

**TOWNS AND COUNTY UTILITIES PROJECT
PROJECT MANAGEMENT TEAM MEETING
JULY 7, 2010**

MEETING NOTES

1. INTRODUCTIONS & CORRECTIONS TO JUNE 17 MINUTES

Members present:

First Name	Last Name	Representing	Grant Role
Sandra	Benson	Northampton Co. Planning & Zoning	Planning Official
James	Davis	Environmental Health Supervisor	Eastern Shore Health District
Rusty	Gowen	Citizen	PSA Member – County At Large
Carl	Harris	Citizen	PSA Member – County At Large
Henry	Heneghan	Cheriton	Community Rep.; PSA Member – Cheriton
J.T.	Holland	Citizen	PSA Member – County At Large
Eldon	James	EJ&A Inc	Consultant
Bif	Johnson	Hurt and Proffitt	Engineer
Artie	Miles	Exmore	Town Manager; PSA Member - Exmore
Katie	Nunez	Northampton County	County Admin.
John	Ordeman	Nassawadox	Community Rep.
Bob	Panek	Cape Charles	Town Projects Manager; PSA Member – Cape Charles
Sue	Rowland	SRC Inc	Consultant
Felton	Sessoms	Nassawadox	PSA Member - Nassawadox
Norma	Spencer	Cheriton	Town Council
Dora	Sullivan	Cape Charles	Mayor
Mike	Thornes	Northampton County	Director of Public Works
Scott	Walker, Jr.	Cape Charles	Community Rep.; PSA Member – County At Large
John	Warwick	Hurt & Proffitt	Engineer
Billy	Moore	Exmore	Mayor
Joe	Turner	Hurt & Proffitt	Engineer
Heather	Terry Lusk	Willis Wharf	H.M. Terry Co.

Sue Rowland asked the group for any amendments needed to the meeting notes from the last PMT meeting, held on June 17. Other than correct Mr. Potts' name, no one else noted any changes to the notes as provided the group via email earlier.

2. "SINCE THE LAST MEETING ..."

Eldon James reviewed events that occurred since the last PMT meeting, especially as related to the pending DEQ application.

At the last meeting, PMT members made several requests of the consultants and expressed some concerns and suggestions.

The Requests:

- 1) We prepare talking points on why the project is important, and
- 2) The sequencing of funding opportunities and key decision points.

These items were previously widely circulated to the PMT members (and others) when completed.

Concerns were expressed at the last PMT meeting that the northern node needed more effort to get the word out prior to doing the household surveys. The consultant team heard these concerns and in a series of conversations that included the County Administrator and key reps of each town, coupled with information gained from USDA Rural Development (RD) and DEQ, the consulting team recommended that we move forward with putting together an application to DEQ (1st in the sequencing) for the southern node.

That decision allowed time for the community work in the Nassawadox and Exmore area, and both the southern and northern node projects would be included in a 2nd application to RD in August. The consulting team has met with 3 of the 4 town councils (Cape Charles, #4, is tomorrow night) to share that recommendation.

A resolution asking that the grant application be filed by the County on behalf of the project has been passed by the Cheriton Council, will be considered by Cape Charles tomorrow. The County Board is to consider a resolution approving the application at its next meeting (Tuesday, July 13th). Nassawadox and Exmore will consider similar resolutions in August in prep for the RD application.

As described to the PMT in the email from Sue Rowland, the public hearing and County Board and Town Council votes to restructure the PSA took place on 6/28. The County and the Towns are now preparing the required documents for submittal to the State Corporation Commission (SCC). After submittal and favorable action by the SCC, then the PSA can call its organizational meeting. Since that won't occur before the 7/16/10 DEQ deadline, the Cheriton and Cape Charles resolutions request the County to make the application. It is assumed that at some point, once the restructured PSA is in place, the grant/project would transition to the PSA. That transitioning process will be the subject of some future PMT discussions.

3. REVIEW OF DRAFT P.E.R. FOR SOUTHERN NODE, DEQ GRANT APPLICATION

Bif Johnson, lead engineer for the project with Hurt & Proffitt, lead the discussion with the group about the status of the PER for the Southern node, in preparation for the application to DEQ.

Bif gave a brief summary of the role of a Preliminary Environmental Report (PER) document. Next, Bif distributed southern node maps, similar to the maps distributed at the last PMT meeting, and described the service area that is being considered for the PER. This service area is consistent with the discussions held at the last PMT meeting.

Using large maps in the front of the room, he next provided a fairly detailed description of the work that had been undertaken by the engineers in examining alternative options for the collection, treatment, and dispersal of wastewater from the Cheriton service area. Two options will be presented in the PER. The first is a system that collects wastewater in the service area, and takes it to the treatment plant now under construction in Cape Charles (Alt 1). The second is an independent or decentralized system that would serve the Cheriton service area, include an advanced treatment system (located within the service area), and with dispersal of treated effluent into land nearby (Alt 2). In the second option, the Cape Charles treatment facility would not be used.

Next, Bif explained that the costs of the two alternatives were not yet refined, but he presented the preliminary capital and operating & maintenance (O&M) costs for the two alternatives. Bif explained the impact of the mix of grant-to-loan on the monthly utility rate. With a presumption of 80% grant / 20% loan (3.5% over 30 years), the monthly utility rate would likely be between \$42 – 49/month. If 100% grant covered the full capital costs, the monthly utility rate (O&M only) would likely range between \$23 – 32/month.

Within the project costs to be funded by any grants or loans combination, the engineers have included the “connection” and “availability” fees that would normally be charged to individual users, thereby providing an incentive for users to sign-up to the system (avoiding mandatory hook-up requirements). This approach eliminates any up-front costs to the users.

In overall discussions about the impacts of loans v. grants on the costs of the project, Sue provided an overview of the consultants efforts to secure grants over loans, and the sources available or known to the consultants at this point. Ultimately funding would likely include a mix of revenue sources, such as DEQ, USDA RD, the Department of Housing and Community Development (the source of the planning grant funding the work now underway), the Department of Conservation and Recreation (DCR), Southeast Rural Community Assistance Project (SERCAP), and other sources. She outlined which sources have grants and which have loans, along with a general overview of the requirements that may be attached with each of the grant sources.

4. STATUS OF PLANNING FOR NORTHERN NODE

The PER for the northern node is the next step to be completed by the engineers. Activities have been underway in preparation for that portion of the PER, and put aside to complete the southern node PER in preparation for the DEQ application.

5. COMMUNITY SURVEY COLLECTIONS -- UPDATES

Sue reported that Cape Charles needed to complete only five surveys, and with this meeting, those five had been completed. She noted that the Cheriton town council members and others met with her last week in a "training" of sorts. Those members (Norma Spencer, Larry LeMond, former Council member Dick Craft, and resident Vince Conroy) had carved out the Cheriton town proper for canvassing with surveys. Norma presented Sue with a number of surveys already completed.

Sue noted that she still needed help with securing surveys in the County area outside of the town. She has reached-out to Nekita Coles to help with that and is awaiting a call-back from her to complete those arrangements. She also asked for other help.

General discussion about the household survey led to recommendations for amendments (Ms. Sullivan commented on the line that asked for information about disabled / handicapped residents; a changes has since been made to the survey).

A Community Meeting is planned for July 8th in Exmore. It is hoped that this meeting will serve as a significant kick-off point for household surveys to be completed in the northern area. Additional issues and ideas for survey collections were shared by the group.

6. RD GRANT APPLICATION -- UPDATES

Discussed earlier in the meeting.

7. NEXT MEETING - PURPOSE AND DATE

Following from discussions earlier in the meeting, the next meeting will be on Wednesday, July 21st, at 7 PM. The focus of this meeting will be the status of household survey collection.

Minutes drafted by Eldon James and Sue Rowland