

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

A meeting of the Eastern Shore of Virginia Public Service Authority was held on Monday, December 15, 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
Taylor Dukes
Greg Hardesty
Bob Panek
Sean Ingram

Member absent:

Carl Harris
Garrett Dunham
Felton Sessoms

Others present:

Janice K. Williams, County Administrator's Office
William Prosize
Granville F. Hogg, Jr.
Mary Miller
Mike Steelman
Bob Meyers
Phil & June Richardson
David Steelman
Donna Bozza
H. Spencer Murray
Jeff Walker

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. Hardesty, that the agenda be approved. All members were present with the exceptions of Mr. Dunham, Mr. Sessoms, and Mr. Harris and voted “yes.” The motion was unanimously passed.

Statements from the Public:

Mr. David Steelman said that he has watched the aquaculture industry fail due to pollution and that there was much to be addressed before the PSA proceeded with this project. He said that he and his son have left Cherrystone due to taxes and chemicals in the water. He commented that Northampton County could not stand any more taxes and that businesses were leaving the County.

Mr. Phil Richardson, who owns and operates Richardson’s Tire & Service Center on South Bayside Road in Cheriton, said that he will not be able to afford the increased taxes if the special tax district is imposed.

Mr. Bob Meyers read the following statement:

“TO: PSA Chairman John Reiter:

I am requesting written responses to all the following questions

1. Where are the documents that actually charge the PSA to commit to a \$70,000 contract to engineer a sewage service feeding into Cape Charles waste water treatment plant considering the fact that the BOS concurred that they did not want any more money spent until options were explored and their questions were answered in Aug 2013.
2. There is a Southern River Grant from the State that states multiple times that the grant is only to be used for effluent draining into the Atlantic. The closest you have come to that is Cheriton where almost every area in the town boundary drains into the Chesapeake Bay. What correspondence do you have that gives to your executive director the authority to allow those funds to be spent for a project that clearly is not intended to drain to the Atlantic.
3. Where are the documents that indicate you have examined the area of US-13 & Rte. 184 local economy and employment trends to determine if any project needs to be implemented to either influence these trends or satisfy the needs of these trends?
4. Where is the list of all the potential users that have actually committed to use and pay for your proposed sewage handling and identified by parcel numbers on tax map.
5. Since the size of the project has been changed significantly from previous evaluations, where is the sewage volume calculation based on the users you have identified in # 4 above that desire sewage service managed and maintained by a source other than themselves. Excess capacity put into service is a clearly understood source of operating problems.

6. Why haven't you, with the executive director, examined and documented the status of each of the septic systems you are planning to replace with your service to justify your actions.

7. Why is it that 16 months have passed since you committed \$70,000 for engineering and the PSA has not searched for, at the very least, the most cost effective and necessary service and as a minimum, considered and documented the options listed in #9 below.

8. Why is it that the BOS at their December 9th 2014 meeting has to direct you, in what would normally be called due diligence, to provide the Chairman of the BOS, who clearly stated that he wanted **ALL OPTIONS** explored for treating sewage originating from the area of US13 and Rte. 184.

9. Where are your documents that show that you have thoroughly evaluated the pros, cons , and expense for at least the following:

a. Reevaluate options for a sewage treatment facility close to the Cheriton boundary but now, NOT serving Cheriton.

b. Using an expandable package plant next to the proposed users such as was presented to the BOS at their Jan 2014 meeting for the medical community in Nassawadox with cost estimates.

c. Using the existing Bayview treatment plant for those same committed users you identify above.

d. Doing nothing, advantages and disadvantages based on past history of low desire for other party sewage handling that was available in the STIP.

e. Offering to take over the current drain fields in the area of those requesting service and managing them for a fee calculated to insure adequate maintenance and personnel cost for a fixed maximum amount of effluent.

10. Did you authorize the executive director, on behalf of the PSA, to ask H&P to assist in these evaluations considering that they have spent a considerable effort to install pipe to Cape Charles.

11. Have you thoroughly discussed and evaluated whether H&P is going to work in the interest of Northampton County evaluating **ALL OPTIONS** requested by the BOS when they have already received in excess of \$144,000 for engineering that has been narrowly been focused on single solutions.

Your frank and impartial answers will be very much appreciated and I look forward to examining any documents you have.

Thank you,

RH Meyers

7516 Prettyman Cir
Exmore”

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Mr. Mike Steelman asked if the New Business item could be heard at this time. Chairman Reiter replied that the agenda had already been approved. Mr. Steelman commented that the PSA was not showing respect for the community and questioned how the PSA could continue to move forward making decisions for the County. He said that the County is failing and that we have decision-makers who cannot manage or be managed. He asked that the PSA members agree to adjourn this meeting. Mr. Steelman also distributed the following written comments:

“The PSA showed complete disrespect to the Board of Supervisors and the citizens by not attending the Nov. 24 BOS meeting. Except for Mr. Hardesty. Now a new option is to take the sewage that is currently being treated without fail and pump it to Bayview for a second treatment. Where are those in need? I hear no squeaky wheels.

Let’s look at what the EPA says on the matter: Excessive Engineering and Regulatory Overkill (EPA 832-R-97-001B). In short, the EPA made a report to Congress that recognized that onsite disposal systems can often protect the environment as well or better than centralized systems. There are many advantages to DECENTRALIZED treatment systems, especially for LOW DENSITY COMMUNITIES. Our option at this time is to realize our assets as a community and to help those that are driving our community instead of punishing them with this idea that a centralized sewer is going to bring us prosperity. It did not work with the Sustainable Technology Park that had a treatment facility right next door! Going forward with this project could have as much negative impact as a positive one at this time.

STOP WASTING TIME AND MONEY – dissolve the PSA!”

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Approval of the Minutes:

Motion was made by Mr. Holland, seconded by Mr. Dukes, that the minutes of the meeting of November 18, 2014 be approved. All members were present with the exceptions of Mr. Dunham, Mr. Sessoms 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 wanted to address some of the statements heard this evening as well as some of the statements that have been made in the local publications, indicating that the PSA is only doing what the Board of Supervisors requested it to do. The Board requested that the PSA look at an area, which they have designated as the Southern Node Commercial District, and asked the PSA to develop solutions for handling wastewater – both engineering and financial solutions. This is what the PSA has been undertaking. The concern that has been publicized that there is friction between the PSA and the Board of Supervisors is fantasy as well as the mind-set that the PSA *must* build a system.

As an update, the Chairman stated that the Board of Supervisors has authorized \$10,000 to look at the Bayview Wastewater System as an alternative site for treatment and the County is currently accumulating the data necessary to provide to the engineer. This is the New Business item later in the agenda.

Vice Chairman's Report:

There was no report from Mr. Holland.

Reports of Committees:

(Hospital Committee): Mr. Holland said that the committee was hopeful to have a meeting with hospital officials prior to the end of the year, but no meeting has been scheduled at this time.

(Northern Node Committee): While there was no report from the Committee, the Chairman asked Mr. Dukes to provide a status report on the activities of Exmore, who stated that the lack of sewer capacity is hampering new commercial development in the Town. The engineer's report is due to be provided to the Town Council soon.

(Southern Node Committee): Mr. Ingram had no report.

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

Old Business:

A. Revision of cost estimates to eliminate vacant properties as well as refinement of County cost estimates to be more in line (similar format) with the costs as proposed by the Town of Cape Charles. In the absence of the Executive Director, this item will be deferred until next month.

New Business:

A. Action by Northampton County Board of Supervisors

Included in the agenda packet was a copy of correspondence addressed to the PSA from the Board of Supervisors, relaying the Board's action of November 24, 2014, in which the Board expressed its support for the PSA to engage Hurt & Proffitt and incur additional engineering fees, not to exceed \$10,000, for an evaluation of the Bayview Wastewater Treatment System and the possibility of its use as the treatment option for the Southern Node Wastewater Project, Phase I.

Mr. Panek indicated that his sense of Hurt & Proffitt's earlier "guesstimate" for this work was slightly more than the \$10,000 referenced but according to staff, this was the number provided at the Board meeting by Chairman LeMond.

Mr. Ingram said that there was a public perception currently in place which should be addressed and suggested that another public meeting be held, hopefully as a joint meeting with the Board of Supervisors. He also suggested that the PSA expend no further funds until such joint meeting is held (other than the previously-mentioned \$10,000). Mr. Panek reminded the body that the minutes of the last meeting already contain wording to that effect. The Chairman stated that he does not think the PSA is ready for a joint meeting until such time as more documentation; i.e., an agreement with the Town of Cape Charles, is in place and suggested that Board Chairman LeMond be consulted.

At this time, the Chairman recognized Supervisor Granville F. Hogg, Jr., who was asked by Mr. Panek to comment on documentation he (Mr. Hogg) had previously provided to both the Board of Supervisors and the PSA. When noted by Mr. Panek that the documentation pertained to alternative *residential* systems, Mr. Hogg indicated that he would provide additional information relative to alternative that may be decentralized for commercial applications.

Mr. Hogg commented that the proposed Southern Node Commercial District was initially sized for 100,000 gallons-per-day and has now been down-sized to 14,000 gallons with only 27 existing connections. Mr. Panek and Chairman Reiter explained that the proposed service district area was the Board's intended area for economic development and that it made no sense to size the system for only the existing customers. Mr. Hogg replied that there was no need to over-design the system and that there were other alternatives than centralized service.

Adjourn:

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

The next meeting of the PSA will be held on Tuesday, January 20, 2015, commencing at 7:00 p.m. in the main conference room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia.