

**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, July 19, 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
Granville F. Hogg, Jr. (arrived late)

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, reminded the Authority of his comments last month relative to gravity vs. vacuum systems. He distributed a printout showing utility expenses for both systems which illustrated that the gravity pump stations were cheaper to operate. He also noted that repair costs for gravity systems (with their 650 customers in Cape Charles) were substantially less than vacuum systems (with their

300 customers). He again urged the Authority to consider this type of system if the capital cost was within a reasonable amount of the vacuum system.

Approval of Minutes:

Motion was made by Mr. Sessoms, seconded by Mr. Holland, that the minutes of the meeting of June 21, 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

Chairman Panek informed the Authority of a conversation he’d had with John Kennedy of DEQ with regard to the progress of the Northern Node project and possibly qualification for funding out of the Water Quality Improvement Fund. This is a grant fund and Mr. Kennedy was concerned that the Northern Node project may not qualify because (a) the fund is for reduction of nutrient load on the Chesapeake Bay; and (b) the underlying legislation is designed to reduce the nutrient load from existing publicly-owned treatment facilities. (Riverside is not a publicly-owned facility). Mr. Panek indicated that he would provide Mr. Kennedy with appropriate sections of the P.E.R. to see if this funding source should be pursued. Mr. Miles will check on the location of the proposed new collection area to see if it is within the Bay watershed.

The Chairman also reported on a conversation he’d had with USDA – Rural Development regarding their application process. He confirmed that this is still a “rolling” application process although was told that grant funding in excess of \$1.5 million per project will likely not be available.

Report of Officers: Vice Chairman

Mr. Miles reported that he had sent a letter to Best Western with regard to their interest in participating in the Northern Node project. While no formal response has been received to date, a representative of Best Western verbally indicated that they are interested.

Report of Committees:

A. Hospital Committee

Mr. Panek reported no further developments with Riverside; they are still awaiting a decision on the Certificate of Public Need.

B. Northern Node Committee

Mr. Miles had no report.

C. Southern Node Committee

At Mr. Heneghan's request, Ms. Nunez reported that a date has been selected for the community meeting (August 18th – 7 p.m. – Cheriton Fire House). Staff will be working on flyers, targeted mailings and maps to facilitate this meeting.

Mr. Hogg arrived at 7:45 p.m.

Mr. Heneghan agreed to approach area residents and businesses who might be willing to share their personal experiences with failing septic systems and Mr. Sessoms agreed to attend to offer the Health Department's perspective. It was also agreed that Hurt & Proffitt's engineer should be invited to attend.

As an informational item, Mr. Hogg informed the Authority that the Kings Creek study was on-going and he was awaiting the results of the sampling.

D. Economic Development Committee

Mr. Holland had no report.

Old Business:

A. Preparation of Northern Node Financial Assistance Applications

The Chairman noted that the DEQ application was submitted on July 14th. As previously discussed, another funding opportunity through USDA-Rural Development is now available. An environmental review is required for this application. It was noted that an environmental review was completed of the study area several years ago and may only require minimal updating. Hurt & Proffitt may be willing to assist in this regard. Motion was made by Mr. Holland, seconded by Mr. Miles, to move forward with this application, submitting a copy of the old environmental review if a revision cannot be completed. All members were present and voted "yes." The motion was unanimously passed.

B. Preparation of additional Southern Node Financial Assistance Applications

We continue to be on hold for further applications until the targeted mailings and community/town meetings are held, which would result in a revised Preliminary Engineering Report.

Adjourn:

Motion was made by Mr. Holland, seconded by Mr. Heneghan, that the meeting be adjourned. All members were present 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, August 16, 2011, in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.