MINUTES OF FRIENDS OF LANCASTER COUNTY MEETING SEPTEMBER 14, 2005

Joe Urban, Secretary, called the meeting to order at 7 p.m. He introduced the speaker, George Lideker, President of Sedona Resorts, who spoke about the proposed Public Service Authority (PSA).

Presentation: Mr. Lideker provided, as background, the history of Sedona Resorts, which was formed in 1992. He noted that Sedona Resorts are hoteliers, not developers, although he agreed that they do become in development, if only peripherally. He stated that Sedona has made a "gargantuan" commitment in the renovation of the Tides and that his company has a long-term interest in the Tides.

Sedona has two interests, or concerns, regarding the Tides. First, Sedona would like "quality growth" that is compatible with the local character of Lancaster County. Second, the company has a major concern about the area's environmental character, especially in regards to the ground water and Carters Creek. Sedona is supportive of a regional sewer effort. Mr. Lideker stated that he believes it is necessary, and may become mandatory, as was the case in their property in Sedona, AZ. He remarked that such an effort must have a regional focus, that the towns don't have the political clout to institute a PSA on their own.

Mr. Lideker believes that a PSA is an environmental issue, not a growth issue. The county's current Comprehensive Plan notes that the water table is 28 percent (or 1800 homes) of the county is often (i.e., more than once per year), less than 24 inches below ground. This results in pollutants entering the water table for those with shallow wells. He stated that the biggest impact to the Chesapeake Bay is from septic systems, not runoff from agricultural activities.

In summary, Mr. Lideker commented that we should be proactive for quality growth and sensitive to the philosophy of the county's local character. He said that we should create green corridors to protect these areas from development. He also warned that the Virginia Department of Environmental Quality (DEQ) "is coming," and that a regional sewer system should be supported.

Questions and Answers:

Don Reilly asked what was meant by Mr. Lideker's statement, "Restricted, focused growth is in our best interest?" Mr. Lideker responded that we should be activists, but give some slack to "quality growth."

A member stated that we might not derive benefits from a sewer system, but that we will certainly pay for it. Jack Chamberlain said that in Roanoke, businesses spearheaded a sewer system and that we need to be careful of the power of the

PSA. Mr. Lideker agreed; he said that organizational issues can be negotiated and that the system would be funded primarily by its users.

Joe Urban said that the localities of Kilmarnock, Irvington, and White Stone want to go forward with the PSA, but that very little information about a PSA is available. The six-page PSA proposed agreement gives broad powers to the PSA. Joe asked why a PSA was necessary now. Mr. Lideker said that he believed, with the information prepared by the engineering firm setting up the structure, that the PSA had a 25 percent chance of approval by the three towns and the county. He agreed that we should be suspicious of the proposed PSA. Mr. Lideker is not convinced that a PSA will ever be created.

Jerry Hamm wanted to know who is leading the charge for the PSA. Mr. Lideker stated that the County Administrator, Bill Pennell, and the Town of White Stone are active proponents of the PSA, while the Town of Irvington is somewhat less of an active proponent.

Jacquee Albers commented that, if an authority is formed, we need to have accountability – we need to know what the PSA does with the money. She noted that she knew of fraud and corruption in such an authority in New York State.

A member spoke about the estimated \$21 million cost to create the sewer system, and asked how this can realistically be paid for. Mr. Lideker said that he had spoken with the financial consultant for the proposed PSA and that it was his understanding that the county will pay only what they want to pay, that users will pay for the system.

Ken Julian said that money would be needed to put into the infrastructure of the PSA. He stated that sewers won't happen in many parts of the county. Mr. Lideker said that the PSA would be self-funding, that Sedona's objective is to get rid of the Tides' sewer plant.

Joe Urban commented that the current plan is still in the feasibility study phase. Mr. Lideker commented that the engineering study needs to be completed before the financial feasibility can be done. He suggested that we ask the towns to look into this issue.

Nick Ferriter asked how the Tides fits into the PSA. Mr. Lideker said (I did not understand this answer.)

A member asked what Mr. Lideker meant by his statement that the DEQ would mandate sewers "sooner or later," and what were the environmental imperatives in Sedona, AZ. He replied that the Arizona DEQ gave the city deadlines to repair or replace their failing septic systems; when they didn't meet those deadlines, the DEQ mandated sewers.

Bob Hedges stated that we have good systems now, but that water in the aquifer is dropping at an alarming rate.

Lynn Kallus reported on shoreline sanitary surveys that the State had conducted. For 1000 residences in an area in the county, there may be ten "leakers," and in the Windmill Point area, only four. Lynn said that the surveys showed that less that one percent of the septic systems are polluting, that it's agricultural (e.g., cows, pigs) and shellfish industries that are the culprits. If all of the county is on sewers, there will be less than 0.1 percent improvement in the waters of the county, according to Lynn. Both Bob Hedges and Mr. Lideker questioned Lynn's statistics from Virginia's Department of Health.

Joe Urban said that, according to the Chesapeake Bay Foundation, septic systems produced four percent of the nitrogen loading of the Bay. There are dead zones in the Rappahannock River and the Bay. Joe also said that the average septic system discharges 10 pounds of sewage per person per year.

Bob Murphy asked for the dates of the surveys that from which Lynn quoted. The answer was 2004 and 2002.

A member stated that he had read that runoff is the real polluter.

A member asked what the Tides would do if there is no PSA. Mr. Lideker said that Sedona would replace its North plant.

Barbara Dietz asked Mr. Lideker whether the Tides would go to microfiltration is the PSA is not approved. He responded affirmatively. Barbara also asked who funded the PSA study. Mr. Lideker said that the county received a grant for most of the study and that the Tides had contributed a small amount, perhaps \$1500.

A member stated that people should treat septic systems as intended, e.g., not using garbage disposals, pumping them regularly.

Joe thanked Mr. Lideker for his presentation and responding to FOLC questions and answers.

Other business:

Marilyn Hedges, Treasurer, reported that we have 167 dues paying members and a bank balance of \$2070.99.

The Environmental Committee, Barbara Dietz and Lynn Kallus, provided additional information from the shoreline sanitary surveys, stating that there are only about 25 leaking septic systems in the county, but that cows, chickens, hogs and a few shellfish companies provide most of the pollutants. Barbara called the DEQ to see whether we could expect a "knock on the door" that would cause

them to mandate a sewer system for the county. She indicated that this is not DEQ's intent, although the agency is tightening limits on pollutants. DEQ wants Kilmarnock's treatment plant to get nitrogen limits down.

Bob Murphy commented that it is feasible for Rappahannock-Westminster Canterbury (RWC) to comply with DEQ sewer requirements, but that neither the Tides nor RWC want to run their own sewage plants.

Discussion of FOLC's position on the proposed PSA:

Joe Urban said that a sewer system would permit greater development and smaller lot sizes "by right."

Jan Fadely said that, of the seven proposed PSA directors, there would be one from each of the three towns, one from the hospitality industry (i.e., the Tides), one from the retirement industry (i.e., RWC), and two others. She noted that, should a PSA be approved, the decision could be challenged by a petition from 10 percent of the voting population.

Jacquee Albers suggested that, since the PSA hearing on September 29 would be about the six-page agreement, we should list the agreement's deficiencies. It was noted that the agreement also gives the authority power over water, sewer, and trash collection.

Frances Callaghan stated that David Jones expects the PSA to be approved. Don Reilly noted that the similarities between the PSA and the tabled PUD are striking.

Wes McAden moved that we combine two positions in opposing the proposed PSA: oppose the PSA pending more information; and if the PSA is approved, the FOLC will collect petitions to challenge the approval. He stated that we draft a letter to the persons who can approve the agency that the FOLC believes that there is no compelling reason to approve a PSA now, and that it should be deferred until the Comprehensive Plan is revised. Frances Callaghan seconded the motion and it was carried unanimously.

Other business:

Mary Jo Chamberlain moved that we exclude non-paying members of the FOLC from the business portion of the meeting. The motion passed. Mary Jo discussed supporting Ken Julian in his efforts to challenge Butch Jenkins for District 1 Supervisor. Contributions, which are tax-deductible, can be given to Joe Urban, Ken's treasurer.

The meeting adjourned at 9 p.m.