

**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, October 21, 2014, at 7:00 p.m. in the main conference room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia.

Members present:

John Reiter, Chairman
J. T. Holland, Vice Chairman
Sean Ingram
Greg Hardesty
Bob Panek
Garrett Dunham (late)
Felton Sessoms

Member absent:

Taylor Dukes
Carl Harris

Others present:

Katherine H. Nunez, Executive Director
Janice K. Williams, County Administrator's Office
William Prosisie
Granville F. Hogg, Jr.
Mary Miller

Call to Order & Establishment of Quorum:

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

Approval of Agenda:

Motion was made by Mr. Holland, seconded by Mr. Sessoms, that the agenda be approved. All members were present with the exceptions of Mr. Dukes, Mr. Dunham and Mr. Harris and voted "yes." The motion was unanimously passed.

Statements from the Public:

There were no statements from the public.

Approval of the Minutes:

Motion was made by Mr. Holland, seconded by Mr. Hardesty, that the minutes of the meeting of September 16, 2014 be approved. All members were present with the exceptions of Mr. Dukes, Mr. Dunham and Mr. Harris and voted “yes.” The motion was unanimously passed.

Review of Financial Statements:

A Budget Performance Report and Accounts Payable Report were distributed to the membership. It was noted that one invoice remains outstanding pending completion of work tasks.

Chairman’s Report:

Chairman Reiter said that he has received the updated preliminary design drawings along with the technical specifications and contract documents. Four hard copies were received and are available for review by the PSA membership.

Vice Chairman’s Report:

There was no report from Mr. Holland.

Reports of Committees:

(Hospital Committee): Mr. Holland said that the committee has not met since the last report.

(Northern Node Committee): No Report

(Southern Node Committee): It was noted that the next meeting of the PSA Subcommittee will occur on October 29th.

Mr. Dunham arrived at 7:05 p.m.

The Authority members reviewed correspondence received from the Town of Cape Charles indicating that its price to the PSA for wastewater treatment service would be \$0.015 per gallon. Chairman Reiter said that this cost was 25% above the Town’s actual cost.

Additional hand-outs including a revised capital costs (ratios) spreadsheet (based on a \$3 million project); a draft FY 15 Southern Node project budget (showing County costs); and an Operations & Maintenance spreadsheet were distributed and discussed by the membership. These documents are on file in the office of the Executive Director.

Noting that the user fee schedules were based on the assumption of 59 users within the service district, the Chairman asked that the figures be revised to eliminate vacant properties and,

if possible, to refine the County cost to be more in line (similar format) with the costs as proposed by the Town of Cape Charles. He wanted to be sure that the proposal from the Town and the proposal from the County covered exactly the same things. The Executive Director cautioned the membership that she will not be able to modify the personnel costs to be more attractive based on the small number of users. It was noted that vacant properties would still be assessed the debt service payment but not the monthly user fee.

(Economic Development Committee): No Report from Mr. Holland.

Old Business:

A. "Homework" questions from last month.

The following questions were posed to the Authority members with their respective actions delineated:

#1. PSA or property owner install grinder pumps, et al?

Motion was made by Mr. Sessoms, seconded by Mr. Panek, that the PSA install grinder pumps and convey same to the property owners. All members were present with the exceptions of Mr. Harris and Mr. Dukes and voted "yes," with the exception of Mr. Dunham who voted "no." The motion passed.

#2. If PSA install, electric power to come from property owner or PSA new electrical service?

Motion was made by Mr. Holland, seconded by Mr. Ingram, that the property owner should be responsible for provision of electric service. All members were present with the exception of Mr. Harris and Mr. Dukes and voted "yes." The motion was unanimously passed.

#3. If PSA installs for all existing buildings as part of the system contract, where do the funds come from for the PSA to install when new buildings are constructed?

Motion was made by Mr. Holland, seconded by Mr. Sessoms, that the PSA will establish a new building connection charge to cover the cost of installation of grinder pumps and laterals. All members were present with the exception of Mr. Dukes and Mr. Harris and voted "yes." The motion was unanimously passed. It was noted that the cost for existing buildings should be included in the initial system capital cost to be funded through property taxes, because the property owner will be paying a higher tax due to the higher valuation resulting from the building.

#4. PSA could install all – now and future – with a connection charge for each (approx. \$5-10K). Would the property owner be permitted to pay this charge over a period of time

– 5 years? 10 years? If so, where would PSA get the initial funds to install for future buildings?

Noting that this topic needs to be discussed with the Board of Supervisors, motion was made by Mr. Holland, seconded by Mr. Sessoms, that this question be tabled. All members were present with the exceptions of Mr. Harris and Mr. Dukes and voted “yes.” The motion was passed.

#5. If PSA installs, does PSA or the property owner maintain and replace when necessary?

Motion was made by Mr. Holland, seconded by Mr. Sessoms, that the PSA should transfer equipment ownership to the property owner who would be responsible for operation, maintenance, repair and replacement. All members were present with the exception of Mr. Harris and Mr. Dukes and voted “yes.” The motion was unanimously passed.

#6. What happens if a property owner, with an existing building, who has not opted out, refuses to install (if owner installation is required) or refuses access to the electric panel if PSA installs?

Motion was made by Mr. Holland, seconded by Mr. Ingram, that this question be tabled. All members were present with the exception of Mr. Harris and Mr. Dukes and voted “yes.” The motion was unanimously passed.

#7. If PSA installs and electric is to be from the owner, what happens if the contractor determines the owner’s electric installation does not meet code and the contractor will not simply add a breaker and cable to the pump?

Motion was made by Mr. Ingram, seconded by Mr. Dunham, that the property owner shall be required to provide sufficient electrical service. All members were present with the exception of Mr. Harris and Mr. Dukes and voted “yes.” The motion was unanimously passed.

#8. Easements from property owners.

As per Section 15.2-5114(13) of the Code of Virginia, no easement is required from the property owner for maintenance of the equipment.

#9. Trouble alarm – local, cell phone dialer, or remote location together with pump hours?

Motion was made by Mr. Holland, seconded by Mr. Sessoms, that a local trouble alarm as well as telemetry of pump hours for purposes of billing be established. All members were present with the exception of Mr. Harris and Mr. Dukes and voted “yes.” The motion was unanimously passed.

#10. Install grinder pumps only where there are buildings?

Motion was made by Mr. Panek, seconded by Mr. Ingram, that capital cost estimates include installation of grinder pumps only for existing buildings plus an allowance of a 10% increase to accommodate opt-in properties. All members were present with the exception of Mr. Harris and Mr. Dukes and voted "yes." The motion was unanimously passed.

#11. Existing plumbing issues?

Motion was made by Mr. Ingram, seconded by Mr. Dunham, that the property owner shall be required to provide sufficient plumbing service. All members were present with the exception of Mr. Harris and Mr. Dukes and voted "yes." The motion was unanimously passed.

Laterals:

#1. How many, if any, to vacant properties?

It was noted that the basic design provides a lateral to each property to the property line. Motion was made by Mr. Holland, seconded by Mr. Sessoms, to retain the basic design parameter and plan for installation of one lateral to each vacant property.

B. Revision of 50-50% ratio using \$3M project cost.

This topic was previously discussed.

C. County estimates for maintenance and billing

This topic was previously discussed.

Adjourn:

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

The next meeting of the PSA will be held on Tuesday, November 18, 2014, commencing at 7:00 p.m. in the main conference room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia.