

PRESENT: AUGUSTA COUNTY BOARD OF SUPERVISORS

Gerald W. Garber, Chairman
Jeremy L. Shifflett, Vice-Chairman
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Wendell L. Coleman

PRESENT: AUGUSTA COUNTY SERVICE AUTHORITY

Larry C. Howdysshell, Chairman
Gerald W. Garber
Troy Rutherford
Clifford Cempe
Robert L. Eavers
E. Thomas Jennings
William Hrovat

PRESENT: AUGUSTA COUNTY PLANNING COMMISSION

Kitra Shiflett, Chairman,
Wayne Hite, Vice-Chairman
Steve Bridge
Taylor Cole
Eric Shipplett

ABSENT: Kyle Leonard
James Curd

STAFF: Patrick J. Coffield, Augusta County Administrator
John C. McGehee, Assistant County Administrator
Patrick J. Morgan, Augusta County Attorney
Ken Fanfoni, Executive Director, Augusta County Service Authority
Oscar Beasley, Deputy Executive Director, Augusta County Service Authority
William Monroe, Director of Engineering, Augusta County Service Authority
Debbie White, Director of Finance, Augusta County Service Authority
Sheri Heflin, Augusta County Service Authority Board Secretary
Becky Earhart, Senior Planner, Augusta County
Timmy Fitzgerald, Director of Community Development
Dennis Burnett, Economic Development Director

VIRGINIA: At a joint meeting of the Augusta County Service Authority, Augusta County Planning Commission and the Augusta County Board of Supervisors, held on

Monday, May 24, 2010, at 4:00 p.m., at the Government Center, Verona, Virginia, and in the 234th year of the Commonwealth....

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The meeting was called to order at 4:00 p.m. by Larry Howdysshell for the Augusta County Service Authority Board of Directors and by Kitra Shiflett for the Augusta County Planning Commission. The Augusta County Board of Supervisors was still in session from their earlier staff briefing.

Ms. Becky Earhart briefly discussed the Comprehensive Plans for 1994 and 2007 and explained how Urban Service Areas were designated differently in the two documents. She stated the Urban Service Overlay District was created in 1995 as a way to protect the public investments made in the County's growth areas. She stated the 1995 Urban Service Overlay District boundaries are roughly the same as the 1994 Urban Service Areas. She stated when the County adopted the 2007 Comprehensive Plan, the Urban Service Areas were expanded to include all areas with public water and sewer and those areas where development was expected to be on public water and sewer, even if public water and sewer were not currently available in those areas. When the Board of Supervisors adopted the amended Zoning Ordinance earlier in the year, they adopted the revised text for the Urban Service Overlay District, but did not adopt the new maps which would have made all the Urban Service Areas identified in the 2007 Comprehensive Plan subject to the requirements of the Urban Service Overlay District. The maps were tabled and further consideration of the item is what brought about the worksession.

Ms. Earhart explained the current Urban Service Overlay District regulations which impact entrances on designated thoroughfares, as well as utilization of public water. She stated that with VDOT's new access management regulations, the entrance restrictions in the Urban Service Overlay District are only a minor factor. She stated for the purposes of the worksession, the water and sewer regulations are the primary focus. She briefly reviewed the Urban Service Overlay District regulations.

Ms. Earhart explained that if a property owner wants to get out of the Urban Service Overlay District, they request the property be rezoned to remove the overlay designation. That rezoning is treated like a normal rezoning with comments received from impacted agencies like the Service Authority, notification of adjacent property owners and public hearings by the Planning Commission and Board of Supervisors. The Silver Ridge subdivision is an example of a property that was removed from the Urban Service Area and allowed to develop on large lots without public services.

Ms. Earhart briefly reviewed recent General Assembly legislation that requires localities to designate Urban Development Areas (UDAs) which must accommodate residential growth at higher densities, as well as more intensive commercial development. The

Board of Supervisors passed a resolution on June 24, 2009 stating that the County's Urban Service Areas as designated by the Comprehensive Plan are equivalent to the Urban Development Areas, which are state mandated. The General Assembly has also stated that federal and state money, as well as grant funding, need to go to the Urban Development Areas. .

Mr. Howdyshell called on Ken Fanfoni to outline the Service Authority's concerns. Mr. Fanfoni discussed several issues, including how the Service Authority functions in support of the Comprehensive Plan, concerns regarding development in some of the USA, how the Service Authority and the County might be impacted by decisions made with regard to the USA, and ideas on how to support development in the Comprehensive Plan for areas that are planned for urban service development.

In November 2007, the Service Authority Board of Directors felt if a property was in the USA the intent should be to provide public services. The Board of Supervisors has tabled inclusion of the new USA into the USOD, with the availability of public sewer being a key issue. Much of the area in the new 2007 USA does not have access to public utilities.

One question that has been raised is whether or not developers should be expected to fund line extensions to reach their projects. The Service Authority Board of Directors believes this to be a cost of development, but understands that speculation, geography and debt play a part in this as well.

Mr. Fanfoni discussed three different situations of USA located within the county – Stuarts Draft/ Rt. 340 corridor, Vesper View and Weyers Cave. For Stuarts Draft, he discussed how to get sewer service into some areas, the treatment capacity of the Stuarts Draft Wastewater Treatment Plant, whether some USA can be turned over to the City of Waynesboro, whether line extensions could be phased in over time and who would pay for the line extensions. For Weyers Cave, Mr. Fanfoni pointed out that the new Comprehensive Plan added 70 percent to the USA in the Weyers Cave area. Another issue is that there is limited capacity remaining at the treatment plant and that the estimated cost of expansion is \$25 million. Uncertainty in funding is also an issue. For Vesper View, the new area that was added to the USA is not in the USOD and there are issues with the limited water supply, limited fire flow and limited capacity at the plant. The cost of the improvements in this area will probably exceed the developers' ability or desire to pay and these improvements are not in the Service Authority's CIP.

Individual wells and septic systems, connections to other municipal systems and decentralized treatment systems were discussed as options for expanding the Service Authority's infrastructure. The impacts of using alternatives to the Service Authority's systems were also discussed, as well as reserved capacity issues, which are required by the Service Authority's Revenue Bonds; Chesapeake Bay issues, and federal and state regulations and allocations.

Mr. Fanfoni summarized the concerns of the Service Authority, including whether or not private wells and septic systems will be permitted for new development in USA, whether this will impact the ability to construct (and fund) the extension of utility lines into areas planned for Urban Development, the effect of USA on future infrastructure planning, how the loss of potential customers will impact future revenue sources including higher rates for existing customers, and how higher rates could create a disincentive for economic development.

Mr. Patrick Morgan, legal counsel for Augusta County, discussed possible funding scenarios for the extension of water and/or sewer service in the USAs, including tax increment financing, special service districts, community development authorities, and Service Authority Reserved Capacity (availability) fees. Pump and Haul has also been looked at as a short-term alternative.

The Community Development Department presented the following questions for further discussion by the three bodies:

- Should there be an Urban Service Overlay District?
- Should there be an exemption or waiver process?
- Who should grant waivers and what should be the process?
- Should there be a mandatory connection policy for all new development?
- Should wells and/or septic systems be prohibited for any purpose in an Urban Service Overlay District?
- Should there be an Urban Service Overlay District for Community Development areas?

It was pointed out that each Board, the County, developers and rate payers have a responsibility in this area. Changes to the Comprehensive Plan have directly affected the areas the Service Authority can serve. The mission of the Service Authority is tied to the Comprehensive Plan and looking at a public/private partnership seems like a viable option to consider. It was noted that the Board of Supervisors may have to start thinking about underwriting a water or sewer line to the right place to make smart growth happen.

Each Board was asked to come up with a list of recommendations, from their point of view, and submit the list to Community Development within 45 days. These lists will then be combined and another joint meeting will be scheduled to discuss these steps.

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There being no further business, the meeting was adjourned at 6:05 p.m.

Secretary

Chairman