninsula Home Builders Association spoke on behalf of Tim Trant, Board member of the Williamsburg Community Building Association (WCBA), and Seth Saunders, President of the WCBA.

Mr. Duckett stated that there is agreement that JCSA customers want to recuperate proper costs associated with providing water **service**; however, there is a disagreement about the staff recommendation that it is not the fairest way to recover those costs, and the Home Builder Associations do not support the proposed connection fee.

Mr. Duckett stated that the independent water systems benefit the entire community and therefore the additional costs and operating costs should be born by the community at-large.

Mr. Brown stated that an independent water system outside the Primary Service Area (PSA) is of benefit to those on the water system and they benefit from all the services associated with the system; they do not sink their own individual wells which will impact the groundwater availability to the community **at-large**.

Mr. Duckett stated that fire protection does not recognize PSA boundaries and an adequate water supply and water pressure permit fires to remain under control through fire protection and the JCSA customers do not have to incur expense of retrofitting the fixing of the problem that private citizens would fix.

Mr. Duckett stated that it is understood that operations and maintenance costs of independent water systems are higher than those of the central water system; and the capital costs of the independent water systems, such as tap fees, are usually handled by the developer.

Mr. Duckett recommended the proposed maintenance of the existing tap fees structure be supported and change the name of the connection fee and redirect the fee to the future owners and users of the system, and the collection of the fee occur at the issuance of the building permit and recommended the Independent Water System customers would pay one-half to two-thirds of the proposed \$4,000 connection fee with the remainder subsidized by the community at-large.

Mr. Rogers stated that payment of a connection fee should not be a part of the building permit process. This would constitute a hidden lien. The owners of the property must let potential customers know that they will be subject to the fees in excess of what other County residents will pay.

Mr. Bradshaw inquired if the tap fees are included in the connection fee.

Mr. Foster stated that the consultant indicated that the tap fees are considered in addition to the connection fee.

Mr. Seth Saunders, President of the WCBA, stated that independent water system customers will be asked to pay varying rate structure fees and stated that the overall system-wide rates will continue to increase. They will be paying more. Up-front costs in their community will not be treated with equity.

The Board and Mr. Saunders discussed the scale of operation and costs associated with the operation, maintenance, and upgrade of independent water systems; how the desalinization plant is to be funded; the tying of the independent water system to the central system over time; and how the connection fee could be refunded.

Mr. Foster inquired if the Board is comfortable with the \$4,000 independent water system connection fee or would the Board like to increase the fee.

Mr. Rogers and Mr. Wanner suggested that if the Board would like to consider the adjustment of the connection fee, the Board could defer action on the proposal.

The Board and staff discussed the advertisement requirements for the Independent Water System Connection Fee and that there is adequate time for advertising should the Board wish to defer action and adjust the fees or to change the purpose of the fees.

Mr. Foster inquired if the Board wanted to consider a two-tier system for Independent Water System Connection Fees where the developer paid part and the homeowner paid part.

The Board indicated a two-tier fee system is not desired

The James City Service Authority Board of Directors recessed for dinner at 5:53 p.m.

C. CLOSED SESSION

Mr. **Harrison** made a motion for the Board of Supervisors to go into Closed Session pursuant to Section 2.2-3711(A)(1) of the Code of Virginia to consider a personnel matter in the Office of the County Attorney and pursuant to Section 2.2-3711(A)(1) of the Code of Virginia to consider a personnel matter for the annual evaluation of the County Administrator.

On a roll call vote, the vote was: AYE: Bradshaw, Harrison, Brown, McGlennon, **Goodson** (5). NAY: (0).

Mr. **Goodson** convened the Board into Closed Session at 5:55 p.m.

Mr. **Goodson** reconvened the Board into Open Session at 6:50 p.m.

Mr. McGlennon made a motion to adopt the Closed Session resolution

On a roll call vote the vote was: AYE: Bradshaw, **Harrison**, Brown, McGlennon, **Goodson** (5). NAY (0).

RESOLUTION

CERTIFICATION OF CLOSED MEETING

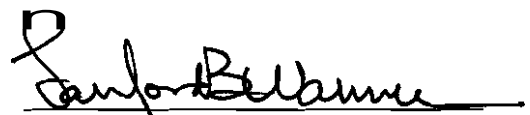
WHEREAS, the Board of Supervisors of James City County, Virginia, (Board) has convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia requires a certification by the Board that such closed meeting was conducted in conformity with Virginia law.

NOW, THEREFORE, BE IT RESOLVED that the Board of **Supervisors** of James City County, Virginia, hereby certifies that, to the best of each member's **knowledge**: i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies; and, (ii) only such public business matters were heard, discussed, or considered by the Board as were identified in the motion, Section 2.2-3711(A)(1), to consider personnel matters, the appointment of individuals to County boards **and/or** commissions.

D. RECESS

At 6:50 p.m. the Board took a break until 7 p.m.


Sanford B. Wanner
Clerk to the Board