

October 28, 2015

Memorandum #2015-137

TO: Chief Administrative Officers

BY: James Bourey, Chair

RE: Chief Administrative Officers Meeting – November 4, 2015

The next meeting of the Chief Administrative Officers will be held on November 4, 2015 at 11:30 a.m. in the Willcox & Savage Board Room, Wells Fargo Tower 22nd Floor, 440 Monticello Avenue, Norfolk.

The agenda and related materials are attached.

BC/jc

Chief Administrative Officers:

James E. Baker, CH

Jim Bourey, NN

Mary Bunting, HA

Marvin Collins, WM

Tyrone W. Franklin, SY

Bryan J. Hill, JC

Michael W. Johnson, SH

Marcus Jones, NO

R. Randy Martin, FR

Neil Morgan, YK

Lydia Pettis Patton, PO

Patrick Roberts, SU

Anne Seward, IW

James K. Spore, VB

Michael Stallings, WINDSOR

Peter M. Stephenson AICP, SM

Sanford Wanner, GL

J. Randall Wheeler, PQ

**Hampton Roads
Chief Administrative Officer (CAO) Meeting**

**November 4, 2015
11:45 am
(lunch served beginning at 11:30 a.m.)**

**Willcox & Savage Board Room
Wells Fargo Tower, 22nd Floor
440 Monticello Avenue
Norfolk, Virginia 23510**

I. Call to Order

II. Meeting Minutes

The summary minutes from the October 7, 2015 Regional CAO Committee meeting are attached for the Committee's review and approval.

Attachment II: October 7, 2015 Summary Minutes

III. Public Comment Period (Limit 3 minutes per individual)

IV. Proposed Groundwater Withdrawal Conservation Incentive Program

The Virginia Department of Environmental Quality (DEQ) has advised the eleven largest groundwater withdrawal permit holders within the Eastern Virginia Groundwater Management Area, inclusive of Hampton Roads, of the DEQ's intent to reduce existing permitted groundwater withdrawal capacities by over 50%. The DEQ's anticipated action is in response to declining aquifer levels and modeled future impacts of increased use of groundwater aquifers.

To assist with minimizing immediate impacts to the permit holders and to ensure future water planning certainty, the Western Tidewater Water Authority legal counsel and technical committee have developed and discussed with DEQ a proposed withdrawal reduction incentive program. This program is anticipated to benefit all parties while

providing long-term protection to the aquifers. Mr. Albert S. Moor, City of Suffolk Public Utilities Director, will provide a briefing on the Groundwater Withdrawal Reduction Incentive Program concept.

The CAOs will have the opportunity to discuss and provide input on this proposal.

Attachment IV: Draft legislation (10-13-15), Groundwater Withdrawal Conservation Incentive and Regulatory Certainty Program

V. Transportation Funding Challenges

At last month's CAO meeting, Isle of Wight County Administrator, Anne Seward, discussed the challenges rural jurisdictions are experiencing in their attempt to secure funding for transportation projects. There was a consensus that this item would be included on this month's agenda for discussion.

Ms. Seward and Mr. Crum will lead the discussion of this item. In addition, Mr. Crum will provide an update on the HB2 funding process.

VI. Regional Interest Items

The Region's CAOs are asked to discuss issues or concerns within their localities that may be of regional interest.

VII. Other Business

VIII. Next Meeting

The next meeting of the Regional CAO Committee will occur on December 2, 2015 at 11:30 a.m.

IX. Adjournment

Hampton Roads Planning District Commission
Chief Administrative Officers Meeting
Summary Minutes of October 7, 2015

The Chief Administrative Officers Meeting was called to order at 11:45 a.m. in the James Room, Fountain Plaza II, City Center, Newport News, Virginia, with the following in attendance:

Jim Baker (CH)
Randy Martin (FR)
Sandy Wanner (GL)
Mary Bunting (HA)
Anne Seward (IW)
Bryan Hill (JC)
Jim Bourey (NN)
Marcus Jones (NO)

Randy Wheeler (PQ)
Mike Johnson (SH)
Peter Stephenson (SM)
Patrick Roberts (SU)
Tyrone Franklin (SY)
Jim Spore (VB)
Marvin Collins (WM)
Neil Morgan (YK)

Others Recorded Attending:

Erin N. Carter (U.S. Senator Warner)
Drew Lumpkin (U.S. Senator Warner)
George McLeod (Old Dominion University)
Bob Crum (HRPDC)

Randy Keaton (HRPDC)
Whitney Katchmark (HRPDC)
Sara Kidd (HRPDC)
Ben McFarlane (HRPDC)

Sea Level Rise Program

The first item on the on the agenda was a discussion of regional sea level rise efforts. Mr. Crum reviewed survey results of the Region's CAOs. This survey asked the CAOs to identify potential areas of focus for a regional sea level rise planning effort that could be coordinated by the HRPDC. Mr. Crum noted that the top two priority work tasks identified by the CAOs were as follows:

- Create a Regional Map of Existing Recurrent Flooding Areas
- Select a Sea Level Rise scenario including year and sea level rise amount and explain this information to the public.

Following conversation, the CAOs noted that another work task which received significant votes was the development of regional criteria and identify a priority list of sea level rise projects. This work task would help the Region determine what projects/issues related to sea level rise warranted a regional response, and should replace the task related to a planning scenario/year/amount. It was the consensus of the CAO Committee to proceed in this direction.

Mr. Crum proceeded to discuss the Old Dominion University (ODU) Pilot Project, and presented an outline of potential coordination in regards to sea level rise efforts at ODU and the HRPDC. Mr. Crum reviewed proposed correspondence to ODU which would outline

the coordinated approach, and by consensus the CAO Committee endorsed Mr. Crum forwarding this correspondence to ODU representatives.

The CAO Committee proceeded to have a broader conversation about sea level rise, noting the HRPDC program should be referred to as “Coastal Resiliency”. The CAOs agreed the HRPDC could play a very important coordination role around coastal resiliency activities in the Region.

Regional Geographic Information System (GIS) Initiative

Mr. George McLeod, Assistant Director for Geospatial & Visualization Systems at Old Dominion University, briefed the CAOs on the potential to develop a Regional GIS initiative. The vision is to create a system that enables automated and seamless data sharing and integration across jurisdiction boundaries.

Mr. McLeod reported that The Blue Moon Foundation invited ODU, in partnership with the HRPDC, to develop a proposal for an integrated Regional GIS system which would increase community resilience and improve Hampton Roads’ ability to plan for the future. The Regional GIS would allow information to be readily shared between jurisdictions and would set the Region apart from others through collective action and cooperation. Mr. McLeod stressed that the jurisdictions were the clients or community partners for this system, and noted that the approach to be used would be for staff from these localities to develop the framework of the system. By including jurisdictions in the developmental phase of the GIS, a system would be developed that would meet the needs of the localities.

Mr. McLeod reviewed future meetings and schedule for this project, noting that the goal would be to work with the jurisdiction’s GIS staffs to submit a proposal to the Blue Moon Fund in the first quarter of 2016.

The CAO Committee members concurred this was an exciting opportunity for the Hampton Roads Region, and committed the participation of locality GIS staffs to participate in the development of this Regional GIS initiative.

Public School Funding

Mr. Baker presented a three phased plan to identify and implement sustainable school funding and its impact on the current city budget. The CAO Committee discussed the information and shared information on collaborative approaches which have been successful in their jurisdictions.

Transportation Funding

Ms. Seward presented information on the challenges rural jurisdictions face in competing for transportation funding. She noted that under HB2, the top criteria for ranking transportation projects was congestion levels, and explained this criteria will impede Isle of Wight County in competing for funding. Additionally, she noted that jurisdiction’s

residents contribute to the Hampton Roads Transportation Fund, but none of the regional priority projects are located in Isle of Wight County. Ms. Seward suggested a future topic for conversation for the CAOs should include transportation funding in rural jurisdictions.

Topics and Structure of Future CAO Meetings

The CAOs held discussion regarding potential topics for CAO meetings. The consensus was that information sharing and dialogue at these meetings was beneficial, and that the group should continue to meet on a monthly basis. A regular meeting date was set for the first Wednesday of each month at 11:30 am, with meetings rotating between the southside and the peninsula.

Members noted that the time limitation for 2 hour meetings makes it difficult to address all issues that should be discussed. The possibility of scheduling a retreat, possibly in concert with another meeting or event, should be considered. The role that the CAOs can play in the regional process was also discussed.

Adjournment

There being no further business to come before the Regional CAO Committee, the meeting was adjourned at 1:30 pm.

Respectfully Submitted,

Robert Crum,
Secretary

1 **GROUND WATER WITHDRAWAL CONSERVATION INCENTIVE**
2 **AND REGULATORY CERTAINTY PROGRAM**
3 **10/13/15 DRAFT**

4
5 **BILL NO. _____**

6 *A BILL to amend the Code of Virginia by adding a section numbered [62.1-266.1](#), relating to*
7 *establishment of the Eastern Virginia Groundwater Management Advisory Committee.*

8
9 **Be it enacted by the General Assembly of Virginia:**

10 **1. That § 62.1-266 is amended and reenacted and that the Code of Virginia is amended by**
11 **adding a section numbered § 62.1-266.1 as follows:**

12
13 § 62.1-266. Ground water withdrawal permits.

14
15 C. All ground water withdrawal permits issued by the Board under this chapter shall have a fixed
16 term not to exceed ten years, *except where a longer term is established under § 62.1-266.1*. The
17 term of a ground water withdrawal permit issued by the Board shall not be extended by
18 modification beyond the maximum duration, and the permit shall expire at the end of the term
19 unless a complete application for a new permit has been filed in a timely manner as required by
20 the regulations of the Board, and the Board is unable, through no fault of the permittee, to issue a
21 new permit before the expiration date of the previous permit. Any permit to withdraw ground
22 water issued by the Board on or after July 1, 1991, and prior to July 1, 1992, shall expire ten
23 years after the date of its issuance.

24
25 § 62.1-266.1. *Ground water conservation incentive program.*

26
27 A. *The Board shall implement a voluntary ground water conservation incentive program as*
28 *provided in this section. The purpose of this program is to provide incentives to participating*
29 *permittees so as to encourage and support a substantial reduction in reliance upon ground water*
30 *or equivalent ground water alternative options, transition to alternative sources, and*
31 *development of necessary infrastructure.*

32
33 B. *Each permittee that agrees by September 30, 2016 to either (1) accept a 50 percent reduction*
34 *in its authorized withdrawal amount from the amount authorized by its permit or certificate in*
35 *effect as of December 31, 2015 or (2) achieve a comparable level of conservation by any*
36 *combination of authorized withdrawal amount reduction and alternative options approved by the*
37 *Board, shall qualify for a water supply transition period pursuant to subsection C and a*
38 *regulatory certainty period pursuant to subsection D. The permittee's agreement shall be made*
39 *on a commitment form provided by the Board solely for the purpose of documenting the*
40 *permittee's participation based on the above qualification criteria. The purpose of the above*
41 *qualification criteria is solely to establish the permittee's eligibility for the incentive program,*
42 *and such criteria shall not be construed to limit the Board's authority to establish authorized*
43 *withdrawal amounts in higher or lower amounts by permit.*

44
45 C. *A permit pursuant to this incentive program shall establish a practicable transition period not*
46 *to exceed 15 years taking into account (1) the feasibility, cost and affordability of securing any*

47 alternative source, (2) the feasibility, cost and affordability of constructing any necessary
48 infrastructure, (3) existing investments in and outstanding public debt for ground water-related
49 infrastructure, and (4) other relevant factors. During this transition period (1) the authorized
50 withdrawal amount as of December 31, 2015, or such other amount established by the Board in
51 the permit including any phased implementation of the overall reduction, shall apply, and (2) the
52 permittee shall take all necessary actions to achieve transition in accordance with a plan and
53 schedule developed by the permittee and approved by the Board as a requirement of the permit.
54 Upon the conclusion of the transition period, the reduced withdrawal amount shall apply.

55
56 *D. Notwithstanding any other provision of this chapter, each permittee that agrees to the*
57 *qualification criteria under subsection B shall be entitled a regulatory certainty period of 20*
58 *years during which the withdrawal amount shall not be reduced further, except in the limited*
59 *circumstances under subsection F. The regulatory certainty period shall begin at the expiration*
60 *of the transition period.*

61
62 *E. For each permittee that agrees to the qualification criteria under subsection B, the Board*
63 *shall issue a permit providing the incentives set forth in this section. The term of such permit*
64 *shall be for a fixed period through the end date of the regulatory certainty period.*

65
66 *F. The withdrawal amount, transition period, or regulatory certainty period established pursuant*
67 *to this section shall not be amended or revoked by the Board except (1) in exceptional*
68 *circumstances as warranted under subsection E of § 62.1-266, (2) in the case of an industrial or*
69 *commercial facility permittee that closes its facility or substantially reduces its operations, or (3)*
70 *if the permittee consents to such reduction.*

71
72 *G. Authorized temporary uses for drought relief or emergency situations shall be excluded from*
73 *any determinations regarding attainment of the qualification criteria applicable under this*
74 *section.*

75
76 *H. For any permit issued between January 1, 2013 and July 1, 2016 with a reduction of 50*
77 *percent or more in its authorized withdrawal amount from the amount authorized by the permit*
78 *or certificate in effect as of January 1, 2013, upon the request of the permittee the Board shall*
79 *modify the permit to add a regulatory certainty period consistent with subsection D and conform*
80 *the term in accordance with subsection E. The process for such revisions shall be those applied*
81 *by the Board to minor modifications.*

82
83 *I. As part of the plan and schedule required by subsection C, the permittee may propose and the*
84 *Board shall consider, without limitation, any alternative options identified by § 62.1-256.1 or the*
85 *Eastern Virginia Groundwater Management Advisory Committee established thereunder,*
86 *including water reclamation and reuse, ground water recharge, desalination, or surface water*
87 *options. With the approval of the Board, the permittee may modify any previously approved plan*
88 *and schedule pursuant to subsection C to use or participate in any alternative options*
89 *recommended by such committee in its report required under subsection C of § 62.1-256.1. In*
90 *connection with any such plan and schedule modification, the permittee may also apply for, and*
91 *DEQ shall give priority consideration to, a permit modification to restore the permittee's*
92 *previous authorized withdrawal amount.*