

VIRGINIA:

At a recessed meeting of the Board of Supervisors of the County of Northampton, Virginia, held at the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, on the 22nd day of June, 2015, at 5:00 p.m.

Present:

Richard L. Hubbard, Chairman

Larry LeMond

Laurence J. Trala

Granville F. Hogg, Jr.

Absent:

Oliver H. Bennett, Vice Chairman

The meeting was called to order by the Chairman.

Action Items:

(1) Mr. Bill Parr, representing Hyslup Holdings, Va., LLC, requested the Board's determination of a pre-1950 structure, known as "Miss Kitty's Cottage". He presented background information relative to the building's history and noted that one of the possible uses of the structure is an Inn, which is not allowed in the current zoning ordinance in the village of Oyster, except with the "pre-1950 structure" designation.

Supervisor Hogg asked if the building had lost its authenticity as a result of the renovations (new roof, doors and windows), noting that he believed the structure had "lost its character".

Motion was made by Mr. LeMond, seconded by Mr. Trala, that the Board approve the request for a pre-1950 structure designation. All members were present with the exception of Mr. Bennett, and voted "yes," with the exception of Mr. Hogg who voted "no." The motion was

passed.

Matters by the Board:

- (2) Mr. Hubbard: Request for Watch for Children signage – Smith Beach Road
Request for speed study – Town of Eastville

Mr. Hubbard requested the Board’s approval for requests to the Virginia Department of Transportation for “Watch for Children” signage along Smith Beach Road and speed studies throughout the corporate limits of the Town of Eastville (from 35 mph to 25 mph).

Additionally, Mr. Trala brought forward a request from a citizen of Kellam’s Drive at Silver Beach for a speed study along its entire length (requesting a reduction from 25 mph to 15 mph).

Motion was made by Mr. Hogg, seconded by Mr. LeMond, that the aforementioned requests to the Virginia Department of Transportation be approved. All members were present with the exception of Mr. Bennett and voted “yes.” The motion was unanimously passed. The required resolution for the “Watch for Children” signage is set out below:

RESOLUTION

BE IT RESOLVED, that the Northampton County Board of Supervisors hereby requests the Commissioner of the Virginia Department of Transportation or his representatives to provide, in accordance with Section 33.1-210 of the Code of Virginia, and install **“Watch for Children”**, signs at the described location shown below.

Along Route 666: Smith Beach Road (every ¼ mile from the start of the curve on Smith Beach Road, all the way to the end, approx. 2 miles)

The Northampton County Board of Supervisors also requests these signs should be paid out of the secondary construction allocations allotted to Northampton County.

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Joint Meeting with the Eastern Shore of Virginia Public Service Authority

- (3) The Eastern Shore of Virginia Public Service Authority was present and in session.

PSA Chairman Reiter made a presentation to the Board as outlined below:

- * status of engineering tasks. He stated that the Preliminary Engineering Report has been completed which equates to 40% of the required engineering. A study of the Bayview Wastewater System has also been completed. To utilize the Bayview System would cost at least as much as the proposed system going to Cape Charles. The PSA is ready to proceed with the final engineering once some final issues have been resolved.

- * dollar estimates for the project. \$2.6 million
Project construction timeline. Seven months will be needed to finish the balance of the engineering. The bid process will take 3 months and there is an 8-month construction window. In total, it will be 18 months from the time that the Board of Supervisors makes a determination to proceed.

- * progress on development of an agreement with Cape Charles. A draft agreement with the Town of Cape Charles has been prepared. Two issues remain to be resolved: (a) cost per gallon, and (b) connection fee. The Town is suggesting a connection fee, which would equate to approximately \$750,000 (which would increase the project cost from \$2.6 to \$3.3 million). Mr. Reiter then informed the Board that it was his understanding that the Town of Cape Charles is not interested in any further negotiations until the Board of Supervisors deals with the Town's request for zoning along Route 184.

- * special tax district: opt in/opt out considerations; which ratio should be selected. Mr. Reiter noted that the Board of Supervisors needs to make a determination as to whether property owners within the proposed special tax district would be allowed to "opt-out". A majority of the PSA members believe that the property owners should be allowed to do so. It was noted that negative consequences could be realized if "opt-out" is allowed such as (a) increased cost to others, and (b) potential to create a political, gerrymandered district; and (c) the PSA does not believe that the property owners understand the long-term consequences if they "opt-out". It is the PSA's suggestion that the Board send letters to all property owners, providing them with an expectation of the tax rate and requiring a deadline for the property owner's "opt-out" decision. It is anticipated that there would be a substantial fee would be required for future tie-in. Chairman Reiter then noted that the PSA membership had originally recommended a 75%-25% split for repayment of the capital costs with 75% being paid by members of the special tax district and 25% being covered by the County's General Fund. With the increase in the project cost estimate, a majority of the membership now feels that the split should be 50%-50%.

- need for the Board to advance certain costs for operations & first bond payment and to back the PSA bonds. Mr. Reiter noted that for this project to proceed, the Board must commit to advancing the costs for the final required engineering, the first year's interest payment, the operating costs for the first year, and must agree to "back" the PSA bonds.
- Operations and maintenance costs. Mr. Reiter noted that these final rates still have to be developed by the PSA and would be passed along to the customers.

Mr. Hogg questioned if there was any potential for using a pro-rated method of costs based on potential use vs. land valuation. PSA Chairman Reiter replied that the PSA has no way of knowing the future wastewater use of current vacant properties.

Mr. Bob Panek of the PSA also stated that the connection charge proposed by the Town is tied to its plant capacity, noting that "these are not cheap things to do."

Mr. Reiter concluded his comments by indicating that the PSA is on hold until direction is provided by the Board on the issues as noted above.

At this time, the PSA recessed and reconvened its meeting to the Main Conference Room.

Supervisor Hogg read the following comments:

"First of all, I wish to emphasize there are priorities much higher than this proposed PSA project.

** A solution to the relocation of our Medical Facility.*

** A LONG TERM solution to the High School/Middle School Facilities.*

** Support of the school division efforts in acquiring State Accreditation for our Schools.*

The taxpayers are fully behind Medical and Education projects. In my opinion, utilizing the County's Borrowing Power for a project that does not have the support of its citizens is not in the best interest of its taxpayers.

It is good the County has a wastewater management plan. In my opinion, what has been submitted is adequate for the moment, however there are higher priorities for County resources and there is no need in furthering this effort at this time. When appropriate there is a need for the Board of Supervisors and Cape Charles Town Council to negotiate a final agreement.

Based on the projected EMS and School expenditures and the reduction in some land valuations, the taxpayers need to expect rate increases in the range of 10%.

Mr. Chairman: I find the information supplied by PSA is adequate for the moment, however there are higher priorities for County resources and there is no need in furthering this effort at this time. I move the BOS suspend any further efforts on the Southern Node Commercial District PSA project until it is deemed necessary by the Board of Supervisors.”

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The motion (as stated above) was seconded by Mr. LeMond. All members were present with the exception of Mr. Bennett and voted “yes,” with the exception of Mr. Trala who voted “no.” The motion was passed. Mr. Trala stated that he believed the PSA had done much good work and deserved guidance and direction from the Board rather than being put “on hold”.

Recess:

Motion was made by Mr. Trala, seconded by Mr. LeMond, that the meeting be recessed until 1:00 p.m., Monday, June 29, 2015, in the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, in order to conduct a work session regarding additional zoning ordinance discussions. All members were present with the exception of Mr. Bennett and voted “yes.” The motion was unanimously passed.

The meeting was recessed.

_____ CHAIRMAN

_____ COUNTY ADMINISTRATOR