

Cape Charles Business Association (CCBA) Meeting
July 23, 2013
Aqua Restaurant
7:00 p.m.

The Cape Charles Business Association (CCBA) meeting had scheduled a briefing by the Northampton County PSA as one of its agenda items. Attending the meeting, in addition to its membership were 3 Cape Charles Town Council members, J Natali, F Wendell and S Bennett. Councilwoman Natali was also a CCBA member. Also attending from the Town were Heather Arcos and Bob Panek. Mayor D Sullivan attended as a CCBA member. Since 3 Council were present and business was being discussed that would come before Town Council, a meeting was called to order by Mayor Sullivan in accordance with FOIA requirements.

The CCBA meeting was chaired by George Proto, President and was attended by approximately 20 people. The agenda included a financial report, a report on the upcoming Fall Festival, to coincide with the Birding Festival and a report on the Harbor for the Arts Festival. Charles McSwain, County Economic Development Director has been invited to address the group in September. Mr. Proto asked for general comments from the membership regarding business this summer and the response was that business was up all across Town, ranging from 3 - 4% to double or triple previous years.

Mr. Proto then turned the meeting over to Bob Panek, Chairman of the PSA who provided a briefing on the PSA - starting with the background and moving forward to their current initiative, phase 1 of the Southern Node project, a \$1.8 million project to bring sewage treatment capacity from the approximately 70 commercial lots near the intersection of Routes 13 and 184 into the Town of Cape Charles Wastewater Treatment Plant (WWTP). Please see briefing slides attached. There were many questions and much discussion regarding the proposal as well as the future capacity of the Cape Charles WWTP. Mr. Panek answered all questions to the best of his ability.

Minutes provided by Councilman Steve Bennett.

The CCBA meeting minutes would be attached, when received, for additional detail.

Mayor Dora Sullivan

Town Clerk Libby Hume

Eastern Shore of Virginia Public Service Authority Regional Wastewater System

Cape Charles Business Association

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Background

- Dormant ESVA PSA reformed adding four Towns in June 2010.
- Assumed responsibility for the two wastewater projects initiated by Towns & County Utilities Project Management Team.
- Northern Node – Exmore and Nassawadox.
- Southern Node – Cape Charles and Cheriton

Background

- Northern Node - \$11.3 million. On hold until Riverside decides on disposition of medical campus in Nassawadox after hospital move.
- Southern Node - \$11.9 million. Original estimate including Cheriton and surrounding areas in County.
- Both projects heavily dependent on grants or other capital contributions to yield affordable rates.
- State and Federal agencies indicated little grant funding available.



Southern Node, Phase 1

- Would service about 70 commercially zoned parcels with valuation of \$17.8M around the US 13/SR 184/Bus 13 intersection.
- CC WWTP utilized for treatment.
- Capital cost of approximately \$1.8M.
- Debt service of approximately \$124K/yr., 20 years.
- Debt service funded via real property tax.
- Operations cost (treatment, maintenance, billing, etc.) via rates.

Real Property Taxes

- 75% of debt service via Special Tax District – rate of \$0.52 / \$100.
- 25% of debt service via general tax – rate of \$0.0014 / \$100.
- Covered in rate adopted by County for FY 2014.
- Total tax rate in District: $\$0.6728 + \$0.52 = \$1.1928$
- Total tax rate in Cape Charles: $\$0.6728 + \$0.2759 = \$0.9487$

CC WWTP

- Design capacity of 250K GPD, based on TN & TP discharge limits.
- Actual capacity somewhat higher based on performance.
- Average daily flow for past year is 150K GPD.
- Now about 1,200 Equivalent Residential Connections (125 GPD/ERC).
- About 800 ERCs remain.
- Estimated current new service area demand of 15K to 20K GPD or max of 160 ERCs.
- Plant designed for easy expansion to 500K GPD.

Benefit to Cape Charles

- Economy of scale is important.
- Systems with a small number of customers have relatively high rates.
- < 5,000 average 14% higher than > 5,000. CC has about 1,100.
- CC rate increased significantly due to debt service on new plant.
- About 70% of WWTP operating costs are fixed.
- Adding customers will reduce rate.

Development

- County recognizes economic benefit from CC businesses.
- Planning Commissions need to work together to determine complementary businesses.
- County Economic Development Director will work to attract those businesses.