

**TOWNS AND COUNTY UTILITIES PROJECT
PROJECT MANAGEMENT TEAM MEETING
September 1, 2010, 5 to 6:30 PM**

MEETING NOTES

Members present:

See attached sign-in page.

INTRODUCTIONS & CORRECTIONS TO AUGUST 18th MINUTES

Sue Rowland opened the meeting shortly after 5. No changes were noted to the August 18th meeting notes.

COMMUNITY SURVEYS

Sue and Eldon James reported that about 360 surveys had been collected and the data being entered into the analysis spreadsheet at this time. Address-only data was to be sent to Katie within the week for the creation of a map to demonstrate where the surveys had already been collected. The spreadsheet would be matched against the 911 addresses. Katie would forward the spreadsheet to the Towns contact, and Dr. Carter asked to also receive a copy.

Sue asked for an around-the-table review of status on survey collections. Artie Miles reported on the Exmore activities. About 750 potential users are in the town. A "bunch" of surveys had been returned as a result of being included in the latest utility bill mailing. In addition, the staff were asking folks to complete the surveys when bill payments were being made at the town offices.

In answer to a question about the status of a newspaper article, Sue commented that while the press release had been drafted, a couple of quotes were not yet completed and that she is expanding the release to include information about the status of the work on the project.

In Nassawadox, about 213 potential users are in place. Ruth Wise and others reported that presentations about the project and the surveys had been held at area churches.

Talking about the areas outside of Cheriton, some additional discussion about the service area in the Southern Node took place, and that it appears that surveys are still needed in that area. Granville Hogg described his conversations with folks living in those areas. General discussion about Cheriton resident's apparent attitude about the project, with Sue noting that there are more "No" responses from this community compared to the Northern Node communities.

Sue also focused participants back to the due to the lack of data available at tonight's meeting, efforts to complete survey collection can best be targeted once the GIS maps are

completed to highlight the geographic areas where a significant proportion of surveys are missing.

PSA'S RE-ORGANIZATIONAL MEETING REPORT

The Eastern Shore Public Service Authority held its re-organizational meeting since the last PMT meeting, and Katie Nunez, as staff to the PSA, gave a general overview of the meeting. She noted that the meeting's entire agenda was established to complete the organizational activities required to re-institute the functionality of the PSA. Bob Meyers (at-large) was elected the Chair of the PSA's Board and Bob Panek (Cape Charles) elected it's Vice-Chair.

She noted that in response to a question, the PSA Board was also provided a review of the history around the Bayview utility project, along with the obligations of the PSA and the County to Bayview, and the current status of the actions to turn over the utility to the County.

Sue asked the PSA members to identify themselves; all were present with the exception of J.T. Holland. The members reported that the PSA will regularly meet on the Third Tuesday of each month.

"SINCE THE LAST MEETING..."

- **Northern Node PER**

Bif Johnson and Joe Turner (Hurt & Proffitt) updated the PMT on the status of their work on the Northern Node P.E.R. since the last meeting. A revised service area map was distributed (dated Sept 1st), to illustrate the response to discussions at the last PMT meeting. Bif reported that cost estimates were being refined to match the service area revisions, and that he is awaiting the report of the soil sampling, now completed.

Bif reported that the team had a conference call meeting with Mike Canales of the Hospital. H&P gained details on the flow data of the hospital and the other customers being served by that wastewater system. Bif and Joe answer questions from members. In answer to one question, they noted that the goal of the P.E.R. research is to eliminate the discharge of the current hospital system, now permitted by DEQ.

Bif also reported that during that conference call, it was determined to set up a meeting with the Mike and the hospital system's customers to update them on the status of this work, and answer questions.

- **Meeting with System Users at Hospital / Health Services Area**

Earlier today (September 1st), the consulting time (Bif, Joe, Eldon, and Sue), Mike Canales, and Bob Meyers met with a representative group of customers to the hospital's wastewater system. The engineers described the issues they were charged with addressing in their contract for this project. Discussion about the hospital's inability to meet its current treatment permit requirements led to discussions about the "nutrient trading" that is now in place, allowing the hospital's system to operate to 2012 under the current permit.

("Nutrient trading" allows operators of a currently DEQ-permitted system that is not meeting the permit's treatment requirements to "rent" or "buy" credits from a system that is exceeding its treatment requirements.) In this case, the hospital pays about \$7,000 annually to gain nutrient credits to counterbalance the phosphorus and nitrogen discharges that current exceed its permit requirements.

Questions returned to the costs estimates and updates from Joe on the impacts of the additional service areas asked for at a previous PMT meeting. Joe reported that to add the 30 customers included in the Pine Tree and the Bayside/Franktown areas adds about \$300,000 to the total cost for collection. (Treatment and dispersal cost impacts are minimal to none.)

Discussion ensued on the Rogers Drive area as to whether or not this area should be included in the service area. It was decided that the results of surveys from this area should guide that decision.

The team agreed to provide a review of income by area within the service areas at the next PMT meeting.

PMT members asked for review by the PSA of Weirwood, Treherneville, and a residential area west of Birdsnest (north of Little Johnstontown).

- **Activities for Funding**

Eldon reported on the status of work to identify funding for the project. Two meetings have been held with USDA Rural Development (RD), the second meeting also included DEQ, the purpose being to explore the Southern Node blend of funding. These two meetings resulted in "back and forth" discussions between the two agencies and the consulting team.

At this point, the total Southern Node project costs is \$11 million (round figures). If 50% of that total is grant, 50% loan, the total monthly utility bill needed to cover the operating + debt costs would equal \$62/month. The minimum monthly utility cost required by RD should a grant be awarded is \$33/month. To acquire that rate, 88% grant/12% loan would have to be secured. It is not possible to secure that mix from DEQ / RD alone. The team is looking for guidance on what the range of monthly utility costs should be used as a target in meetings with funding agencies. Sue asked that the group make that determination at the next PMT meeting.

Eldon reported that Katie and the team are meeting with the Department of Housing and Community Development next later this week. The purpose of that meeting is to update DHCD on the status of the PMT's and the team's work, and to meet the new Director of the DHCD Office that made the planning grants to the County.

In discussions, the group was reminded that utility rates will ultimately be set by the PSA. That the decisions about whether or not rates will be county-wide or by project rests with the PSA. Bif and Joe also requested that any information known to any PSA or PMT

member that would improve the data included in the P.E.R.'s development be shared with them as soon as possible.

NEXT MEETING – PURPOSE AND DATE

The next meeting will be held on **Wednesday, September 15th, at 7 PM.**

At that meeting, the PMT will:

- Discuss status of surveys and determine where surveys are needed; and
- Determine an acceptable range for monthly utility bills

The meeting adjourned at about 7 PM.

Minutes drafted by Sue Rowland