

**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~~, August 16, 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, Chairman
Artie Miles, Vice Chairmans
Henry J. Heneghan, Jr.
Carl Harris
~~J. T. Holland~~
Felton Sessoms
Granville F. Hogg, Jr.

Member absent:

J. T. Holland

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

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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 capital cost was within a reasonable amount of the vacuum system, 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.~~

~~There were no statements from the public.~~

Approval of Minutes:

Motion was made by Mr. Harris Sessoms, seconded by Mr. Miles Heneghan, that the minutes of the meeting of ~~July 19~~May 17, 2011 be approved. All members were present with the exception of Mr. Holland Hogg and voted "yes". The motion was unanimously passed.

Review of Financial Statement:

No changes

Report of Officers: Chairman

~~The Chairman had no report. 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.~~

~~the Northern Node project and proposed new to see if it is within the Bay watershed grant per project will likely be~~

Report of Officers: Vice Chairman

~~The Vice Chairman had no report.
There was no report from Mr. Miles.~~

Report of Committees:

A. Hospital Committee

~~As advertised in the newspaper, the Virginia Department of Health has approved the petition for the hospital's relocation to Accomack County. Mr. Panek indicated that he has sent an e-mail this date to Riverside, to see if they are willing to re-engage in wastewater discussions. No response has been received as yet. Mr. Panek reported no further developments with Riverside.~~

B. Northern Node Committee

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. The Sage Restaurant has also indicated that it was interested in participating.

Mr. Harris questioned the use of grant funds to connect part of a service area; for example, connecting the Best Western and Sage Restaurant into the Exmore system. Ms. Nunez indicated that work of this nature has to be included in the scope of the project or the grant funds cannot be utilized. Mr. Miles noted that Exmore is currently almost at capacity.

Correspondence from the Eastern Shore Health District containing preliminary comments on the Northern Node project was discussed by the Authority. The Authority views the comments concerning nitrate dilution area as a normal parameter to be considered during the design phase of the project.

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.

The community meeting will be held on August 18th at 7 p.m. at the Cheriton Fire House. Approximately 300 mailings were distributed with perhaps 10% having been returned as of this date. targeted mass

with failing septic systems

D. Economic Development Committee

There was no report.

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 will be working on the USDA – Rural Development financial assistance application.

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~~As previously discussed, a now available~~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.

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B. Preparation of additional Southern Node Financial Assistance Applications

~~We continue to be on hold for~~ 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 ~~is~~ ~~are~~ held, which would result in a revised Preliminary Engineering Report. The Authority has discussed a possible report to the Board of Supervisors following the August 18th community meeting.

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New Business:

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~~Mr. Miles reported that there is an Exmore economic devel~~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. opment meeting scheduled for tomorrow.

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. ~~Heneghan~~Holland, seconded by Mr. ~~Miles~~Sessoms, that the meeting be adjourned. All members were present ~~with the exception of Mr. Holland 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, ~~September 20, July 19, 2011~~2011, in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.