

**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, April 17, 2012, at 7:00 p.m. in the main conference room, 16404 Courthouse Road, Eastville, Virginia.

Members present:

Bob Panek, Chairman
Artie Miles, Vice Chairman
J. T. Holland
Granville F. Hogg, Jr.
Joe Stevens
John Reiter
Carl Harris

Members absent:

Felton Sessoms
Henry J. Heneghan, Jr.

Others present:

Katherine H. Nunez, County Administrator & Executive Director
Janice K. Williams, County Administrator's Office

Call to Order & Establishment of Quorum:

The Chairman called the meeting to order and established that a quorum was present. Mr. Harris arrived at 7:02 p.m.

Approval of Agenda:

The Chairman reminded the members that the Bylaws call for election of officers not less than two months prior to the end of the fiscal year. He suggested that "election of officers" be added to the agenda under "New Business". Motion was so made by Mr. Harris and seconded by Mr. Hogg. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed. Motion was then made by Mr. Holland, seconded by Mr. Miles, that the agenda be approved as amended. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed.

Statement from the Public:

There were no statements from the public.

Approval of Minutes:

Motion was made by Mr. Holland, seconded by Mr. Stevens, that the minutes of the meeting of March 20, 2012 be approved. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted “yes.” The motion was unanimously passed.

Review of Financial Statements:

No action required.

Report of the Officers – Chairman:

The Chairman had no report

Report of the Officers – Vice Chairman:

The Vice Chairman had no report

Report of Hospital Committee:

The Chairman provided background information for the benefit of the two new members, noting that he has been trying to re-engage Riverside with no success. It was reported that the Riverside hearing is still scheduled for April 25th in Richmond.

Report of Northern Node Committee:

The Executive Director reported that due to her pressing County budget obligations, she has not had an opportunity to work on the application. She will be in a better position to work on this matter next month.

Mrs. Nunez reported that the Accomack-Northampton Planning District Commission has performed a drive-by survey of the Northern Node service area which found no pit privies in use. She is awaiting a decision of the ANPDC board as to whether it will assist with conducting income surveys in the service area, which will probably require a door-to-door effort.

Mr. Miles reported that Exmore also needs to complete a more recent survey which he believes is best conducted through a door-to-door method.

Ms. Nunez briefed the PSA on her recent meeting with USDA officials, which said meeting was detailed in her bimonthly report to the Board of Supervisors and is set out below:

ESVA Public Services Authority Update:

A meeting was held in Richmond on March 20, 2012 with representatives from DHCD, USDA and DEQ to discuss the proposed Northern Node project. At this time, USDA is projecting limited funding and is concerned if it would be able to provide any funding for this project at this time. Their recommendation is for the PSA/Northampton County to submit an application as soon as possible for the Northern Node project and that we work toward a potential funding award in 2014. DHCD indicated that they prefer to be the “last money in” and would defer to the timeline proposed by USDA; therefore, it would not be prudent for the County to submit an application to DHCD at this time. In addition, USDA and DHCD indicated that they would need income surveys from all of the intended users of the designated service area and said surveys would need to be no older than 12 months from completion of the survey to submission to either agency with an application. Based upon these discussions, DEQ indicated that it would be best if the PSA/County turned down the Northern Node award of \$4 million and indicate the rationale for our decision and then re-apply within the timelines discussed by USDA. USDA reminded the County that no application will be considered until the County resolves its outstanding obligations from the STIP grants, more specifically that the county must spend just under \$600,000 for a qualified “project”, such as a community facility. Kent Ware of USDA indicated that the definition of a qualified project would also include a wastewater system. Lastly, while the officials were impressed with the level of cooperation that has developed between the towns and the county relative to wastewater system development, they indicated that an additional commitment financially from the county/towns would greatly enhance our status and ranking for consideration of grant funds.

The PSA has reviewed the results of this meeting with the various state officials and concurs with this course of action and will be working with me to complete an application to USDA for the northern node. In addition, we have begun discussions with ANPDC to develop a course of action relative to income surveys and how best to approach that as well as develop a timeline that will work to ensure the surveys are valid for any and all grant applications we submit for this project.

Report of Southern Node Committee:

In the absence of Mr. Heneghan, the Chairman indicated that he was unaware if the Cheriton Town Council has yet taken up consideration of a mandatory hook-up ordinance, which is vital for Southern Node implementation. Given the very high grant coverage needed for this project, the PSA again reviewed the potential of proceeding with a commercial variant for the Southern Node that would rely on private capital contributions.

Report of Economic Development Committee:

There was no report.

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Preparation of Applications:

These matters have been discussed earlier in the meeting. Mr. Holland asked that a map be developed illustrating the southern node service area and including existing and vacant commercial properties as well as extending down to the Fairview Mobile Home Park which continues to express strong interest in participating.

Based on the information contained in the County Administrator's report (shown above), and the possibility of funds that could be available to be dedicated to a wastewater project, the Chairman proposed a three-prong approach:

- (i) set up a meeting with the commercial property owners in the southern node;
- (ii) produce a map showing where the lines would run for the commercial parcels; and
- (iii) sending a letter to the Board of Supervisors to apprise them of this approach and asking them to consider all or part of the \$600,000 being dedicated to a wastewater project.

Motion was made by Mr. Holland, seconded by Mr. Harris, that this plan of action be approved. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed. It was suggested that the meeting as proposed in item (i) above be considered as the next regular PSA meeting.

Letter of Withdrawal – DEQ:

The Chairman reminded the PSA that the County/PSA was the recipient of a \$4 million loan through DEQ which cannot be used at this time because of the lack of grant funds to complete the Northern Node. This offer needs to be officially withdrawn. Motion was so made by Mr. Holland and seconded by Mr. Reiter. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed.

Invitation to Attend BOS Meeting w/ DHCD & Webster Investors:

The Chairman reported that he and Mr. Holland had attended a meeting with Webster Investors several months ago regarding the water supply at the Webster property. No follow-up meeting ever occurred. It was the consensus of the PSA to attend the meeting as invited.

Election of Officers:

Motion was made by Mr. Holland, seconded by Mr. Harris, that the current slate of officers be elected for the coming year. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed. Said officers as elected are set out below:

Bob Panek, Chairman
Artie Miles, Vice Chairman
Katherine H. Nunez, Secretary

Recess:

Motion was made by Mr. Holland, seconded by Mr. Harris, that the meeting be recessed until 5:30 p.m., Monday, April 30, 2012, in the Board Room of the County Administration Building, 16404 Courthouse Road, Eastville, Virginia, in order to participate in the joint meeting with the Northampton County Board of Supervisors and representatives from the Virginia Department of Housing & Community Development and Webster Investors. All members were present with the exceptions of Mr. Sessoms and Mr. Heneghan and voted "yes." The motion was unanimously passed.

The meeting was recessed at 8:25 p.m.