

**TOWNS AND COUNTY UTILITIES PROJECT  
PROJECT MANAGEMENT TEAM MEETING  
September 15, 2010, 7 to 8:30 PM**

**MEETING NOTES**

**Members present:**

See attached sign-in page.

**INTRODUCTIONS & CORRECTIONS TO SEPTEMBER 1st MINUTES**

Sue Rowland opened the meeting at about 7 pm. She did not ask for changes to the September 1<sup>st</sup> meeting notes; none were volunteered by anyone at the meeting.

She reviewed the agenda, and explained that to accomplish the two major objectives of the meeting, determining the monthly rate range (item 5) would be handled in 2 parts. To start, a review of the statewide wastewater rates would be given. That would allow an exercise to determine the group's view of monthly utility rates to be more meaningful. Without objection, the agenda proceeded.

**STATUS OF FUNDING SOLICITATIONS: Determine Monthly Rate Range Target (Part One)**

Bob Panek provided a review of the Cape Charles utility rates (handout attached). Bob reported that the Cape Charles customer's typical wastewater charge is for 3,000 gallons of water used, billed at \$41.16 per month. From Bob's slides:

- Cape Charles customer bills:
  - Minimum \$37.05
  - 3,000 gals. \$41.16
  - 5,000 gals. \$49.38
- Average household size is 1.9 persons
- Many (are billed) at the minimum charge.
- Typical charge is for about 3,000 gals.
- 5,000 gals. used by state for analyses and by Draper Aden Assoc. for annual survey

Draper Aden Associates produce a voluntary annual survey of Water and Wastewater Rates, to the benefit of local governments and public service authorities. The 2009 Report was produced from responses provided by 82 towns, 38 service authorities, 27 cities and 25 counties, according to the report. Eldon James distributed to the PMT copies of pages from the 2009 Report that describe the methodology of the survey, rate summaries, and a detail of the wastewater rates by locality (attached). Of the rates reported from localities / authorities outside of municipal boundaries, the average monthly residential rate in 2009 was \$47.26 and the median rate was \$43.07. Inside municipal boundaries, the average residential rates were \$31.45 and the median rate was \$30.25. In the Draper Aden Report,

the Cape Charles rates are classified as “In municipal boundaries” and the monthly residential wastewater rate is \$46.63/5,000 gallons.

Following general discussion and questions of Bob and Eldon, Sue distributed “ballots” and asked that each person present identify a range of monthly wastewater utility rates that they believed would be tolerated by the Northampton community. She asked that the range be somewhere between \$33 (the minimum utility rate required by Rural Development for Northampton) and \$65 (the monthly rate identified in the Southern Node P.E.R. as required to meet costs with a financing package of 50% grant / 50% loan). The purpose of the range would give the Team a “target” of monthly utility rates to be achieved and the proportion of grants-to-loan required to achieve that range. The “ballots” were collected, and as Eldon tabulated them, the meeting proceeded.

### **COMMUNITY SURVEY COLLECTIONS – REPORT ON FINDINGS TO DATE: Determine Areas Needing Surveys**

To facilitate the discussion and decisions needed to move forward with survey work, Sue said the PMT would be asked to define in which areas had a sufficient number of surveys already been collected and in which areas did additional work needs to be done. Katie Nunez' staff provided maps of the northern and southern nodes with symbols to show where surveys had been collected. Sue invited the PMT members to inspect each of the two maps to review the addresses of the ~360 surveys in hand. The maps were also divided and printed as smaller maps, numbered 1 – 9, and provided to the PMT members from each of the Towns and surrounding county areas.

Sue facilitated discussion from the group about each of the maps.

Discussion began on the maps that included Exmore and surrounding areas, maps 1, 2, 3, and 4. The group agreed that the areas in Exmore contained in maps 1, 2 and 3 had a sufficient number of surveys to represent the community. Map 4 includes the upper Hare Valley area, and surveys are needed from owners along Bayside.

Map 5 includes lower Bayside and parts of Nassawadox. All agreed that surveys are needed from lower Bayside residents. Significant discussion ensued about the area of Rt 13 above the Clam Shack that shows a mainline to be installed. The question considered – should the line be installed for future development, or should the line be taken out of the service area and not installed? The group asked to have an analysis brought to the next meeting to show what impact on the costs of the project result from either option.

Even with that request and following extensive discussion of the pros and cons, the group decided to vote on a recommendation. With the objection of one PMT member, the group determined to remove the line from the service area, and add it to a list of future projects to be considered by the PSA.

Map 6 contains a large area of Nassawadox. The group considered the Town's survey work to be completed with no need for additional work. Surveys should be sought from residences on Giddens Rd & Sample Ct. Discussion next focused on the Pine Tree Rd cluster

of homes, and again the group, with the objections of one member, determined to remove this line and add that area to a future list for consideration by the PSA.

Rogers Drive was next considered, in light of previous PMT meeting discussions where the road was in, then removed, then put back into the service area. A number of surveys have been collected on Rogers Drive, and the responses to the question of participation are about split between "yes" and "not sure".

As a result of these discussions, the group focused upon the question, "What criteria should be used to determine what areas outside of the towns should be included in the service areas?" The group unanimously agreed that the towns proper are all included in the service areas. When considering County areas outside of the towns proper, potential criteria could be: willingness of users to participate; the number of residences (potential users); impact on overall cost of the project; growth potential as contained in the comprehensive plan; timing; project priorities as contained in the PSA's Bylaws.

Returning to the review of the maps, map 7 is all county, outside of Cheriton and surveys are needed in all of the service area outside of Cheriton. Map 8 includes the Fairview area, and surveys are needed there. Surveys are needed from the map 9 areas (Culls Rd area, and from southern Cheriton households). From map 10, surveys are needed from Cheriton Cross Rd residents, and some areas of eastern Cheriton. Map 11 (mostly Cheriton) shows a sufficient number of surveys are in hand.

## **STATUS OF NORTHERN NODE P.E.R. DEVELOPMENT**

*[Complete.]*

## **STATUS OF FUNDING SOLICITATIONS: Determine Monthly Rate Range Target (Part Two)**

Returning to the discussion on what range of monthly rates should be considered the target range, Eldon shared the results of the earlier balloting on the perceived range of acceptable monthly utility bills for public wastewater services:

<u>25</u>	<u>30</u>	<u>33</u>	<u>35</u>	<u>40</u>	<u>45</u>	<u>50</u>	<u>55</u>	<u>60</u>	<u>65</u>
25	-----	35							
25	-----	35							
		33	-----	42					
		33	-----	43					
		33	-----	50					
		33	-	35					
		35	-----	45					
		35	-----	45					
		37	-	40					
				40	----	45			
				40	----	45			

The group generally agreed that the range of monthly utility rates should fall between \$33 - \$42 / month.

## **REVIEW OF DHCD PLANNING GRANTS**

A handout was provided the PMT that include the requirements of the PMT to meet the Planning Grant terms (attached). Eldon explained the differences between the surveys and User Agreements that are required as documentation of user commitments to participate in the system. The DHCD application for grant funding is due in the spring, and will require that User Agreements be in hand.

## **PSA'S REPORT**

Due to time, no report was provided on the PSA's activities since the last PMT meeting.

## **NEXT MEETING – PURPOSE AND DATE**

The next meeting will be held on **Wednesday, September 29<sup>th</sup>, at 5 PM.**

At that meeting, the PMT will:

- Continue discussion on the status of surveys collections in the areas determined this evening;
- Strategies for securing User Agreements (needed for the DHCD Application due in the Spring); and
- Continue discussions on grant / loan solicitations

The meeting adjourned at about 8:30 PM.

Minutes drafted by Sue Rowland