

Hampton Roads Planning District Commission
Quarterly Commission Meeting
Minutes of January 20, 2011

The Annual Commission Meeting of the Hampton Roads Planning District Commission was called to order at 9:30 a.m. at the Regional Boardroom, 723 Woodlake Drive, Chesapeake, Virginia, with the following in attendance:

COMMISSIONERS:

Thomas G. Shepperd, Jr. Vice Chairman (YK)	McKinley Price, D.DS(NN)
Dr. Alan P. Krasnoff (CH)*	Stanley Stein (NO)
Amar Dwarkanath (CH)	J. Randall Wheeler (PQ)
Clifton E. Hayes, Jr. (CH)	Kenneth L. Chandler (PO)
Ella Ward (CH)	Selena Cuffee-Glenn (SU)
Greg McLemore (FR)	Tyrone W. Franklin (SY)
Brenda Garton (GL)*	John Seward (SY)
Gregory Woodard (GL)	Harry E. Diezel (VB)
Ross A. Kearney (HA)	Robert M. Dyer (VB)
Mary Bunting (HA)	Barbara M. Henley (VB)
W. Douglas Caskey (IW)	Louis R. Jones (VB)
Bruce Goodson (JC)	William D. Sessoms (VB)*
Robert Middaugh (JC)	James Spore (VB)*
Neil A. Morgan (NN)	Jackson C. Tuttle II (WM)

Executive Director:

Dwight L. Farmer

*Late arrival or early departure.

ABSENT:

William E. Harrell (CH), June Fleming (FR), Molly Joseph Ward (HA), Stan D. Clark (IW), Paul D. Fraim (NO), Anthony Burfoot (NO), Thomas Smigiel (NO), Theresa Whibley, MD (NO), Sharon Scott (NN), Gordon C. Helsel (PQ), Kenneth Wright (PO), Michael W. Johnson (SH), Anita Felts (SH), Linda T. Johnson (SU), John E. Uhrin (VB), Clyde Haulman (WM), James O. McReynolds (YK).

OTHERS RECORDED ATTENDING:

John Gergely, Henry Ryto, Steve Klute & Drake Hoffman (Citizens); Earl Sorey (CH), Keith Cannady, Dianne R. Foster, & Brian DeProfio (HA); Beverly Walkup (IW); Jeff Raliski (NO), Eric Nielsen (SU), Tom Slaughter (NN), Laura Kirkwood – HRSD; Bob Burnley - Wise Energy of VA; Kim Vlahes – Hopes, Inc.; Darrell Morse – Sunbelt Rentals; Dean McClain, HRCC; Donna Morris – HRP; Mark Geduldig-Yatrofsky – Portsmouth City Watch, Org.; Peter Huber – Wilcox & Savage; Germaine Fleet – Biggs & Fleet; Staff: John Carlock, Rick Case, James Clary, Jennifer Coleman, Nancy Collins, Natalie Easterday, Richard Flannery, Kathlene Grauberger, Greg Grootendorst, Lisa Hardy, Julia Hillegass, Jim Hummer, Rob Jacobs, Whitney Katchmark, Sara Kidd, Michael Kimbrel, Robert Lawrence, Jay McBride, Ben McFarlane, Keith Nichols, Kelli Peterson, Camelia Ravanbakht, Jenny Redick, Katie Rider, John Sadler, Tiffany Smith, Jennifer Tribo, Joe Turner and Chris Vaigneur.

PUBLIC COMMENTS

One person requested to address the Hampton Road Planning District Commission.

Bob Burnley

Thank you, Mr. Chairman and Commission members. Thank you again for being so accommodating. My Name is Bob Burnley, environmental advisor from Richmond. I am here today on behalf of Wise Energy from Virginia a coalition of clean energy and clean air advocates. I will be very brief. When I was here last month, I spoke to you about the costs to your local governments and citizens that will be associated with the coal and fired power plant, Cypress Creek Power Station, if that plant is built. You will be responsible for cleaning up nitrogen from the land and water that was put there by that plant. And today, I know that you are going to receive recommendations from your staff about the new Chesapeake Bay TMDL requirements. I just urge you to keep in mind during any conservation that you have about TMDLs and TMDL costs that if this power plant is built, you will be required to pay for cleaning up nitrogen that is emitted from the plant, and fall on your communities and the Chesapeake Bay. Thank You

Vice Chairman Shepperd stated this concludes the public comment session.

APPROVAL/MODIFICATION OF AGENDA

Vice Chairman Shepperd stated under New Business there is one item to be addressed, a Contract with the City of Franklin for the Franklin Comprehensive Plan.

CONSENT AGENDA

The Consent Agenda contained the following items:

Minutes of December 15, 2010 Meeting

Treasurer's Report

Regional Reviews

A. PNRS Items Review

Chesapeake Bay Program Office FY 2010 Request for Proposals for Communications, Outreach and Education

B. Environmental Impact Assessment/Statement Review

Mason Creek Canal Bulkhead Replacement, Naval Station Norfolk, DoD/Department of the Navy

Revision and Reissuance of Regional Permit 5 for the Construction of Small Impoundments, U.S. Army Corps of Engineers

Resident Hall V, Christopher Newport University

Nationwide Use of High Frequency and Ultra High Frequency SONAR Technology,
DHS/U.S. Coast Guard

Commissioner Goodson Moved to approve the Consent Agenda; seconded by Commissioner Kearney. The Motion Carried.

CHESAPEAKE BAY TOTAL MAXIMUM DAILY LOAD (TMDL) RECOMMENDED LOCAL GOVERNMENT ACTIONS

Vice Chairman Shepperd introduced Ms. Whitney Katchmark to present the Chesapeake Bay Total Maximum Daily Load Recommended Local Government Actions.

Ms. Katchmark stated EPA has accepted Virginia's Watershed Implementation Plan in the final TMDL. She also stated the HRPDC Board developed a subcommittee to discuss what the HRPDC could do to help the local governments. The subcommittee suggested the HRPDC staff develop a couple of short briefing papers to help explain to the public what the TMDL is about and what is required from EPA. Also discussed was how HRPDC could share its concerns about proposed state legislation. The HRPDC staff will send emails to the Commissioners and legislative liaisons highlighting the concerns and impacts TMDL have on localities and keep the Congressional Delegation staff informed.

Ms. Katchmark also indicated the Commission had talked about legal options for the localities to appeal the recommend actions. Mr. Dave Evans, Attorney with McGuire Woods will put together comments on the draft TMDL after talking with the city and county attorneys.

Ms. Katchmark indicated Phase II of the Watershed Implementation Plan is due by November 2011. EPA recently released its fact sheet and reiterated its expectation. EPA expects the nutrient reductions to be divided into smaller scales such as localities or sub-watershed. EPA wants to know what actions the localities are taking to get to those reductions. The state has not identified a process or guidelines on how the localities are to implement the practices to meet interim water quality goals. HRPDC staff is recommending creating a regional framework to coordinate data collection, data analysis and policy development. The long term objective is to identify what programs and projects the localities need and how much it would cost and conserve budgeting. The short term objective is to look at the model data and compare it to local data. The data needed to compare model data to local data is impervious cover, the number of BMPs and the number of septic tanks. These factors drive the pollution load and give a sense of what else is needed to meet those targets.

Ms. Katchmark gave details for the next step which is data collection to determine what the localities need; what data is available and who has it; and find alternatives for collecting missing data, such as cost estimates; and develop regional data standards so localities can determine how they want to get their data and still have the benefit and flexibility to do a regional analysis and avoid internal data disputes within the region. The next step is data analysis. A regional framework for data analysis needs to be developed. Assumptions,

such as pollution loading rates and BMP efficiencies, need to be defined in order to evaluate the most cost effective and efficient strategies.

Ms. Katchmark stated one of the benefits the localities have is to work as a region and feed changes to the model. The region is arguing the same points instead of each locality trying to negotiate and get changes in a short period of time, and doing regional framework, working together to make plans fit together. The benefit of this is if they fit together the EPA will be satisfied with the Phase II Implementation Plan and we could avoid those backstops that were previously discussed.

Ms. Katchmark stated there are three recommendations for the Commission to approve; a) approve the Chesapeake Bay TMDL Resolution; b) authorize HRPDC staff to develop a Regional framework for Phase II Watershed Implementation Plan; and c) authorize HRPDC staff to establish a steering committee of Source sector representatives.

(Commissioners Krasnoff and Spore arrive)

Vice Chairman Shepperd stated the Commission could approve the recommendations as one item, but he wanted to approach each item separately to make sure the Commission had an understanding of what was approved.

Commissioner Goodson Moved to approve the Chesapeake Bay TMDL Resolution; seconded by Commissioner Woodard. The Motion Carried.

Vice Chairman Shepperd asked for a motion to authorized HRPDC staff to develop a regional framework for the Phase II Watershed Implementation Plan that will be submitted by December 31, 2011.

Mr. Farmer stated the localities are at different levels in terms of data collection. The HRPDC staff wants to get everyone at the same level so that HRPDC can move forward on legal or technical strategies.

Commissioner Kearney asked that the Commissioners be informed of the process as it develops.

Mr. Farmer stated the Commissioners will be informed on a monthly basis.

Commissioner Kearney Moved to authorize HRPDC staff to develop a regional framework for Phase II Watershed Implementation Plan; seconded by Commissioner Price. The Motion Carried.

Vice Chairman Shepperd asked for a motion to authorize the HRPDC staff to establish a steering committee of source sector representatives.

Commissioner Jones Moved to authorize the HRPDC staff to establish a steering Committee of source sector representatives; seconded by Commissioner Kearney. The Motion Carried.

2011 ECONOMIC FORECAST

Vice Chairman Shepperd introduced Mr. Greg Grootendorst to present the 2011 Economic Forecast.

Mr. Grootendorst stated over the past several months HRPDC has been providing special reports on the HRPDC website when there have been significant developments in the regional economy. He indicated the HRPDC staff receives multiple requests from Commissioners, jurisdiction staff members, and regional organizations on what the economic impact has been on Hampton Roads, how it impacts the region and what can be expected. HRPDC staff decided to be proactive and produce special reports that can be viewed on the HRPDC website.

Mr. Grootendorst indicated the HRPDC staff has been presenting the regional economic forecast since 1990. January of each year is an exciting time for economists as they speculate on what is going to happen with the economy because there are so many unknowns. The dominant issue this year is the recession. Starting in December 2007, the upsets in the economy including the housing market crash, mortgage crisis, flawed securities, credit tightening, also a massive global impact, consumer confidence, decreased consumer demand, decreased employment and a large increase in unemployment indicate where the region is today. There was a 145% increase in fuel prices from February of 2007 through June of 2008 as well. There was a collapse in housing. The nation lost 8.4 million jobs since the beginning of the recession.

Mr. Grootendorst stated the recession in 2001 was a jobless recovery, where employment did not come back. Many of the older recessions were more industrial based-when the demand picked up, people went back to their own jobs. The general rule is Hampton Roads would have to grow approximately five percent each year to reduce the unemployment rate by one percent. Personal consumption expenditure makes up two-thirds of gross products. It is very important that people get back into the market place and start spending money in order to increase employment. Travel, tourism and leisure spending are the first to drop when people are uncertain about cut backs. The Hampton Roads area was not impacted as much as some of the areas in the country. Increased personal debt payments are reflected in the savings rate when people pay off credit cards or student loans.

With the recession on everyone's mind, people are more concerned about their finances and have increased their savings rates by paying down debt. Increased savings rates translate into decreased expenditures, which have a negative impact on economic output. This new focus on savings has led some to believe that the savings rate is likely to remain elevated, however, as baby boomers begin to retire they will start to draw down on their savings. Regardless of savings rates, consumption will continue to remain weak as long as consumer confidence is low and unemployment rates stay elevated.

Mr. Grootendorst indicated housing prices continue to drop. Housing prices are still going down and this trend is expected to continue for a little longer. An increase in gas prices

has preceded most recessions. Gas prices had a 145% increase and economists are looking toward the future seeing housing prices, gas prices and the forecast climbing.

Mr. Grootendorst presented a slide which showed employment growth in Hampton Roads had declined and approximately 50,000 jobs were lost in this region. Hampton Roads lost jobs in retail, natural resources, construction and manufacturing. Since December 2009, there has been an increase in jobs, but not necessarily from the jobs that were lost. Real employment increases did not start occurring until 2010.

Mr. Grootendorst stated the issue that is most important to this region is Joint Forces Command. The most recent information indicated there will be about 1,945 jobs lost in direct employment in the next year. The indirect employment loss will happen later. The total lost in jobs would be almost 4,000 in the coming year. The Hampton Roads forecast is 2.2% growth which is below the national rate.

Commissioner Ward asked that the data that was used in reference to the 2009 forecast be printed.

Mr. Grootendorst indicated he would have the information printed for distribution.

Vice Chairman Shepperd asked for a motion to release the 2011 Economic Forecast.

Commissioner Franklin Moved to release the 2011 Economic Forecast; seconded by Commissioner Price. The Motion carried.

(Commissioners Sessoms and Garton arrive)

BYLAWS AMENDMENT – FIRST READING

Vice Chairman Shepperd stated in accordance with the HRPDC Bylaws any proposed amendments to the Bylaws must be presented in writing and read at any regular meeting of the Commission. The Proposed amendment to the HRPDC Bylaws is to change the HRPDC meeting day to the Third Thursday of each month.

Commissioner Kearney Moved to approve the Bylaws Amendment; seconded By Commissioner Krasnoff. The Motion carried.

HRPDC ACTION ITEMS: THREE MONTH TENTATIVE SCHEDULE

Vice Chairman Sheppard indicated the HRPDC staff developed a tentative schedule for issues that will come before the Commission for action over the next three months.

Commissioner Franklin Moved to approve the three month tentative schedule; seconded By Commissioner Caskey. The Motion carried.

PROJECT STATUS REPORT

No questions or comments.

CORRESPONDENCE OF INTEREST

No questions or comments.

OLD/NEW BUSINESS

Vice Chairman Shepperd indicated there was one new business item for review, the Franklin Comprehensive Plan.

Mr. Farmer stated his request is to give staff permission to execute a contract with the City of Franklin to assist with its Comprehensive Plan.

Commissioner Kearney Moved to authorize the HRPDC staff to execute a contract with the City of Franklin for the Franklin Comprehensive Plan; seconded by Commissioner Garton. The Motion Carried.

ADJOURNMENT

With no further business to come before the Hampton Roads Planning District Commission, the meeting adjourned at 10:22 a.m.

Stan D. Clark
Chairman

Dwight L. Farmer
Executive Director/Secretary