

**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, March 18, 2014, at 7:00 p.m. in the main conference room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia.

Members present:

J. T. Holland, Vice Chairman
Garrett Dunham
John Reiter
Carl Harris
Greg Hardesty
Sean Ingram

Member absent:

Nassawadox Representative (still to be named)
Taylor Dukes
Bob Panek

Others present:

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

Call to Order & Establishment of Quorum:

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

Approval of Agenda:

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

Statements from the Public:

Mr. Prosis addressed the Authority, indicating that he was a retired engineer. He questioned the status of the PSA's contract with Hurt & Proffitt. He also asked whether the PSA would be capable of going out to bid at the conclusion of the contract. He asked if there were any thoughts as to a strategic plan relative to other areas of need throughout the county and asked if the PSA had considered modern, package plants.

Mr. Granville F. Hogg, Jr. said that the PSA may wish to request the aerals developed by Hurt & Proffitt during its preliminary engineering work, seeing them as an important tool with which to work. Ms. Nunez indicated that she would ask the County Planning staff to print them out.

Approval of the Minutes:

Motion was made by Mr. Reiter, seconded by Mr. Harris, that the minutes of the meetings of December 17, 2013, January 21, 2014 and January 28, 2014 be approved as presented. All members were present with the exceptions of Mr. Dukes and Mr. Panek 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 the latest Hurt & Proffitt invoice had been received and was awaiting approval of the group. Motion was made by Mr. Harris, seconded by Mr. Reiter, that Invoice #35173 in the amount of \$11,985.00 be approved. All members were present with the exceptions of Mr. Panek and Mr. Dukes and voted "yes." The motion was unanimously passed.

Chairman's Report:

Mrs. Nunez reminded the group that it has not met since recent Board actions as reported at the January meeting and given the upcoming joint meeting with the Board of Supervisors, she felt it was important to meet. While Mr. Panek resigned as Chairman, he remains Cape Charles' appointee to the PSA. The normal election of officers will take place at the April meeting and Mrs. Nunez recommended that Mr. Holland continue to act as temporary Chairman until that time. Mr. Holland indicated that he was agreeable. The members concurred.

Mrs. Nunez said that the PSA has not discussed the correspondence received from the Town of Cape Charles containing its proposal to provide wastewater disposal services. She indicated that she has concerns with some items of the proposal such as the Town treating the PSA connection as "multiple" connections instead of a single connection. She noted that she believes the specific treatment cost appears to be reasonable and that the O&M costs can be discussed at a later date. Summarizing, Ms. Nunez stated that the crux of the matter was "what is the future project?, and is the PSA's work done if the governing body chooses not to take some unpleasant steps, such as mandatory connection. She noted that the Board of Supervisors

has reaffirmed its desire to have water and sewer services in place to develop the southern node portion of the county.

Mr. Reiter questioned the status of the requested alternative analyses. Mrs. Nunez responded that a quote has been received from Hurt & Proffitt (possibility of using the Bayview system; develop a stand-alone plant), but that she has not received authorization to engage them to do the work.

A discussion was held by the Authority relative to the Northern Node and why it has not been the focus of the PSA's attention; specifically, the litigation between the County and Riverside, and later, reluctance by Riverside to engage in discussions until the County's Ad-Hoc Emergency Care Committee report was concluded. Mrs. Nunez reminded the Authority that it was never the PSA's intent to "take over" the Riverside system, but to construct new operations.

It was noted that the next action step would be the creation of a sub-committee for discussions with the Town of Cape Charles; this will be discussed at the March 24th joint meeting. In response to a question from Mr. Harris, Mrs. Nunez noted that it would be a good idea to have a presentation from Hurt & Proffitt at the conclusion of its financial analyses.

Recess:

Motion was made by Mr. Harris, seconded by Mr. Reiter, that the meeting be recessed until 7:00 p.m., Monday, March 24, 2014, in the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, in order to meet in joint session with the Board of Supervisors.