



TOWN COUNCIL
Joint Public Hearing & Special Meeting
With Northampton County Board of Supervisors
and Town Councils of Cheriton, Exmore, Nassawadox
former Northampton Middle School Auditorium
June 28, 2010
7:00 p.m.

At 7:30 p.m. Mayor Dora Sullivan stated that a quorum had been established and called to order the Public Hearing of the Cape Charles Town Council. In addition to Mayor Sullivan, present were Councilmen Bannon, Bennett, Elliott, Evans and Veber. Councilman Burdiss was not in attendance. Also in attendance were Town Manager Heather Arcos, Town Consultant Bob Panek and Town Clerk Libby Hume. The Town Councils from the Towns of Cheriton, Exmore and Nassawadox and the Northampton County Board of Supervisors were also in attendance along with approximately 50 members of the public.

The Mayors of the Towns of Cheriton, Exmore and Nassawadox and Board of Supervisors Chairman Trala called to order their respective public hearings.

County Administrator Katherine Nunez read the notice of joint public hearing which detailed the purpose of this evening's meeting to consider the applications of the incorporated Towns of Cape Charles, Cheriton, Nassawadox and Exmore to become members of the Eastern Shore of Virginia Public Service Authority (PSA) and to amend the Articles of Incorporation of the PSA to provide that the number of members of the PSA's Board of Directors be increased from five to ten to be appointed in the following manner: One PSA Board member to be appointed by each of the four member towns and six At-Large PSA Board members to be appointed by the Northampton County Board of Supervisors, which appointees may or may not be members of the respective governing bodies. The PSA Board members would serve staggered terms with initial terms of two or four years, which have been drawn. The names and initial terms of the County Board of Supervisors' appointees are as follows: George E. Gowen, Jr. to serve two years, Carl Harris to serve two years, Granville F. Hogg, Jr. to serve two years, J. T. Holland to serve four years, Robert H. Meyers to serve four years and Scott R. Walker, Jr. to serve four years. The names and initial terms of the appointees from the incorporated towns are as follows: Bob Panek, from the Town of Cape Charles, to serve four years, Henry J. Heneghan, Jr., from the Town of Cheriton, to serve four years, Felton Sessoms, from the Town of Nassawadox, to serve four years and Artie Miles, from the Town of Exmore, to serve two years. New paragraphs 7 and 8 have been added to the Articles of Incorporation of the PSA. Paragraph 7 addressed the initial focus of the PSA as follows: i) Sewer expansion for Exmore and sewer service for Nassawadox, including Riverside Shore Memorial Hospital, and the surrounding areas of Northampton County; ii) Sewer expansion for Cape Charles and sewer service for Cheriton and the surrounding areas of Northampton County; and iii) Conveyance of the Exmore, Cape Charles and Bayview sewer and water systems to the PSA. Paragraph 8 stated that the study and construction of future system expansions or new systems should be compatible with the Comprehensive Plans of the participating localities. Katherine Nunez stressed that the County was not creating a new PSA but was expanding the existing PSA.

PUBLIC COMMENTS:

Nine citizens addressed the County Board of Supervisors and Town Councils in attendance and two letters were submitted to the Board of Supervisors to be read into record.

Mr. Dave Kabler stated that economic development hinges on a good plan. A good plan could not be attained without all the towns and the county working together and he was pleased to see all working together this evening.

Ms. Marie Frocke asked if there were term limitations for the members of the PSA Board. Katherine Nunez responded that the County has a policy limiting committee members to eight – ten years depending on their terms. Under County guidelines a member could serve two eight-year terms, but she was unsure whether the Code of Virginia placed similar restrictions for PSA Board members.

Mr. Vincent Conroy stated that the figures regarding the sewage treatment plant charges and hookups did not add up and he stated his concern with retirees and others on fixed incomes being able to afford any type of increase. Mr. Conroy added that he is currently on a septic system and pays approximately \$240 every five years for a pump out, but with a regional wastewater system with a cost of \$40-50 per month, the total yearly cost could be \$600. Mr. Conroy stated that he would have a problem in supporting a project under these circumstances.

Ms. Nancy Garrett stated that she lived in Cheriton and questioned the issue regarding the Town having to turn over all decisions and control to a PSA Board especially since there was nothing definite regarding costs, location, etc.

Ms. Mary Miller stated that she was a member of the County Planning Commission and in the Planning Commissioner certification classes she learned about other rural areas and how they resolved certain issues. In a previous class, the issue of wastewater systems was discussed stating that it was beneficial to have regional systems serving smaller clusters of population. PSAs were some of the best solutions to run these system but other alternatives should be considered. It could be less expensive to leave control of the system(s) to the individual towns and the tax payers. Another issue is the stormwater runoff which is not covered by a wastewater system. Ms. Miller mentioned Henry and Campbell Counties as examples of rural counties with PSAs.

Exmore Councilman Charles Massey posed a question to Supervisor Randall regarding rumors that the hospital had already made their decision as to whether they would stay in Northampton County or relocate to Accomack County. Chairman Trala informed Mr. Massey that the Board would get him an answer but this evening's meeting was to hear public comment regarding the PSA.

Ms. Debbie Campbell asked whether the PSA Board meetings would be open to the public. Katherine Nunez responded that the FOIA rules apply to the PSA Board and the meetings would be open to the public.

Katherine Nunez read letters from Mr. James Sturgis, Mayor of Eastville, and Sarah Morgan.

Mayor Sturgis expressed his concern regarding the following issues: i) the hasty manner taken in reactivating the PSA; ii) the undetermined amount of debt for this project; iii) undetermined debt to be passed to the County tax payers; iv) undetermined pipeline locations; and v) sewage systems where water would be pumped into the Bay vs. reuse.

Sarah Morgan expressed her concern regarding the make-up of the PSA Board and that the County and towns were moving forward without knowing the costs of the project. Ms. Morgan stated that she was skeptical regarding the PSA being the answer. The majority of the residents of the County would be supporting the system(s) with their tax dollars but would get very little benefit from it. Mr. Morgan stated that there was not enough information for the Board of Supervisors to make a decision and asked that the Board wait until November for a referendum to see how the citizens of the County feel about the project.

Mr. Henry Heneghan, Jr. asked about the Code of Virginia's regulations regarding creation of a new PSA. Katherine Nunez responded that the PSA is already in existence and that this evening's discussions regarded a joinder to the PSA Board and there were still procedural steps that have to be completed, such as filings to the State Corporation Commission and further communications with the towns.

Mr. Richard Leal stated that there were two things the County did not have – a water and sewer system and added that the County has been reluctant to bring in businesses and was not business-friendly. The County needed to bring in water and sewer systems to support the existing and future businesses and stressed the importance of having qualified people on the PSA Board.

There were no further public comments to be heard.

Motion made by Councilman Veber, seconded by Councilman Elliott to close the Public Hearing portion of the meeting. The motion was approved by unanimous consent.

Chairman Trala opened the floor to the Towns to address the Board of Supervisors.

Cape Charles Councilman Evans stated that he felt that a ten-member board was absurd and that he was concerned regarding the control issue with each town appointing one member to the PSA Board and the County appointing six members.

No one from the Cheriton Town Council had any comments.

Exmore Councilman David Scanlon expressed his concern regarding the PSA taking over the wastewater system and possible future water system and asked whether it would be mandatory for County citizens with working septic systems to hookup to the regional wastewater system. Councilman Scanlon continued asking where the wastewater system would be located and concluded by stating that at \$40 per month, citizens would be required to pay approximately \$2400 vs. the current cost of approximately \$240 for pump outs every five years.

No one from the Nassawadox Town Council had any comments.

Supervisor Murray thanked the towns for attending the meeting and the citizens for their comments and added that without a structure that promotes cooperation, there will be no plan. The County and towns, individually, have not gotten very far in the past and this project cannot be completed separately. Supervisor Murray stated that answers were needed regarding costs,

mandatory hookups, etc. and added that he did not think that a huge debt would be incurred. Supervisor Murray went on to state that he had great confidence in the citizens who were appointed to the PSA Board and that it was a step in the right direction for Northampton County and its towns.

Supervisor Tankard stated that the Board and towns did not need to rush the process and that there was enough public concern regarding this project that need to be reviewed further. Supervisor Tankard added that he would like to wait until the reports from the consultants were completed before moving forward. Supervisor Tankard cited previous projects such as the Sustainable Technology Industrial Park (STIP) and the regional jail which were both driven by consultants and did not materialize as projected. This project has the same type of scenario.

Supervisor Randall stated that the current economy was weak but would eventually come back. There was funding available that the County could take advantage of because the economy was down. Should the County let that money go in order to wait for a better economy? The County must prepare for the future and support the expansion of the PSA.

Chairman Trala stated that he had never been more supportive with moving forward with the PSA and had never seen a better opportunity. Town Hall meetings have been held by the consultants to answer any citizen questions. Chairman Trala continued by stating that he had not seen this much cooperation between the County and the towns since he had been on the Board of Supervisors and felt that this project was a move in the right direction.

Motion made by Supervisor Tankard to table the joinder of the towns and amendment of the Articles of Incorporation of the PSA. There was no second to the motion therefore the motion was not put before the group for discussion or decision.

Motion made by Supervisor Long, seconded by Supervisor Randall to approve the joinder of the towns and amendment of the Articles of Incorporation of the PSA. The motion was approved by majority vote of the Board of Supervisors with Supervisor Tankard opposed.

Mayor Sullivan moved for adoption of Cape Charles Town Council Ordinance #20100628 Re: Joinder of the Incorporated Town of Cape Charles to the Eastern Shore of Virginia Public Service Authority. Ordinance #20100628 was adopted by unanimous vote. Roll call vote: Bannon, yes; Bennett, yes; Elliott, yes; Evans, yes; Veber, yes.

The Towns of Cheriton, Exmore and Nassawadox adopted their respective ordinances.

Hearing no objections, Mayor Sullivan adjourned the Public Hearing/Special Meeting of the Cape Charles Town Council by unanimous consent.

The Towns of Cheriton, Exmore and Nassawadox adjourned their respective meetings.

Mayor Sullivan

Town Clerk