

**SPECIAL TOWN COUNCIL MEETING
AND WORK SESSION
SEPTEMBER 13, 2007
6:00 P.M.**

COUNCIL MEMBERS PRESENT:

**Kathyanne Runniger
Duke Shannahan
Kay Wescott**

**George Miles
Fletcher Fosque
Maphis Oswald**

OTHERS PRESENT AT WORK SESSION:

**Cela Berge, Onley Attorney
Laura Belle Gordy
Katrina Hickman, Onley Twn. Mgr.
Emory Hurst
John W. Kellam, Onley Mayor**

**Pat Morrison
Jack Pierson, Onley Council
Jaime Replogle, Onley Treas.
Bob Runniger
Mark Taylor, County Attorney
Todd Thornes, Onley Council**

Mayor Paone brought the meeting to order and introduced Diane Smith, the Town Auditor.

Mrs. Smith addressed the draft Auditor's Report for the Town's FY 2006-2007. She explained that pg. 5 shows the General Fund balance sheet, which is the operating fund for Onancock consisting of major revenues, rehabilitation funds and police seizure funds (the latter two being "other governmental funds"). "Investments" are certificates of deposit, and "Cash and Equivalent" include cash, general checking, payroll, Mayors' Assn. and premium business accounts and a money market account. Pg. 7 is an income statement for the General Fund. Pg. 9 depicts revenue and expenditure figures compared with the budget. Pg. 27 shows the detail of the rehab and seizure funds and pg. 28 is the revenue and expenditures. Pgs. 29-34 are the meat of the report showing breakdown of what actual revenue was to the budget revenue. The positive variance in revenues offset the overrun in expenditures for a favorable fund balance variance of \$54,832.

Pg. 10 is the income statement for water and sewer services. Construction costs are accrued until the project is put into service, then it is depreciated. The footnotes on pgs. 22 & 23 refer to long-term obligations. The water project should be finished by the end of this year, thereby depreciation will be started. Project costs are paid first, then reimbursed. Onancock must have seed money to start a large project, because some bills must be paid before money comes in from loans/grants. Any current water/sewer revenue overage may be needed for cost overruns on the water and/or sewer projects. The pg. 19 footnote explains the differences in the income statement. Pg. 21 shows the governmental fund, which is rolled up into Gadsby 34 – you can see what is in land, buildings, infrastructure, equipment and what the accumulated depreciation is on these items.

Mayor Paone closed this portion of the Council meeting at 6:52 p.m.

At 7:00 p.m. John W. Kellam, Mayor of Onley called the Onley Town Council and Onancock Town Council joint meeting to order. Members of both Councils introduced themselves. Susan D. Scott, Onancock Town Manager, voiced that the intent of this meeting was to discuss the previous request from the former Onley Zoning Administrator to hook to Onancock's wastewater plant for Four Corners mall and Chesapeake Square mall on Route 13.

Onancock is building a 750,000 gallon per day wastewater plant with a membrane bioreactor system. The modules will be up to the limits of technology. The Town currently runs 175,000 – 280,000 gpd on an average. We will have additional capacity when the plant is completed if the Town of Onley would like to make a deal to join our line. This meeting is to open discussion regarding this issue. For this to work, it has to be economically viable for both Towns. Discussion followed. It was announced that a special meeting was called by the Accomack County Board of Supervisors for October 4th at 7 p.m. for the study by the County engineers to be presented. Onley has 257 homes with 496 people.

Todd Thornes thought it improper to discuss Chesapeake Square at this time, as it is not a part of Onley. Onancock cannot give anyone any more capacity until our plant is built, and should be operational by March 2010 (or 12/31/10 at the latest). Mr. Thornes wondered who would have to hook up, when, etc. Onancock had mandatory hook up at a reduced rate. In the Mt. Prospect annexed area, as long as current septic system was working, one would not have to hook up until system failed.

The Town Manager explained that Onancock is trying to recover our debt service and put aside a reserve for the next necessary wastewater plant in 40 years. This is not a profit-making venture. If Onley hooked up, it would help us with our debt load. Our fees are the same whether it is a residence or a business. The IDA line is the only one with a sewer meter. A flat rate could be charged Onley residents. Onley would need to investigate the cost of running lines, paying the debt service, and what the hook up fees would be. Onancock would have the sewer meter here to read like we do for IDA. Onley could also build their own collection system. Further discussion ensued.

Cela Berge questioned if Onancock might be interested in handling Onley's utility billing. The Town Manager felt that this could be considered by Council.

The Town Manager suggested the end of October or November as a time for Onley and Onancock to meet with Accomack County.

Mayor Paone and Mayor Kellam closed the joint meeting at 7:45 p.m.

**Susan D. Scott
Town Manager**

**Bruce Paone
Mayor**

