

**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, June 21, 2011, at 7:00 p.m. in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.

Members present:

Bob Panek

Artie Miles

Henry J. Heneghan, Jr.

Carl Harris

J. T. Holland

Felton Sessoms

Members absent:

Granville F. Hogg, Jr.

Others present:

Katherine H. Nunez, Executive Director & County Administrator

Janice Williams, County Administrator's Office

Dave Fauber, Town of Cape Charles

Call to Order & Establishment of Quorum:

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

Approval of Agenda

Motion was made by Mr. Holland, seconded by Mr. Miles, that the agenda be approved as presented. All members were present with the exception of Mr. Hogg and voted "yes." The motion was unanimously passed.

Statements from the Public:

Mr. Dave Fauber, a resident of Oyster and employee of the Town of Cape Charles, said that he has reviewed the Northern Node Preliminary Engineering Report and noticed that the gravity system was going to be too expensive to consider. He urged the Authority to consider this type of system if the cost was within a reasonable amount, noting that repairs and maintenance would be less costly with a gravity system than a vacuum system. These comments were turned over the Northern Node Committee for consideration.

Approval of Minutes:

Motion was made by Mr. Sessoms, seconded by Mr. Heneghan, that the minutes of the meeting of May 17, 2011 be approved. All members were present with the exception of Mr. Hogg and voted "yes". The motion was unanimously passed.

Review of Financial Statement:

No changes

Report of Officers: Chairman

The Chairman distributed a draft of a letter written to the Northampton County Board of Supervisors, requesting that they appoint three additional members. Mr. Heneghan suggested that the letter be amended to add language to the effect that the Board seek out persons with complementary skill-sets for PSA membership. It was moved by Mr. Holland, seconded by Mr. Sessoms, that the letter be sent as amended. All members were present with the exception of Mr. Hogg and voted “yes.” The motion was unanimously passed.

Report of Officers: Vice Chairman

There was no report from Mr. Miles.

Report of Committees:

A. Hospital Committee

Mr. Panek reported no further developments with Riverside.

B. Northern Node Committee

Mr. Miles reported that the Committee has not talked since before the last PSA meeting.

C. Southern Node Committee

Mr. Panek distributed a copy of a letter written to the DEQ from the Board of Supervisors requesting withdrawal of the financial assistance award from the Virginia Clean Water Revolving Loan Fund. He also informed the Authority ~~that~~ no meeting had been held with the Kings Creek Landing Homeowners Association when they indicated that they were not interested in being included in the southern node service area. Targeted mailings and community/town meetings are still being planned and Kings Creek Landing property owners will be included.

D. Economic Development Committee

The Executive Director noted that she was meeting with a potential developer and feels that the Committee may be involved at a later date.

Old Business:

A. Preparation of Northern Node Financial Assistance Applications

The Executive Director noted that the DEQ application was released in late May with a deadline of July 15th. This is a loan program with an estimated \$75 million pool. The Chairman proposed that the Authority pursue this funding application under the existing assumption of some private capital contribution by the medical community along with some grant funding. It was the consensus of the Authority to move forward with this funding application and authorized the Chairman to execute same. Said resolution as adopted is set out below:

EASTERN SHORE OF VIRGINIA

PUBLIC SERVICE AUTHORITY

RESOLUTION

AUTHORIZING THE APPLICATION FOR FUNDING FOR A

REGIONAL WASTEWATER SYSTEM

WHEREAS, the Eastern Shore of Virginia Public Service Authority Exploratory Committee was formed with the joint participation of the County of Northampton and the Towns of Cape Charles, Cheriton, Exmore and Nassawadox; and

WHEREAS, the Exploratory Committee recommended reforming the Public Service Authority Board to include representation from each of the Towns and the County; and

WHEREAS, the four Towns and the County adopted ordinances on June 28, 2010 approving joinder of the Towns to the Public Service Authority and revision of the Articles of Incorporation; and

WHEREAS, the Towns of Exmore and Nassawadox and the County have previously agreed to cooperatively accept a planning grant from the Virginia Department of Housing and Community Development to define the project area, seek public input and conduct a Preliminary Engineering Study and Report to evaluate alternatives and costs; and

WHEREAS, the funding application deadline for the a potential grant opportunity is July 15, 2011; and

WHEREAS, the Preliminary Engineering Study and Report was recently completed for a project to serve the Towns of Exmore and Nassawadox and the surrounding County area which will determine whether environmental, economic and rate affordability benefits can accrue; and

WHEREAS, the Northampton County Board of Supervisors and the Eastern Shore of Virginia Public Service Authority have identified the need to address wastewater needs in the Northern Node and to cease the local hospital's wastewater system from discharging into Warehouse Creek; and

WHEREAS, it is the desire of this project to provide additional service capacity for remaining areas in the Town of Exmore which are underserved or not served by the Town's existing system; and

WHEREAS, it is also the desire of the project to remove the use of existing septic tank systems, many of which may be malfunctioning as well as to prevent groundwater contamination from these systems in a high growth area of the County.

NOW, THEREFORE, BE IT RESOLVED, that the Eastern Shore of Virginia Public Service Authority does hereby authorize the preparation and submission of a funding application to the Virginia Department of Environmental Quality by the deadline of July 15 based on the most cost effective alternative as identified in the Preliminary Engineering Study and Report; and

BE IT FURTHER RESOLVED that the Executive Director/County Administrator is authorized to sign all required funding application documents for the most cost effective regional wastewater system project identified in the Preliminary Engineering Study and Report.

B. Preparation of additional Southern Node Financial Assistance Applications

As referenced earlier in the meeting, the DEQ funding assistance award has been requested to be withdrawn and we are on hold for further applications until the targeted mailings and community/town meetings are held, which would result in a revised Preliminary Engineering Report. The Executive Director also noted that Carrie Schmidt is leaving USDA effective July 1st. The new interim staffer will be invited to visit us for an overview of the PSA's projects.

New Business:

The Executive Director indicated that she would like to provide a copy of the final Northern Node P.E.R. to the County's Planning Commission for use in its ongoing update to the

Comprehensive Plan as well as the Southern Node P.E.R. once it is completed. The Authority agreed.

Mr. Harris suggested inclusion of the Best Western Hotel and Sage Diner Restaurant in Exmore in the Northern Node Service Area and Mr. Miles agreed to contact these businesses to gauge their interest. It was noted that they are served by a mass drainfield at the present time.

Adjourn:

Motion was made by Mr. Holland, seconded by Mr. Sessoms, that the meeting be adjourned. All members were present with the exception of Mr. Hogg and voted "yes." The motion was unanimously passed.

The next regular meeting of the PSA Board will be held at 7:00 p.m., Tuesday, July 19, 2011, in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.