

**MINUTES OF THE
EASTERN SHORE OF VIRGINIA
PUBLIC SERVICE AUTHORITY**

A meeting of the Eastern Shore of Virginia Public Service Authority was held on Tuesday, February 15, 2011, at 7:00 p.m. in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.

Members present:

Robert H. Meyers
Bob Panek
Granville F. Hogg, Jr.
Henry J. Heneghan, Jr.
Artie Miles
Carl Harris

Members absent:

George E. Gowen, Jr.
Scott R. Walker, Jr.
Felton Sessoms
J. T. Holland

Others present:

Katherine H. Nunez, Executive Director & County Administrator
Janice Williams, County Administrator's Office
Joe Turner, Hurt & Proffitt
Mary Miller, Citizens for a Better Eastern Shore
Vince Conroy, Cheriton resident

Call to Order & Establishment of Quorum:

Chairman Meyers called the meeting to order and announced that a quorum was present.

Statements from the Public:

Mr. Vince Conroy, a resident of Cheriton, stated that most of the people he had talked with cannot afford the proposed system. He said that municipalities should have improved treatment systems before additional residences are added.

Approval of Minutes:

Motion was made by Mr. Miles, seconded by Mr. Hogg, that the minutes of the meeting of January 18, 2011 be approved. All members were present with the exceptions of Mr. Gowen, Mr. Walker, Mr. Sessoms and Mr. Holland and voted "yes". The motion was passed.

Review of Financial Statement:

No changes

Report of Officers: Chairman

The Chairman had no report.

Report of Officers: Vice Chairman

(a) Mr. Panek distributed a copy of e-mail correspondence between himself and Diana LoVecchio and Mike Canales of Riverside dated February 4th concerning the Northern Node. This documentation is filed in the Office of the County Administrator. Mr. Panek noted that this is the only interaction with Riverside since the last meeting; everyone is awaiting the delivery of the Northern Node Preliminary Engineering Report.

There was discussion relative to who would replace Mr. Gowen on the Hospital Task Force. The Chairman asked Mr. Hogg to fill that vacancy.

Mr. Meyers referenced a letter received from the Northampton Board of Supervisors wherein the Board requested the PSA to "seek sources of funding to remediate the wastewater treatment facility at Nassawadox." Mr. Panek responded that he did not believe that there were any sources of funding available; the source of Cape Charles' funding was limited to publicly-owned treatment facilities. He said that based on a brief review of the President's Budget just recently released, showed "precious little federal or state funds available for anything other than publicly-owned systems".

(b) Ms. Nunez reported on the February PMT meeting noting that Exmore has reaffirmed its action to provide service to the hospital. Discussions were held relative to size of plant/pipe and issues of future growth. Nassawadox did indicate that it would like the future ability to connect and a small amount of growth can be achieved with the pipe size. The Northern Node P.E.R. is projected to be completed next week.

Ms. Nunez also reported that we were not successful in receiving the \$250,000 grant from the Department of Conservation & Recreation. She also noted that the community of Fairview has been removed from the Southern Node service district based on the requests of residents in that area and that the consulting team is working with the Town of Cheriton on a phased approach.

Mr. Hogg questioned whether all systems should be the same; i.e., vacuum or pressurized/gravity systems and Mr. Panek replied that greater efficiencies can be achieved if all systems are alike.

Ms. Nunez referenced e-mail correspondence received from Mr. Hogg in regard to comments relative to the Southern Node P.E.R. This documentation is hereby made a part of these minutes.

(c) Mr. Panek distributed the following “Assumption of Responsibility” for the Board’s consideration:

February 15, 2011

Eastern Shore of Virginia Public Service Authority

Meeting of February 15, 2011

1. *Assumption of responsibility for project management, including administration of financial assistance (grants and loans).* *What is the appropriate point for the Authority to accept this responsibility? A proposal:*
 - a. *Project Management.* *PSA should assume responsibility for project management when planning grant efforts are complete. Re-establish T-CUP Project Management Teams under the PSA, tailored to Northern and Southern Nodes.*
 - b. *Financial Assistance.*
 - i. *DHCD Planning Grants.* *Continue administration by Northampton County through completion of contracted work and close out of grants.*
 - ii. *DEQ CWRLF Loan (Southern Node).* *PSA should become co-applicant with Northampton County.*
 - iii. *Future Financial Assistance Applications (USDA RD, DEQ, etc.).* *PSA should be co-applicant with Northampton County and/or applicable Towns.*

* * * * *

Mr. Heneghan cautioned against the creation of two separate PMTs and noted that sewage treatment is vital to the Town of Cheriton’s survival. He added that downtown revitalization funds have already been awarded to the Town pending establishment of a central sewer system.

Mr. Harris questioned what would give us the best chance of grant success to which Ms. Nunez responded that the County “would have the most money on the table”.

Ms. Nunez reported that CDBG applications through the Department of Housing and Community Development were due in mid-March and that she needs to have direction as to whether the PSA will be assuming responsibility for financial assistance applications and that that was part of the reason behind Mr. Panek’s “Assumption of Responsibility”. There was

discussion by the membership relative to who would be the person researching grant opportunities, completing the paperwork and keeping the PSA advised as to the status.

Mr. Meyers stated that he was not prepared to make any kind of commitment until finalized figures are available.

Motion was made by Mr. Panek, seconded by Mr. Heneghan, that the foregoing "Assumption of Responsibility" be adopted as outlined. Mr. Panek, Mr. Heneghan, Mr. Miles, and Mr. Harris voted "yes"; Mr. Hogg and Mr. Meyers voted "no." The motion was defeated.

Mr. Panek stated that the purpose of the resolution was to commit the PSA to leadership.....to doing its job but Mr. Meyers replied that he was not going to be pressured into something that does not look reasonable.

Motion was made by Mr. Panek, seconded by Mr. Heneghan, that the PSA Board request a meeting with the Northampton County Board of Supervisors to discuss the future of the PSA. All members were present with the exceptions of Mr. Holland, Mr. Sessoms, Mr. Walker and Mr. Gowen and voted "yes." The motion was unanimously passed.

Ms. Nunez reminded the Board that it does have the right to seek funding from its member localities.

Old Business: Membership:

Ms. Nunez reported that the Board of Supervisors has been apprised of Mr. Gowen's resignation from the PSA. That resignation, dated January 31, 2011, is on file in the Office of the County Administrator. As reported last month, the Chairman reported that Mr. Walker has sent a written resignation to Mr. Panek and the Chairman with an effective date of February 16, 2011.

Old Business: Review of Bylaws:

As noted last month, consideration of the draft Bylaws will be held at the March meeting.

Old Business: Election of Treasurer and Election of Secretary

Chairman Meyers reminded the membership that Ms. Marie Frock has volunteered to serve as Treasurer of the PSA and that volunteers were still being sought for the office of Secretary.

New Business:

Motion was made by Mr. Panek, seconded by Mr. Miles, that the following process be adopted for development of the monthly agenda: that the Executive Director is charged with the development of the agenda and with the Chairman's approval, to distribute the agenda packet to the membership one week prior to the meeting date. All members were present with the

exceptions of Mr. Walker, Mr. Holland, Mr. Sessoms and Mr. Gowen and voted “yes.” The motion was unanimously passed.

Adjourn:

Motion was made by Mr. Heneghan, seconded by Mr. Panek, that the meeting be adjourned. All members were present with the exceptions of Mr. Walker, Mr. Holland, Mr. Sessoms, and Mr. Gowen and voted “yes.” The motion was unanimously passed. The meeting was adjourned at 8:45 p.m. The next meeting of the PSA will be on Tuesday, March 15, 2011 at 7:00 p.m. in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.

ATTACHMENT

From: ghogg@verizon.net [mailto:ghogg@verizon.net]
Sent: Tuesday, February 15, 2011 1:33 PM
To: Joe Turner; knunez@co.northampton.va.us
Cc: amiles@exmore.org; fsessoms@verizon.net; CBBT19@aol.com; cheriton@verizon.net;
carmel89@verizon.net; j.t.holland.bv41@statefarm.com; jwilliams@co.northampton.va.us;
sue@suerowlandconsulting.com; Eldon@EldonJamesAssociates.com; Bif Johnson; Meyersrh@verizon.net;
bob.panek@capecharles.org
Subject: Re: RE: request for information

I am presenting this information as a citizen that has read the Southern Node documents and attended Board of Supervisor meetings. Most any informed citizen residing within the community over the last two or three decades could perform the same. This communication has no relationship to PSA or Project Management team. I recognize that there is a desire to capture accurate information as it is frustrating to amend. I provide this information as a guiding light. I regret the current economic situation requires me to spend less time volunteering and more time on economic opportunity.

1. Attached is the Southern Node PER. I have taken time to highlight areas where, due to conditions changing, there may be changes needed.
2. I am not able to highlight with the Environmental Record Review.
3. We have not identified areas where septic issues have existed in the past, (Privies, Cesspools, etc) what was done to correct the issue, or how many still exist. VDH should have records.
4. With new census figures out, there is a need to review projections. Va Emp. Commission indicates decline and the census may bear that out.
5. In the Southern Node we know there is a problem with Fecal Coliform. To date the origin has not been determined, however there have been between 500 to 1000 Canadian Geese eating the field across from Hardees for the last 30 days. Studies indicate wildlife is a significant contributor. So far we know the Hospital System has issues. Who else, what is the issue and where? If you don't know what you are eliminating improvement can't be measured.
6. Groundwater conservation is non-existent, there are stormwater detention ponds constructed by developers that have discharge pipes located in the UPPER Groundwater Aquifer and groundwater is being discharged 24/7. Further I don't see much assistance to the AQUACULTURE COMMUNITY. There is limited recognition of the location and needs of the shellfish nursery areas. Currently most every clam hatchery is located in condemned waters.

7. The Project Management Team is composed of a very limited number of citizens in the area. Obviously you can't drag citizens to the meetings, you just have to listen to them bitch! But decisions are being made by a very limited group.
8. With the relocation of the Hospital facility employment figures may need to be adjusted to reflect the change.
9. I have not traveled to the Exmore area, but please see that the Water shed boundary is correct. It was grossly missed in the Environmental Record
10. Since there is no intent on serving residences or businesses near the bayside or seaside as they are remote, there is limited need to infer removal of septic tanks and direct discharges in those areas will improve water quality. But it would be good to know where these sites are located. If this project is proposing the reduction of point source pollution from fail septic systems, lagoons or private privies, please advise where they are. If the project doesn't materialize there continues to be the need to address the problem.
11. There were perennial streams crossed in the Southern Project.
12. Will Cumming, VDOT hasn't been with VDOT for several years.
13. The Map of the SEARCH AREA did not include Cheriton. Please see the Map includes the Northern node area. There are many areas where underground tanks were located in the past. I think some were missed when Cheriton area was searched.

On 02/14/11, Joe Turner<jct@handp.com> wrote:

Katie:

I am providing the attached email to you to request that it be read during the PSA meeting and entered into the minutes this week.

The deadline has passed for me to ensure that I can have time to evaluate additional information from the public for the DRAFT PER, planned for distribution on February 23rd to the PMT. I would, however, like to request that the PSA members and the community provide me any information that they feel is in contradiction to the southern node PER, as it is similar in background information. If there are concerns related to the northern node, I am requesting that information be provided as well. Please ask them to provide the sources of the information related to their concerns by the end of this week; so I can plan to evaluate it prior to the final PER being completed for the northern node.

I have not received any information from Bob Meyers related to the request below. Granville Hogg has talked to me and spoken at the PMT meetings, in general terms, about his thoughts on the DCR application and draft ERR for the southern node. I have yet to receive any sources of information related to their concerns.

This follow-up request is in effort to ensure the PER addresses the concerns of the county and towns, utilizing the most accurate and current information available. I appreciate your cooperation.

Regards,

Joseph C. Turner, EIT
Project Engineer

HURT & PROFFITT

6330 N. Center Dr., Bldg. 13, Ste. 141, Norfolk, VA 23502
Phone: 757-461-4009 - Fax: 757-461-3971
Email: jct@handp.com - Web: www.handp.com

From: Joe Turner
Sent: Wednesday, December 22, 2010 10:11 AM
To: 'Meyersrh@verizon.net'
Cc: 'amiles@exmore.org'; 'Ghogg@verizon.net'; 'gowen@esva.net'; 'bob.panek@capecharles.org'; 'fsessoms@verizon.net'; 'knunez@co.northampton.va.us'; 'CBBT19@aol.com'; 'cheriton@verizon.net'; 'carmel89@verizon.net'; 'j.t.holland.bv41@statefarm.com'; 'jwilliams@co.northampton.va.us'; 'Sue Rowland'; 'Eldon@EldonJamesAssociates.com'; Bif Johnson
Subject: request for information

Mr. Meyers:

I am writing you in follow-up to our conversation yesterday evening about information for the northern node PER. Based on your recent public comments that the southern node PER and loan application contained incomplete, inaccurate, and outdated information; I request that you provide the information and references you have alluded to for our consideration and evaluation for the northern node PER.

It is critical that I receive the information and references for my review by December 28, 2010, in order to prepare to present these items to the PMT at the next meeting. I appreciate your cooperation.

Regards,

Joseph C. Turner
Project Engineer

HURT & PROFFITT

6330 N. Center Dr., Bldg. 13, Ste. 141, Norfolk, VA 23502
Phone: 757-461-4009 - Fax: 757-461-3971
Email: jct@handp.com - Web: www.handp.com

(Attached hereto is the Southern Node Preliminary Engineering Report showing highlighted sections for comment.)