




**MIDDLE PENINSULA
PLANNING DISTRICT COMMISSION**

MEMORANDUM

TO: MPPDC Board of Commissioners
FROM: Lewis Lawrence, Executive Director 
DATE: October 27, 2021
RE: October Commission Meeting

COMMISSIONERS

Essex County
Hon. Edwin E. Smith, Jr.
Hon. John C. Magruder
Ms. Sarah Pope
Mr. Michael A. Lombardo

Town of Tappahannock
Hon. Fleet Dillard

Gloucester County
Hon. Ashley C. Chriscoe
(Vice-Chairman)
Hon. Michael R. Winebarger
Dr. William G. Reay
Mr. J. Brent Fedors

King and Queen County
Hon. Sherrin C. Alsop
Hon. R. F. Bailey
Mr. Thomas J. Swartzwelder
(Chairman)

King William County
Hon. Ed Moren, Jr.
Hon. Travis J. Moskalski
(Treasurer)
Mr. Otto Williams

Town of West Point
Hon. James Pruett
Mr. John Edwards

Mathews County
Hon. Michael C. Rowe
Hon. Melissa Mason
Mr. Thornton Hill

Middlesex County
Hon. Wayne H. Jessie, Sr.
Hon. Reggie Williams, Sr.
Mr. Gordon E. White

Town of Urbanna
Hon. Marjorie Austin

Secretary/Director
Mr. Lewis L. Lawrence

The Middle Peninsula Planning District Commission will host its monthly meeting on Wednesday, October 27, 2021 at 7:00 p.m. in the Regional Board Room at the Middle Peninsula Planning District Commission office in Saluda.

*Dr Williams is encouraging the use of masks for all indoor gatherings. This is not a requirement of the CDC or the Governor, but it's still sound advice. If any Commissioner desires a mask for the meeting, staff will provide such.

Enclosed are the October meeting agenda and supporting materials for your review prior to the meeting.

If you have any questions concerning material in your agenda packet, please give me a call at 804-758-2311 or email me at LLawrence@mppdc.com.

I look forward to seeing you on **October 27th**!

This Page Left Intentionally Blank

Middle Peninsula Planning District Commission Meeting

7:00 P.M.


Wednesday, October 27, 2021

125 Bowden Street

Saluda VA 23149

- I. Welcome and Introductions
- II. Approval of September Minutes
- III. Approval of Financial Report for September
- IV. Executive Director's Report on Staff Activities for the month of October
- V. MPCBPAA Update
- VI. MPA Update
- VII. MPPDC Public Relations/Communications Update
- VIII. Public Comment

AGENDA ITEMS FOR DISCUSSION

- IX. Middle Peninsula Dredging Discussion Part I
 - o MPPDC Dredging Plan Executive Summary
 - o Draft Middle Peninsula Local Government Dredging Implementation Plan
 [DRAFT 8-14-21 Dredging Implementation Plan \(Complete\).pdf](#)
- X. Virginia Port Authority Waterway Maintenance Fund Priority
- XI. DCR Flood Fund Status and Open Discussion
- XII. General Assembly Update
- XIII. Other Business
- XIV. Adjournment

This Page Left Intentionally Blank

MIDDLE PENINSULA PLANNING DISTRICT COMMISSION
September 22, 2021

I. Welcome and Introductions

The monthly meeting of the Middle Peninsula Planning District Commission was held in the Regional Board Room at the Middle Peninsula Planning District Commission office in Saluda, Virginia on Wednesday, September 22, 2021, at 7:00 p.m. MPPDC Vice-Chairman Chriscoe welcomed new Commissioner Fleet Dillard, representing the Town of Tappahannock, and everyone in attendance.

Commissioners Present

Essex County: Edwin “Bud” Smith, Jr., Sarah Pope
Gloucester County: Ashley Chriscoe, Carol Steele
King William County: Travis Moskalski, Ed Moren, Otto Williams
Mathews County: Tim Hill, Mike Rowe
Middlesex County: Gordon White, Reggie Williams
Town of Tappahannock: Fleet Dillard
Town of West Point: James Pruett, John Edwards

Commissioners Absent

Essex County: John Magruder, Lombardo
Gloucester County: Michael Winebarger, Dr. Reay
King and Queen County: Sharon Alsop, R.F. Bailey, Tom Swartzwelder
Mathews County: Melissa Mason
Middlesex County: Wayne Jessie, Sr.
Town of Urbanna: Marjorie Austin

Also in Attendance

Lewis Lawrence, MPPDC Executive Director
Curt Smith, MPPDC Deputy Director
Heather Modispaw, MPPDC Chief Financial Officer
Dawn Mantell, MPPDC Executive Assistant
Guests

II. Approval of June Minutes

Vice-Chairman Chriscoe asked whether there were any corrections or changes to the June Minutes. There being no corrections to the Minutes, Vice-Chairman Chriscoe requested a motion to approve the June Minutes. Mr. Hill moved that the June Minutes be approved. Mr. Dillard seconded the motion; motion carried.

III. Approval of Financial Report for June, July & August

Chief Financial Officer, Heather Modispaw, reported she has closed out FY21 and has begun working on the financials for FY22. Ms. Modispaw reported all MP localities paid to participate in the MPA in FY20 but only Essex, Mathews and Middlesex Counties have paid for FY21. Go Virginia PamunkeyNet funds in the amount of \$40,700 has been received and applied to the MPA financials. MPPDC Executive Director, Lewie Lawrence added by saying he and MPA Chairman, Ashley Chriscoe have been working on resolving the complicated matters of the MPA for almost two years. Access to needed financial records remains unavailable. Legal counsel has

provided their response to the matter and the MPA Board will have to address the financial structural imbalances when they resume meeting. Vice-Chairman Chriscoe asked whether there were any questions regarding the MPPDC financial reports for June, July & August before being approved subject to audit. There being no questions, Vice-Chairman Chriscoe requested a motion to approve the financial reports for June, July & August subject to audit. Mr. Edwards moved to approve the financial reports for June, July & August subject to audit. Mr. Moskalski seconded the motion; motion carried.

IV. Executive Director's Report on Staff Activities for the Months of July, August & September

Vice-Chairman Chriscoe requested MPPDC Executive Director, Lewie Lawrence review the Executive Director's Report on Staff Activities for the months of July, August & September. The Executive Director's Report on staff activities is developed at a monthly staff meeting, organized by PDC Service Centers, and the activities are used to report grant funding activities.

Mr. Lawrence directed the Commissioners' attention to several items:

- Consulted with a Rockbridge County Board of Supervisor member regarding solar host agreement and usage in rural settings.
Mr. Lawrence reported that even after the bill Del. Hodges submitted two years ago for the solar host agreement, there are still rural local governments trying to understand what this agreement means and how it is applicable to generate revenue and operate these solar operations. After a lengthy conversation, the Board member stated they were never made aware of this information by VACo. The Board member was referred to Robert Crockett, Advantus Strategies for additional information.
- Consulted with Rick Hill, Department of Environmental Quality (DEQ) regarding a pending grant award to MPPDC for living shorelines in Mathews County under a Federal Disaster Declaration grant award made to DEQ. MPPDC will be able to provide grant funds to waterfront homeowners.
Mr. Lawrence reported for quite some time, MPPDC staff has been trying to understand how disaster information is entered and captured at the state level. The common theme was if a jurisdiction didn't meet the correct damage threshold, they were left out. Several natural disasters occurred, and some localities didn't qualify for these Federal Disaster funds even while incurring the same impacts. DEQ was given and sitting on a large amount of disaster funding. MPPDC staff responded on the third cycle with an application to use this funding for living shorelines. DEQ stated the funding could only be used in areas with an approved Watershed Implementation Plan (WIP). MPPDC staff has been working with DEQ for three months to try to identify eligible areas to spend this funding.

- Local Government Dredging Implementation Business Plan Development
Mr. Lawrence reported there are currently 122 creeks on the Middle Peninsula that need dredging at a cost estimate of \$100M while the General Assembly funds dredging at \$1.5M per year for the entire state. The MPPDC obtained a grant from the Virginia Port Authority to study how other localities are funding the cost of dredging. If local government is involved in dredging either directly or indirectly, the result is a possible 40% cost savings. Discussions will be held with the County Administrators and local planners to begin to introduce localities to available dredging options with future hopes of forming a coalition, and structure and activate a formal policy.
- Consulted with Troy Hartley, Director for Virginia Sea Grant and Paul Robinson, Director for the RISE Program regarding the next generation of living buildings and flood mitigation solution using nature-based solutions and innovation approaches including elevating septic systems.
- Continued to work with Virginia Sea Grant and RISE to finalize a business plan competition as part of the state GO Virginia resiliency award. Invited Fight the Flood businesses to do a quick review, and share input, reactions, and ground-truthing on the competition topical areas.
- Coordinated with prospective businesses with interest in the resilience topical areas including a company with interest of utilizing dredged material for the construction of concrete.

Mr. Lawrence reported MPPDC is working with VIMS to find ways to utilize their research and information on resiliency and to entice companies that specialize in this field to test, design and bring their resiliency products to market. This is a \$6M grant funded project with Virginia Sea Grant and will utilize several PAA properties. A \$1M Housing grant was also signed with a total of \$7M in direct and indirect funding coming into the Middle Peninsula.

- Consulted with Andrew McRoberts of Sands Anderson regarding Virginia Procurement law and the development of a rubric to assist with determining how to contract with different companies offering different types of shoreline resiliency solutions, including proprietary and franchised solutions.
Mr. Lawrence reported the focus of the discussion with Andrew McRoberts was to understand how to utilize products manufactured by living shoreline companies while abiding by procurement policies.
- Participated in a meeting with Tappahannock/Essex County regarding the development of the Captain Thomas landing site associated with the Virginia Land and Water Conservation Fund grant award. Discussed reuse of the site. Mr. Lawrence reported the MPPDC was successful in obtaining a VLCH grant award for the Town/County to acquire this site which will be used as a public waterfront park.
- Consulted with Dr. Leonard Chapman, University of Pennsylvania regarding parametric insurance as a resiliency tool as well as utilizing dredge material for

shoreline resiliency including nitrogen and phosphorus removal opportunities. Dr. Chapman is associated with the Bay Program and EPA modeling.

Mr. Lawrence stated parametric insurance is an event trigger-based product important for insuring products and solutions on the waterfront where regular insurance doesn't cover. Mr. Lawrence also discussed with Dr. Chapman the amount of nitrogen contained in dredging material. One pound of nitrogen is worth \$15,000 in the Virginia Nutrient Trading Marketplace. There are hundreds of billions of dollars' worth of nitrogen in a small dredging project to be taken advantage of.

- Coordinated to provide Gloucester County with access to legal research capabilities from John Morris, retired attorney with Beale Law who has worked with the PAA doing road ending legal research work in the past.
- Met with Dr. David Wilkins of the University of Richmond to coordinate meetings with King William, King & Queen, and Essex Counties to educate local leaders on Tribal sovereignty and government relations. A meeting is hoped for in Winter 2021/2022.

Mr. Lawrence reported there is an existing need for better intergovernmental communications with Tribes and in assisting Tribes with determining their place in government. This educational meeting should prove to be very beneficial to the Tribes and their local government.

- Working with Andrea Pearson and Shawn Crumlish of VRA toward finalization of septic loan C-515662G in the amount of \$200,000. Mr. Lawrence reported this septic loan has closed and staff will recapitalize this revenue to fund more septic repairs. At their request, MPPDC staff submitted an application to VRA for \$3M for living shoreline and septic projects and are awaiting award notification.
- The Local Planning Team (LPT) will meet throughout the All-Hazards Mitigation Plan (AHMP) update. A table was provided illustrating meeting dates and attendance for each locality. Mr. Lawrence reported at FEMA's suggestion, LPT meeting attendance be recorded. Three or more missed LPT meetings by a locality necessitates a meeting between FEMA and that jurisdiction. MPPDC staff is working to get the Town of Tappahannock staff caught up on missed meeting information.

V. MPCBPAA Update

In the absence of the PAA Chairman, Mindy Conner, PAA Secretary, Lewie Lawrence reported legal has finished the bid packet for the construction of the new public fishing pier at the Captain Sinclairs Recreational Area in Gloucester County. The MPCBPAA was able to obtain \$50,000 in grant funds to support this project which will be out for bid in the very near future. Mr. Lawrence will keep the Commission updated as this project progresses.

VI. MPA Update

MPPDC Executive Director, Lewie Lawrence provided this update during the financial report.

VII. MPPDC Public Relations/Communications Update

In the absence of Stephanie Heinatz, Consociate Media, MPPDC Executive Director, Lewie Lawrence shared with the Commission that Bay Direct has been featured in Virginia Living Magazine. Ms. Heinatz will join the Commission next month to discuss this accomplishment in more detail.

VIII. Public Comment

None.

IX. Adoption of Amended MPPDC FY2022 Budget & Indirect Cost Allocation Plan – Heather Modispaw, MPPDC CFO

MPPDC Chief Finance Officer, Heather Modispaw reported the budget was amended due to a large increase in available resources such as the inclusion of a \$1M grant for housing development, increase in personnel expenses of a PT employee, increase in contractual for frontloading of Living Shoreline construction, and a minor adjustment to miscellaneous expenses for the new copier and meeting supplies. Ms. Modispaw is scheduled to meet with the auditors for the annual Audit on October 7th.

MPPDC Chief Finance Officer, Heather Modispaw reported the Indirect Allocation Plan was based on the amended FY22 budget being approved. The Indirect Cost Allocation Plan enables the Commission to charge funding sources for indirect personnel costs including salaries and fringe benefits as well as facility expenses, supplies, professional development, certain shared consultant and contractual fee expenses, travel expenses and other miscellaneous expenses such as postage and printing/duplicating. Indirect costs associated with the operating of the MPPDC are shared by all projects in the Commission's work program and are charged as incurred. Ms. Modispaw provided a breakdown and reviewed how the FY22 Indirect Cost Allocation rate of 27.92% and the fringe benefit rate of 26.21% is calculated. Vice-Chairman Chriscoe requested a motion to adopt the Amended FY22 Budget and Indirect Cost Allocation Plan as presented. Mr. Moskalski moved to adopt the Amended Budget and Indirect Cost Allocation Plan as presented. Mr. Smith seconded; motion carried.

X. USCG Milford Haven Discussion – Lewie Lawrence, MPPDC Executive Director

MPPDC Executive Director, Lewie Lawrence reported the United States Coast Guard (USCG) has determined their annual search and rescue caseloads have decreased approximately 50% between 2004 and 2019 necessitating a look at the overall small boat station laydown to identify where overlaps exist and where improvements can be leveraged. The USCG has determined, with the support of the Government Accountability Office report (GAO-18-9), that consolidation of unnecessarily duplicative Stations will not impact response capability. Therefore, it is the USCG

recommendation to shift staffing of the station at Milford Haven to only the summer months. Mr. Lawrence presented the Commission with a Resolution urging the United States Coast Guard (USCG) to keep the Milford Haven Station in Mathews County open year-round to provide rescue operations to fisherman and boaters in the Rappahannock River, Piankatank River, the waters in surrounding counties, and the lower Chesapeake Bay. Vice-Chairman Chriscoe requested a motion to support keeping the Milford Haven Station open year-round and submit this Resolution to the USCG as public comment. Mr. Hill moved to support keeping the Milford Haven Station open year-round and submitting the Resolution as public comment. Mr. Moskalski seconded; motion carried.

XI. Fight the Flood Program Update – Lewie Lawrence, MPPDC Executive Director

MPPDC Resiliency Plan Approved by DCR – MPPDC Executive Director, Lewie Lawrence reported the Middle Peninsula’s Regional Flood Resiliency Plan has been approved by DCR. The Plan is comprised of two primary approved policy documents which form the implementation and foundation of the Middle Peninsula flood protection approach and are indirectly and directly supported by multiple specific regional planning documents, both approved by various required federal, regional or local partners as required by statute. DCR Community Flood Preparedness (Flood Fund) grant funding for resilience construction projects is only eligible for local governments which have an approved resiliency plan in place. These documents contain the elements described in the DCR Virginia Community Flood Preparedness Fund to qualify as the region’s Resiliency Plan: MP All Hazard Mitigation Plan (AHMP); Middle Peninsula Comprehensive Economic Development Strategy (CEDS); Middle Peninsula VDOT Rural Long-Range Transportation Plan (LRTP); MPPDC Fight the Flood Program Design; and MPPDC Living Shoreline Resiliency Incentive Funding Program – Virginia Revolving Loan Fund Program Design and Guidelines. The MPPDC is now one of four local governments in the Commonwealth eligible for the construction grant funds offered by the DCR Flood Fund.

Flood Fund – 13 Design Applications and 6 Construction Applications

Totaling \$750,000 – MPPDC Executive Director, Lewie Lawrence reported staff has received, processed, and submitted 13 design and 6 construction applications to DCR totaling \$750,000 with approximately 20 applications waiting to be submitted in Round 2.

Fight the Flood – Low Income Area Map – MPPDC Executive Director, Lewie Lawrence provided the Commission with a map illustrating the areas qualifying as low-income “communities” with household income below the 80% income threshold. In these areas, 90% state funding is provided for studies and 80% state funding is provided for construction of nature-based flood mitigation projects, such as living shorelines.

XII. CEDS Plan Action – Addition of the Tappahannock Steamboat Wharf Restoration Project – Curt Smith, MPPDC Deputy Director

MPPDC Deputy Director, Curt Smith drew the Commission’s attention to the updated page of the CEDS Plan in their Commission Packet. The CEDS Plan is updated regularly to keep the local projects contained within, eligible for grant funding. It is at the Town of Tappahannock’s request that the MPPDC amend the current CEDS Plan to include the addition of the Tappahannock Steamboat Wharf Restoration Project by adding the following Project Description: “Create and Enhance Public Access and Business Opportunities”, “and restoration and redevelopment of the Steamboat Wharf property for eco-business related ventures” and the following Job Creation/Update information: “In 2021, interest for rehabilitation of the historic Steamboat Wharf to support new eco-business opportunities was expressed”. Vice-Chairman Chriscoe requested a motion to accept the update to the CEDS Plan as presented. Mr. Edwards moved to accept the update to the CEDS Plan as presented. Mr. Dillard seconded; motion carried.

XIII. Transportation Update: Smart Scale Round V Proposals & Transportation User Fees for Funding Infrastructure Projects – Curt Smith, MPPDC Deputy Director

Smart Scale Round V Proposals – MPPDC Deputy Director, Curt Smith began by reminding the Commission that Smart Scale is the primary funding mechanism for local transportation improvement projects. Work is currently underway for developing Smart Scale proposals for Round V. The only Smart Scale projects eligible for funding are projects that meet a VTRANS priority. MPPDC staff has been working with VDOT Fredericksburg staff and local planning staff to identify qualifying projects for submission. VTRANS need locations have already been identified and staff are now working with VDOT to turn these into projects. Each locality is eligible to submit 5 proposals with pre-applications being due in mid-October. MPPDC staff will meet with local planners next week to discuss the MPPDC’s role in applying for some of these identified projects.

Transportation User Fees for Funding Infrastructure Projects – MPPDC Deputy Director, Curt Smith reported the General Assembly has taken steps to evolve its funding resources for transportation improvement projects, which are predominately funded by the fuels tax. This revenue is declining as more and more electric and fuel-efficient vehicles are being utilized. In 2020, the General Assembly progressed to a mileage-based user fee program to offset the declining revenue. The first year of a voluntary opt-in program for owners of electric vehicles to pay an upfront, one-time annual fee recently concluded. A workgroup is expected to submit in December, the concept of voluntarily installing instruments on vehicles to track and instantly report mileage instead of paying to register the vehicle. With much of the population out commuting, this can become a financial burden for rural localities. Robert Crockett, Advantus Strategies will be monitoring this program as it continues to develop.

XIV. Other Business

None.

XV. Adjournment

Vice-Chairman Chriscoe requested a motion to adjourn. Mr. Otto Williams so moved, Mr. Hill seconded; motion carried.

**Note: All handouts distributed at a meeting are filed in the official MPPDC record book of the minutes. Copies of all PowerPoint presentations, if any, are filed with the official minutes.*

COPY TESTE:

(Secretary)

Project Financial Report

Middle Peninsula Planning District Commission
 Period Ending: 09/30/2021

Run Date: 10/20/2021
 Run Time: 10:18:35 am
 Page 1 of 1

Expenditures

Code	Description	Budget	Curr Month	Project Total	Un/Over	% Budget	Revenues	Balance
30013	Housing Loan Admin - EE&CBG I	250.00	0.00	0.00	250.00	0.00%	0.00	0.00
30122	PDC Staff Support for Admin of	0.00	213.40	213.40	(213.40)	0.00%	0.00	(213.40)
30170	Sm Bus Loan Admin - MPBDP St	23,867.21	58.94	23,369.62	497.59	97.92%	27,094.50	3,724.88
30184	Tappahannock Comp Plan	22,279.00	4,285.14	4,915.50	17,363.50	22.06%	0.00	(4,915.50)
30185	VDOT HITW Permitting & Procu	0.00	(4,232.66)	0.00	0.00	0.00%	0.00	0.00
30186	DHCD Elevated Septic Pilot (\$10	120,000.00	442.59	2,843.20	117,156.80	2.37%	120,000.00	117,156.80
30187	VHDA Housing Development	907,428.00	1,575.89	1,575.89	905,852.11	0.17%	20,000.00	18,424.11
30218	DRPT CAP Operating FY22	82,402.00	4,133.10	17,082.76	65,319.24	20.73%	854.17	(16,228.59)
30319	FY22 Rural Transportation Planr	72,500.00	7,446.81	19,962.68	52,537.32	27.53%	0.00	(19,962.68)
30420	Onsite Loan Management	167,058.11	67.78	165,170.65	1,887.46	98.87%	191,465.14	26,294.49
31002	GA Lobby	25,000.00	0.00	0.00	25,000.00	0.00%	24,359.00	24,359.00
31212	Mid Pen AHMP Update	142,863.00	4,125.50	88,841.66	54,021.34	62.19%	70,463.21	(18,378.45)
31500	Living Shoreline Incentive Progr	36,150.96	8.85	24,539.83	11,611.13	67.88%	41,312.93	16,773.10
32015	PDC Staff Support for Admin of	8,000.00	(472.53)	1,371.65	6,628.35	17.15%	4,030.55	2,658.90
32019	PAA - VMRC Public Fishing Pier/	10,000.00	590.77	6,145.46	3,854.54	61.45%	4,291.21	(1,854.25)
32021	PAA GOVA Sea Grant Resilience	76,000.00	(337.27)	15,266.69	60,733.31	20.09%	0.00	(15,266.69)
32022	PDC Staff Support for Admin of	4,200.00	1,542.69	1,542.69	2,657.31	36.73%	3,600.00	2,057.31
32151	NFWF Ware River Landowners L	199,914.09	45,008.09	116,877.35	83,036.74	58.46%	71,444.41	(45,432.94)
32157	NFWF Mathews-\$70kMatchRLF,	310,377.80	950.69	10,061.13	300,316.67	3.24%	7,341.57	(2,719.56)
32158	DEQ CZM Coastal TA 21	129,000.00	20,937.21	130,690.32	(1,690.32)	101.31%	92,042.95	(38,647.37)
32159	DEQ Planner Yr2	72,500.00	5,546.61	34,366.42	38,133.58	47.40%	27,363.73	(7,002.69)
32160	DEQ CZM ANPDC EcoTourism 4	28,500.00	2,137.23	27,835.15	664.85	97.67%	19,520.57	(8,314.58)
32161	DEQ CZM Coastal TA FY22	129,000.00	0.00	0.00	129,000.00	0.00%	0.00	0.00
32163	DEQ 319(h) BMP Res Septic \$53	179,571.00	5,182.34	5,182.34	174,388.66	2.89%	0.00	(5,182.34)
32164	DEQ CZM Next Gen Shoreline Di	50,000.00	0.00	0.00	50,000.00	0.00%	0.00	0.00
32165	DEQ CZM ANPDC EcoTourism 5	27,200.00	0.00	0.00	27,200.00	0.00%	0.00	0.00
32166	DCR FTF Round 1	0.00	47.89	47.89	(47.89)	0.00%	7,500.00	7,452.11
32167	DEQ Flo Disaster (\$30k VPA HIT)	120,000.00	0.00	0.00	120,000.00	0.00%	0.00	0.00
32168	DEQ CBPA Support Septic Pump	15,000.00	0.00	0.00	15,000.00	0.00%	0.00	0.00
38022	FY22 Local Projects	228,070.00	5,855.96	16,113.67	211,956.33	7.07%	116,026.77	99,913.10
38805	PAA - VPA Dredging Bus Plan	59,524.00	244.85	42,886.42	16,637.58	72.05%	39,549.61	(3,336.81)
38806	VPA Cedarbush (Gloucester)	175,000.00	410.76	147,288.25	27,711.75	84.16%	125,321.66	(21,966.59)
38807	VPA Parrots Creek (Middlesex)	150,000.00	325.56	114,153.55	35,846.45	76.10%	96,742.99	(17,410.56)
38808	VPA Winter Harbor (Mathews)	150,000.00	325.56	126,640.86	23,359.14	84.43%	109,230.30	(17,410.56)
38809	Mathews HITW Dredging (VDOT)	174,364.00	13,598.43	36,348.73	138,015.27	20.85%	0.00	(36,348.73)
Totals:		3,896,019.17	120,020.18	1,181,333.76	2,714,685.41	30.32%	1,219,555.27	38,221.51

Balance Sheet by Category

Middle Peninsula Planning District Commission
Period Ending: 09/30/2021
Format: 1 Board

Run Date: 10/20/21
Run Time: 10:22:49 am
Page 1 of 1

Assets:

Cash in Bank	622,095.62
Cash in Bank, Restricted	481,624.06
Receivables	399,963.05
Property & Equipment	1,090.84
Prepaid Pension (Deferred Outflows)	28,175.57

Assets:	\$1,532,949.14
----------------	-----------------------

Liabilities:

Accounts Payable	166,589.07
VRA Loan Payables	486,461.24
Accrued Leave	50,655.65
Deferred Inflows (VRS)	67,268.00
Net Pension Liabilities	29,544.00
Cost Allocation Control	4,711.64

Liabilities:	\$805,229.60
---------------------	---------------------

Equity:

Local Initiatives/Information Resources	310,149.62
Economic Development	4,526.86
Transportation Programs	(36,191.27)
Emergency Management Projects	(18,378.45)
Onsite Repair & Pumpout	26,698.37
Coastal Community & Environmental	(176,210.71)
Public Access Auth Programs	(15,741.54)
Temporarily Restricted	177,307.09
General Fund Balance	455,559.57

Equity:	\$727,719.54
----------------	---------------------

Total Liabilities and Equity	\$1,532,949.14
-------------------------------------	-----------------------

Balance:	\$0.00
-----------------	---------------

Agencywide R&E by Category

Middle Peninsula Planning District Commission
 Period Ending: 09/30/2021
 Format: 1 Agencywide R&E

Run Date: 10/20/2021
 Run Time: 10:30:08 am
 Page 1 of 1

With Indirect Cost Detail

Code & Description	Budget	Current	YTD	Un/Over	% Bud
Revenues					
Local Annual Dues	135,099.00	0.00	115,799.00	19,300.00	85.71%
Local Other Revenues	228,758.06	0.00	25,029.00	203,729.06	10.94%
Local Other Organizations	68,000.00	0.00	4,030.55	63,969.45	5.93%
State Revenues	255,963.00	0.00	120,854.17	135,108.83	47.22%
Federal Revenues	675,215.00	6,498.16	6,498.16	668,716.84	0.96%
Miscellaneous Income	1,003,000.00	27,657.86	27,897.88	975,102.12	2.78%
RevolvingLoan Program Income	9,500.00	574.81	52,612.41	(43,112.41)	553.81%
Revenues	2,375,535.06	34,730.83	352,721.17	2,022,813.89	14.85 %
Expenses					
Personnel	559,925.87	46,225.96	141,159.53	418,766.34	25.21%
Facilities	34,975.50	2,626.15	7,975.10	27,000.40	22.80%
Communications	8,443.00	623.18	2,951.15	5,491.85	34.95%
Equipment & Supplies	4,700.00	161.55	1,871.35	2,828.65	39.82%
Travel	5,531.00	955.27	1,060.96	4,470.04	19.18%
Professional Development	14,029.00	919.00	2,661.00	11,368.00	18.97%
Contractual	1,385,100.41	67,620.45	153,478.91	1,231,621.50	11.08%
Miscellaneous	11,782.00	1,080.20	1,922.40	9,859.60	16.32%
Expenses	2,024,486.78	120,211.76	313,080.40	1,711,406.38	15.46 %
Agency Balance	351,048.28	(85,480.93)	39,640.77		

This Page Left Intentionally Blank

**Middle Peninsula Planning District Commission
Executive Director's Report of Regional Progress
October 2021**

Note: On May 23, 2018, the Commission voted to direct staff to email all future documents including the Commission meeting packets in an effort to save on postage. As we strive to make this report more informative and user friendly, some previously contained information may now be accessed by clicking on the following link(s):

- For Demographic Information:
http://virginialmi.com/report_center/community_profiles/5109000318.pdf
- For MPPDC Website: <http://www.mppdc.com/>

MPPDC Staff and Contact Information

Executive Director: Lewis Lawrence

Contact Info: llawrence@mppdc.com (804) 758-2311x24 (804) 832-6747 (cell)

Programs: *Coastal Zone Technical Assistance, Local Initiatives, Public Access Authority*

Deputy Director: Curt Smith

Contact Info: csmith@mppdc.com (804) 758-2311x28 (804) 384-7509 (cell)

Programs: *Rural Transportation Planning, Dredging Coordination, General Environmental Management*

Chief Financial Officer: Heather Modispaw

Contact Info: hmodispaw@mppdc.com (804) 758-2311x22

Programs: *Commuter/Employer Transportation Services, Septic Repair Assistance, Living Shoreline Incentive Program, Revolving Loan Programs Administration, PDC Finance & Grants Administration, PAA Staff Support, MPA Staff Support*

Special Projects Planner: Jackie Rickards

Contact Info: jrickards@mppdc.com (215) 264-6451 (cell)

Programs: *Environmental Programs, Hazard Mitigation Planning, Grant Writing, Graphic Arts*

Executive Assistant: Dawn Mantell

Contact Info: dmantell@mppdc.com (804) 758-2311x21

Programs: *Septic Pumpout Assistance, PDC Staff Support, MPA Staff Support, PAA Staff Support, Facilities Scheduling, Website Management*

INFORMATION RESOURCES/ASSISTANCE

- Updated www.mppdc.com website – meeting notices, reports, news releases, GO Va meetings, and MPA notices, etc.

COASTAL COMMUNITY DEVELOPMENT/ ENVIRONMENTAL

Funding – VDEQ, VIMS, VDCR, local match from MPPDC General Fund & partners

Project 30186 – Elevated Septic Pilot FY22

Construction of a vertically elevated septic system will occur at the King & Queen Telehealth and Business Development Center as part of a three-year pilot program to analyze an engineered septic unit that houses and treats all sewage effluent in a vertically elevated, self-contained unit suitable for areas with high water tables and flooding in Coastal Virginia.

- Design and construction pending construction of the King & Queen Center.

Project 31500 – Living Shoreline Incentive Program RLF

The MPPDC Living Shoreline Incentive Program Revolving Loan Fund provides low interest loans to local homeowners to implement living shorelines. These funds will be used for erosion prevention and water quality control and to protect and enhance natural shoreline habitats using strategically placed plants, stone, sand fill and other structural and organic materials.

- **Remaining uncommitted funds - \$0**

Project 32019 – Sinclair’s Public Fishing Pier

The MPCBPAA has contracted the MPPDC to administer a grant from the VA Saltwater Recreational Fishing Development Fund to rehabilitate the public fishing pier at the Captain Sinclair’s Recreational Area, which had fallen into a state of disrepair. The project will consist of procuring a qualified contractor to rebuild a traditional wooden framed open pile 400-foot long public use fishing pier that will provide year-round opportunities for saltwater fishing and recreational viewing.

- Issued the RFP requesting design and construction estimates for rebuilding the Captain Sinclair’s Public Fishing Pier in Gloucester County.

Project 32021 – PAA GO Va Sea Grant Resilience Economy

Virginia Sea Grant was awarded a GO Virginia award to assist the Middle Peninsula and other coastal areas with developing a water management economy to combat flooding and sea-level rise. This project will utilize land owned by the MPCBPAA as field stations to encourage business innovation in the flood resiliency space.

- Provided MPPDC legal counsel an opportunity to review RISE Rural Coastal Community Resilience Challenge Applicant Guidelines to ensure that MPPDC and MPCBPAA are following procurement process correctly for the business design-build competition being released for the following topics:
 - Septic System Design
 - Buildings Water System Redesign
 - Use and Application of Dredge Materials
 - Integrated Coastal Property Design
 - Existing Building Rehabilitation
 - Property Accessibility
 - Living Shoreline Vegetation Production
 - Rural Drainage Improvement
- Participated in multiple meetings with the project management team to develop the terms and conditions for business plan competitions.

- Coordinated with prospective businesses with interest in the resilience topical areas including a company with interest in utilizing dredged material for the construction of concrete.

Project 32151 – NFWF Landowners Living Shorelines & Shoreline Management – Ware River Yr2

This is a two-part project that focused on continuing coastal resiliency and mitigation efforts, while simultaneously improving water quality, managing shoreline erosion and marsh loss. First, MPPDC staff will work directly with FEMA National Flood Insurance repetitive loss property owners to offer grant and loan funds through the MPPDC Living Shorelines Incentives Revolving loan to install living shorelines. Second, MPPDC will contract with VIMS to create a grant template to be used by localities to receive funding through the Virginia Waterway Maintenance Fund.

- Living shoreline construction continues. Arranged for video and photography services to document the construction process for use in the Fight the Flood program.

Project 32157 – NFWF Mathews – East River Yr2

This project will design, permit, construct and monitor living shoreline in targeted shorelines on the East River.

- VIMS Shoreline Studies Program reports the preliminary shoreline plan is complete for this project and is scheduling a meeting with the landowner for review.

Project 32159 – DEQ Chesapeake Bay WIP Technical Assistance (Yr2)

MPPDC will continue to engage localities and regional and state partners regarding Bay WIP III programmatic actions and implementation activities with funding provided by DEQ.

- Developed a number of DCR Flood Fund Round 1 proposals for living shorelines. More proposals currently under development for Round 2.
- WIP 2022 Collaborative Meeting was held to review the draft scope of work for next year's WIP FY2022 contracts with DEQ.
- Submitted the FY2022 scope of work to DEQ for consideration before the September 30th deadline.

Project 32160 – ANPDC Eco Tourism IV Promoting Ecotourism to Support Conservation of Conserved Lands and Resilient Communities

This project will build on the efforts completed between 2017 – 2019. During this project PDC's will focus on implementing actions identified in the 36-month Marketing Strategy and Action Plan. PDC's will also organize a business resiliency training for local businesses. Finally, PDCs will create a tiered priority list for paddling launch sites that need signage enhancements and will begin the development of graphic design content for the selected launch sites.

- Developed final report and submitted to ANPDC by September 30th for final submission. Project is now in the process of being closed out.

Project 32161 – Virginia Coastal TA FY22

This project provides ongoing support to member localities of the Planning District Commission and other stakeholders committed to improving community development and coastal management within the coastal zone.

- Developed 19 construction applications for property owners to submit for Round 1 DCR Flood Fund. This required discussing property-specific issues with each owner to tell their story in the grant narrative, collect pictures, and develop maps to meet DCR's programmatic requirements. Each application required a review by a Certified Floodplain Manager (CFM) and the MPPDC partnered with Draper Aden to provide this review. This effort required significant communication with property owners to ensure they were kept informed about application development progress. Finalized applications for submission deadline of September 3rd. Submitted one capacity and planning proposal for staff and Fight the Flood planning tools for Round 1. Prepared for a comparable number of Round 2 proposals due on November 5th.

- Met with VDCR leadership and the Special Assistant to the Governor for Coastal Resilience to discuss Round 1 Flood Fund proposals.
- Participated in the VCZMP Coastal Policy Team Meeting.
- Participated in the Middle Peninsula Habitat Restoration Workshop hosted by CBNERRS.
- Contacted Fight the Flood participants to gather information for Round 2 applications to Virginia Department of Conservation and Recreation Community Flood Preparedness Fund. Applications are due November 5th.
- Consulted with John Morris of Beal and Etherington and Morris, (retired) regarding history of public access at the landing site of Route 649, end of Marius Road in Gloucester County. Coordinated for Mr. Morris to assist Gloucester County with road ending research assistance.
- Consulted with the Town of Tappahannock and Town's legal counsel from Sands Anderson regarding creating an Intensely Developed Area designation under the Chesapeake Bay Preservation Act to enable the Town to develop the landing area where the Captain Thomas once docked more responsibly and comprehensively.
- Consulted with an Essex County resident regarding submitting a US Department of Commerce EDA grant to rebuild the Tappahannock Steamboat Wharf.
- Presented to the Middle Peninsula Virginia Naturalist Chapter on the use of Middle Peninsula Chesapeake Bay Public Access Authority lands and the ability for the Middle Peninsula chapter to do projects.
- Consulted with Jason Building of CGC Services regarding bush hogging at the Captain Sinclair's Recreational Area.
- Consulted with Stacie Martin, Virginia Tourism Corporation regarding ARPA funding to support tourism through regional Destinations Marketing Organizations (DMO).
- Consulted with numerous citizens interested in applying for DCR Flood Fund Assistance to help manage against flooding and sea level rise along the Middle Peninsula waterfront.
- Consulted with Fleet Dillard, Tappahannock Town Councilmember regarding various flood mitigation grant programs and conservation easement programs and the ability for citizens to apply for assistance.
- Consulted with Mathews County resident working to manage flooding challenges impacting the renovation of the Rosenwald School located in Susan, Virginia.
- Consulted with the Town of Tappahannock staff regarding floodplain ordinance requirements by FEMA.
- Consulted with Lance Gregory, Director, Division of Onsite Sewage and Water Services, Environmental Engineering, and Marina programs at Virginia Department of Health regarding ARPA funding specific for septic infrastructure improvements.
- Received calls from numerous Middle Peninsula citizens inquiring as to the status of DCR Round 1 DCR Flood Fund applications. Advised citizens that DCR is still reviewing all applications.
- Provided updates to numerous Middle Peninsula citizens who have made application under the DCR Round 1 Flood Fund as to the anticipated award notice and timeline process going forward.

- Coordinated for a meeting with Ann Phillips, Special Assistant to the Governor for Coastal Adaptation and Protection and Darryl Glover, Deputy Director of Dam Safety, Floodplain Management, Soil and Water Conservation, for Department of Conservation and Recreation regarding Round 1 Middle Peninsula applications. DCR has placed 19 private applications on hold and has requested modifications and would respond accordingly. DCR staff also advised they would provide MPPDC with a list of issues related to Round 1 submittal. DCR noted the following which MPPDC staff objected to at the meeting: arbitrarily removing applicants with no guidance from the state because applicants live within a low income area; the use of zip codes to define low income areas even though DCR staff directed the use of zip codes; MPPDC to override VMRC permitting authority related adjoining parcels impacts when VMRC, as a matter of permit issuing authority, must consider impacts prior to issuing any permit and other issues which DCR was unable to specifically and clearly articulate.
- Convened the weekly meeting of the LGA to discuss DCR's decision to hold on the review of 19 Middle Peninsula applications for reasons that appear to be inconsistent with the statute, state code and program guidance. It was the unanimous decision of all participating counties to continue forward with Round 2 applications as MPPDC staff has a duty to respond to the citizens requests and needs.
- Continued to convene weekly meetings in October of the Local Government Administrators (LGA) to receive weekly updates from Dr. Richard Williams, Director of the Three Rivers Health District. Dr. Williams has advised the Covid Delta variant numbers have improved to the point where we can return to monthly LGA meetings. Additional items discussed regarded nationwide opioid settlement and the process for all Virginia local governments to access settlement funding.
- Assisted Jimmy Brann, Essex County Emergency Manager regarding Regional MOU for Mutual Aid between all Middle Peninsula localities.
- Consulted with Gloucester County Engineer, Anne Paine regarding estimated dredging project costs for Aberdeen, Timberneck and Cedar Bush Creeks and provided copies of reports for each project. Also discussed FEMA Mitigation Reconstruction and Elevation projects which Gloucester County is currently working on.
- Attended the General Assembly Subcommittee on Coastal Flooding. Consulted with Senator Lynwood Lewis regarding the legislative intent in creating the Virginia Community Flood Preparedness Flood Fund and spending fund resources on all types of flooding projects irrespective of property ownership type. Senator Lewis advised all types of project and properties are to be eligible.
- Received around a dozen phone calls from Middle Peninsula shoreline residents after the nor'easter from the previous weekend inquiring about financial assistance to help combat shoreline erosion and flooding problems. Advised applicants to review the Governor's release on Round 1 awards and to inquire with those listed on the release as to the status of their application.
- Assisted Gloucester County realtor with a client looking to access conservation easement tax credits. Provided information on how the program works.
- Participated in the Joint Subcommittee on Coastal Flooding meeting in Richmond on October 4th.
- Reviewed and provided comments to the VA Coastal Resilience Master Plan.

Project 32164 – CZM 306 Next Generation Shoreline Plan (Pilot Project – Yr1)

VIMS Shoreline Studies Program will develop a whitepaper to examine the use of technology, modeling, alternative materials, proprietary products, and innovative nature-based mitigation measures in the planning process for “next generation shorelines” which are intended to provide an enhanced level of shoreline resilience and water quality in response to more frequent and severe flooding and accelerated sea-level rise. One design of a next generation shoreline for a publicly-owned property in a high energy wave environment will be completed. Year 2 will involve further development of the whitepaper and a next generation shoreline design for a moderate wave energy publicly-owned site.

- Reviewed the scope of work and prepared subcontracts. Project will get underway once these are in place.

Project 32165 – DEQ CZM ANPDC Eco Tourism V

This project will build on the efforts completed between 2020-2021. During this project, PDC’s will focus on implementing actions identified in the 36-month Marketing Strategy and Action Plan. PDC’s will also focus on Public Access Site Resiliency for public access locations within the region, including assessments, implementation strategies, and signage.

- Reviewed the scope of work and timeline for the new project year.

Project 32167 – DEQ Florence Disaster

This project will offer grant funds as micro grants to property owners in the Piankatank River, Gwynns Island, Milford Haven Implementation Plan area to install living shorelines and other eligible BMPs to improve water quality and coastal resilience. It is estimated that four micro grants of \$20,000 each will be accomplished under this project.

- Finalized contract and conducted initial screening of Fight the Flood participants in the target areas. Target outreach within these areas will be conducted as necessary to solicit participants.

Project 320154 – Staff Support to Middle Peninsula Chesapeake Bay Public Access Authority (MPCBPAA)

Middle Peninsula Chesapeake Bay Public Access Authority Special Project – Support of Executive Order 23, Goal 8 Coastal Management Coordination Public Access: Continue implementation of adopted annual work program, including identifying land, either owned by the Commonwealth or private holdings that can be secured for use by the general public as a public access site; researching and determining ownership of all identified sites; determining appropriate public use levels of identified access sites; developing appropriate mechanism for transferring title of Commonwealth or private holdings to the Authority; developing appropriate acquisition and site management plan. This Program allows the Authority to function by supporting the individual projects and operations of the Authority, as well as, by responding to daily requests for assistance from local government staff.

- Prepared vouchers, processed A/P, reconciled bank statements. Prepared monthly financial statements. Billed Rowing Club for PAA pool electric bill.
- Contacted Daniel Hogge regarding delinquent reimbursements of the pool electric bill. Payment of the past due and current amount was sent out on October 18th.
- Continued to work with Brooke Bertrand at C&F Bank to complete signers documents to bank accounts.

Project 38805 – VPA Local Government Dredging Implementation Business Plan Development

This project will study and determine the most cost effective and efficient alternative for local government dredging operations using existing and new channel survey information.

- Finalized the report and recommendations. Met with Consociate to begin preparing presentations to the MPPDC during its November Commission meeting and the MPCBPAA during its Fall 2021 meeting (date TBD) to discuss the findings and recommendations.
- Finalized VIMS channel assessment reports and incorporated data into MPPDC staff GIS dashboard

where data may be easily viewed, accessed, and managed with the objective to assist with enhanced project development and management.

- Submitted billing to the MPCBPAA.

Project 38806 – VPA Cedarbush Creek Dredging Design

This project will focus on the pre-planning activities to dredging Cedarbush Creek in Gloucester County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Present draft report to County staff.
- Design Report is slated for completion during October with project closeout soon thereafter.

Project 38807 – VPA Parrots Creek Dredging Design

This project will focus on the pre-planning activities to dredging Parrots Creek in Middlesex County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Design Report is slated for completion during October with project closeout soon thereafter.
- Submitted billing to the County.

Project 38808 – VPA Winter Harbor Dredging Design

This project will focus on the pre-planning activities to dredging Winter Harbor in Mathews County. Pre-planning includes surveying the channel, conducting sediment sampling, and a benthic, marine and fishery assessment as well as gathering information for the permitting of the dredging project.

- Design Report is slated for completion during October with project closeout soon thereafter.
- Submitted billing to the County.

Project 30185 – VDOT Mathews Co. Hole-in-the-Wall Permitting

Providing technical assistance to Mathews County regarding permitting and procurement development related to the dredging project at Hole in the Wall.

- Coordinated with VIMS on preliminary edits to JPA requested by USACE.
- VMRC planning on taking JPA to public hearing in October.
- Coordinated with legal counsel regarding development of procurement process. Edits to procurement documents are underway and slated to be published once permit is approved.
- Submitted billing to the County.

Project 38809 – VPA Hole-in-the-Wall Dredging Implementation

Mathews County was awarded VA Port Authority Waterway Maintenance Funding to dredge the Hole in the Wall channel to –7 feet Mean Low Water and place the dredged sand at the county-owned Haven Beach property. MPPDC is administering the grant on behalf of the County with procurement and permitting assistance and project oversight.

- Coordinate MOU between VPA and County.
- Project awaiting completion of permitting and procurement.
- Submitted billing to the County.

TRANSPORTATION

Funding – VDRPT, VDOT, local match from MPPDC General Fund

Project 30218 – Commuter Assistance Program (CAP) Operating FY22

This program assists local commuters and employers with transportation issues. The main emphasis is on lowering the number of single occupancy vehicle commutes within and from the Middle Peninsula region through marketing and promotion of the program through local media and provision of ride matching services to commuters.

- Updated TDM Detail Report in OLGA.
- Submitted quarterly reimbursement request.
- Participated in monthly conference call with Kathy Molin of DRPT. Discussed TeleworkVA! and Consociate’s role in marketing. Kathy sent a link to provide to Consociate for advertising so responses about teleworking go directly to VDRPT. Also discussed specifics on the Transit Recovery Marketing Initiative. Followed up with questions regarding the match portion of the application but have not heard back to date.
- Provided Kathy Molin with the physical address of the King & Queen Telework Center so she could share with Baker to mention in their Project Pipeline.
- Attended ACT Webinar: “How are people commuting right now, and what are the trends by mode?”
- ***Current commuter database – 413***
- ***Number of Commuters with logged alt mode trips in October – 74***
- ***Number of logged alt trips in October – 66***
- ***Reduced miles (VMT) in October – 343***
- ***Commuter Savings in October – \$192***

Project 30319 – Rural Transportation Planning FY22

This program provides rural transportation planning services through the Rural Transportation Planning Work Program which outlines specific tasks and goals to guide the rural planning of transportation services.

- Virginia Strategic Highway Safety Plan (SHSP): Participated in regional meeting on September 30th to review the draft plan currently in development. The plan is required to be updated every 5 years, and it is anticipated that adoption will occur before December 31st.
- SmartScale Round 5: Planning for SmartScale pre-application surveys were due October 15th to the District. Modified shared spreadsheet to coincide with required questions in the pre-application. Held numerous meetings and discussions with staff regarding process and how to receive information. Held meeting with VDOT Residency and District on September 28th to review needs. Discussed with localities at the Monthly Planners Meeting on September 29th to finalize assistance requests and identify MPPDC applications to focus on Route 17 corridor. Each locality can submit up to 5 applications and an additional 5 applications for the MPPDC. Project list finalized at the Planners Meeting with MPPDC submitting three surveys and assisting King William, King & Queen, Essex, and Middlesex Counties with 5 surveys each. Gloucester County staff did not request assistance and Mathews County staff did not respond to the offer for assistance. District staff will review each proposed location and determine which locations are to advance for full pre-application due in March 2022.
- OIPI GAP Performance-Based Planning Process: Continuing effort to establish a project screening and prioritization process to serve as a model for advancing CTB and VTrans priorities in rural areas and ensure that transportation projects adopted for the Regional Long-Range Transportation Plan (LRTP) are competitive in funding programs to meet regional needs. Participated in the monthly meeting held

September 27th with the project team (M. Baker, High Street Consulting) to review work progress which included development of a funding program metric assessment, data availability, linking VTrans Needs Areas and local priorities, and geolocating LRTP projects. The draft methodology and screening criteria are slated to be presented to the local planners at an upcoming meeting. A draft policy document stating when and why the MPPDC will apply for grant funding on behalf of the localities and when the MPPDC will offer a letter or resolution of support is under development and will be presented to the Commission during an upcoming meeting.

- Participated in the Commonwealth Transportation Board Action meeting on October 19th.
- Participated in the OIPI VTrans Long-term Risk & Opportunity Register webinar.
- Participated in the OIPI Growth and Accessibility Program Technical Assistance webinar to develop opportunities for grant proposals which would result in advancing priorities in the LRTP. Discussed potential topics with the local planners and reached an agreement to develop a proposal to research pedestrian and biking needs throughout the region to identify potential improvements. MPPDC staff will present the scope to the local planners during their October meeting prior to submitting the proposal by the November 1st application deadline.
- Participated in the VDOT STARS Study Committee meeting for the identification and advancements of improvements in Tappahannock.
- Participated in VDOT pipeline study kickoff meeting for the identification and advancement of improvements along Route 33 in King & Queen County.
- Convened Local Planners Meeting on September 29th covering transportation, coastal resilience, and environmental matters.
- Solicited and compiled recreational facility information from local planners and reported to DCR as part of the ongoing update to the statewide recreational facility inventory component of the update to the VA Outdoors Plan.
- Submitted Quarterly Progress Report on October 15th.
- Submitted Financial Report to VDOT Sharepoint Site.

ONSITE REPAIR & PUMPOUT

Funding –VRA Loan Funds, local match from MPPDC General Fund, cost sharing

Project 30450 – Septic Pumpout Program

This project will provide grants to 32 LMI Middle Peninsula homeowners to assist them in complying with the Chesapeake Bay Act requirement to have their septic tanks pumped out or inspected every 5 years.

- Reviewed contract and submitted questions and revisions to project budget to Susan Hale, Chesapeake Bay Grant Administrator, DEQ.
- Continue to receive phone calls and maintain a waiting list of citizens interested in applying for pumpout assistance once program contract is executed.

Project 30420/30428 – On-Site Technical Guidance Assistance and Revolving Loan Program

The On-Site Technical Guidance Program aids the Middle Peninsula localities and residents in the technical understanding and implementation of approaches to address On-Site Disposal Systems and improve water quality by assisting local homeowners with repairing failing septic systems through low-interest loans and/or grants. In addition, MPPDC received funding under the Water Quality Improvement Fund (WQIF) to provide grants to low to moderate income Middle Peninsula and New Kent County homeowners to repair failing septic

systems impacting water quality and health in the region. Grants can be paired with loans from the MPPDC Onsite Wastewater Revolving Loan Fund to provide matching funds as required. It is anticipated this funding will be used to provide assistance to 20-27 homeowners.

- Continuing to receive phone calls from homeowners and contractors regarding assistance for septic repairs. Discussed our program and instructed how to apply.
- Septic loan closings for Big Dean, LLC are on hold due to the owner selling the properties. Should the sale fall through, he will move forward with the loan process. Notified Glenda Brooks, Middlesex Title.
- Provided payoff amount to Susan at Ripley Coastal for septic loan client.
- *Executed ACH loan payments for septic repair loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients' bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). These payments occur on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans as well as collections efforts.*
- **Remaining uncommitted septic repair funding \$174,936 in loan funds – \$0 in grant funds.**

Project 32163 – DEQ 319(h) NPS IP for BMP Residential Septic 2021

Provides cost-share assistance to landowners, homeowners, and agricultural operators as an incentive to voluntarily install nonpoint source (NPS) best management practices (BMPs) in designated watersheds.

- Provided email dated July 15, 2021, from Nicole Sandberg at DEQ to MPPDC Executive Director showing that funding contract DEQ 319(H) NPS IP for BMP Residential Septic was delayed, but forthcoming.

ECONOMIC DEVELOPMENT

Funding – EDA, local match from MPPDC General Fund, BDP Loan Program Income

Project 30122 – Staff Support to Middle Peninsula Alliance (MPA) FY22

MPPDC staff are providing clerical and fiscal assistance to the Middle Peninsula Alliance.

- Prepared vouchers, processed A/P, processed deposits, and balanced bank account. Prepared monthly financial statements.
- Provided accountant with financials so they could complete IRS filings.
- Completed closeout documents for Jennifer Morgan at GWRC for PamunkeyNet.

Project 301702 – Small Business Revolving Loan Fund

MPPDC agreed to service Middle Peninsula Business Development Partnership's (MPBDP) Small Business Loan Portfolio after MPBDP's dissolution November 30, 2011. MPPDC established a revolving loan fund and staff initiate ACH loan payments from clients' bank accounts and manages the accounts. Principal repaid will be held until the Commission determines the best use for these funds as allowed by the USDA (RBEG) original lending restrictions. Interest earned will be used to offset administration costs.

- *Executed ACH loan payments for MPBDP loans. All MPPDC loan funding programs require that loan recipients authorize loan payments to be made automatically from loan recipients' bank accounts. Loan clients authorize the payments at loan closing (ACH Authorizations). MPPDC staff process these payments on the 15th of each month. This places the onus to not make a payment on the loan client contacting MPPDC staff prior to the loan processing date of the 12th of the month to request a payment be held. This has significantly reduced defaults and delinquent repayments of MPPDC loans.*
- **Funds available – \$144,740**

LOCAL INITIATIVES

Funding - local dues, PDC base-funding from VDHCD and/or MPPDC General Fund. Funding for specific projects may come from locality requesting assistance.

Project 380221 – Local & Regional Technical Assistance

This program responds to daily requests for technical assistance which other commission programs are unable to provide.

- Discussed with VA Tourism staff the steps necessary for designing a regional Destination Marketing Organization which could provide tourism-related assistance to localities and be eligible for tourism-related grants.

Project 30184 – Tappahannock Comprehensive Plan & GIS Mapping

Technical assistance for reviewing and updating data in the Town Plan and digitizing with GIS and printing the Town Zoning and Land Use maps.

- Focused on digitizing the zoning and future land use map. Due to the poor image quality, the maps had to be replicated manually. Draft maps, with questions for staff, were provided on October 4th.
- Efforts are underway to add an addendum to the scope of work to digitize the CBPA maps.

HOUSING

Funding –Housing Loan Program Income

Project 30187 – VHDA Affordable Workforce Housing Development

The three-year project will involve planning, designing and constructing approximately ten affordable workforce housing units on property owned by the Middle Peninsula Public Access Authority. The project goals involve creating resilient and safe housing for citizens who need to live and work on or near the water. The designs will involve long-range planning for increased flooding and sea-level rise where the units can be readily moved once a site becomes unsafe for continued residential use.

- Convened meeting with the Virginia Housing Development Authority staff regarding the use of a Community Impact Grant for the Captain Sinclair's complex to assist with site planning and preliminary engineering services.
- Provide historical subdivision plats and existing utilities location of septic and wells for use in the RFP process requesting engineering and site evaluation services for the Captain Sinclair's parcels.
- Participated in meeting to discuss VHDA Community Impact Grant proposal to provide pre-development support for units at PAA properties.
- Participated in meeting between PDC's participating in Track 2 projects and VA Housing Staff to discuss project logistics.
- Participated in a PDC Housing Development Grant Onboarding Webex meeting with Luke Tate of VHDA.
- Submitted Quarterly Progress Report on October 15th.

Project 300132 – Energy Efficiency and Conservation Block Grant (EECBG) Revolving Loan Fund

The program emphasizes a community-based approach to help meet energy and climate protection goals. MPPDC was awarded a contract to provide weatherization renovations to 12 homeowners ineligible for LMI weatherization programs in each of the 6 counties. MPPDC subcontracted the promotion and construction portions of this project to Bay Aging but was tasked with administering the overall project. MPPDC is administering the revolving loan program per DMME.

- **Funds available – \$45,203**

EMERGENCY SERVICES

Funding – VDEM/FEMA/Homeland Security

Project 31212 – Middle Peninsula All-Hazards Mitigation Plan Update Yr2

MPPDC staff will work with participating localities to update the 2016 All-Hazards Mitigation Plan. The plan will address mitigation of several natural hazards impacting the region.

- The Local Planning Team (LPT) will meet throughout the All-Hazards Mitigation Plan (AHMP) update. Below is a table that shows LPT meeting date and attendance.

Locality	Meeting 1 (012521)	Meeting 2 (020821)	Meeting 3 (022221)	Meeting 4 (032921)	Meeting 5 (042621)	Meeting 6 (062621)	Meeting 7 (072621)	
Essex County	✓	✓	✓	✓	✓		✓	
Mathews County	✓	✓	✓	✓		✓	✓	
Middlesex County		✓	✓	✓		✓	✓	
King William County	✓	✓	✓	✓	✓	✓	✓	
King & Queen County	✓	✓		✓	✓	✓	✓	
Gloucester County	✓	✓	✓	✓	✓	✓	✓	
Town of West Point	✓	✓	✓	✓	✓	✓	✓	
Town of Urbanna				✓			✓	
Town of Tappahannock			✓	✓				
Missed meeting and no follow up					Missed meeting but followed up		Attended meetings	

- Worked to complete the draft of the AHMP. Middle Peninsula localities were provided with the opportunity to review the updates and provide feedback.
- Below is a table that depicts the plan's sections, section feedback due date for Middle Peninsula localities, and the localities that are satisfied with the draft document as provided. Most recently, Section 3 Community Profiles were reviewed by LPT participants.

SECTION	TITLE	Section Feedback Due	Counties						Towns		
			Essex	Mathews	Middlesex	King William	King & Queen	Gloucester	West Point	Urbanna	Tappahannock
1	Intro	4/23.2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Planning Process	10/15/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Community Profile	2/5/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Hazard Identification	10/15/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Risk Assessment Analysis (HAZUS)	10/15/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Capability Assessment	10/15/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Review of 2016 Strategies	10/1/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Mitigation Goals, Objects and Strategies	10/1/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Implementation Plan	10/1/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Plan Adoption	10/1/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓
11	Plan Maintenance	9/15/2021	✓	✓	✓	✓	✓	✓	✓	✓	✓

- Please note that for the federally recognized tribes, their participation varied throughout this process. The Rappahannock Tribe provide all requested information and participated in the LPT meetings; the Upper Mattaponi provide no feedback or response to information requests but participated in the majority of the LPT meetings; and the Pamunkey Tribe developed an addendum to the AHMP to be added which was adopted by the Tribe in August 2020.

SECTION	TITLE	Section Feedback Due	Tribes		
			Rappahannock	Pamunkey	Upper Mattaponi
1	Intro	4/23/2021	✓	✓	✓
2	Planning Process	10/15/2021	✓	✓	✓
3	Community Profile	2/5/2021	✓	✓	✓
4	Hazard Identification	10/15/2021	✓	✓	✓
5	Risk Assessment Analysis (HAZUS)	10/15/2021	✓	✓	✓
6	Capability Assessment	10/15/2021	✓	✓	✓
7	Review of 2016 Strategies	10/1/2021	✓	✓	✓
8	Mitigation Goals, Objects and Strategies	10/1/2021	✓	✓	✓
9	Implementation Plan	10/1/2021	✓	✓	✓
10	Plan Adoption	10/1/2021	✓	✓	✓
11	Plan Maintenance	9/15/2021	✓	✓	✓

- Drafted and submitted the quarterly report for the All-Hazards Mitigation Plan.
- With the completion of the draft plan, MPPDC staff posted the document on the MPPDC website to receive comments from the public between October 18th and November 1st. As part of the public outreach requirement for the AHMP update, feedback from the public will be gathered. This feedback will be shared with the LPT at a later date to consider changes to the plan. Please note that that all LPT representatives have received notice that the draft has been completed and it was recommended that the link to the draft be posted on locality social media pages and/or websites. For the draft plan please visit the MPPDC website: [DRAFT- All Hazards Mitigation Plan](#).
- Waiting on data requests from Virginia Department of Conservation and Recreation regarding flood insurance claims within the Middle Peninsula region.

AGENCY ADMINISTRATION

Funding - Indirect cost reimbursements from all PDC projects

MPPDC Administration

Administrative services provided to MPPDC programs. Planned FY22 Indirect Cost rate = 27.92%.

- Prepared vouchers, processed A/P, processed deposits and balanced bank account. Prepared monthly payroll run. Prepared monthly financial statements.
- Prepared financial reports and/or reimbursement requests for all projects requiring them.
- Closed FY21 in GMS and completed FY22 Agency Budget in GMS.
- Emailed auditor all “wish list” items for both MPPDC and MPCBPAA in preparation for FY21 audit which was conducted October 7th. Auditor was in the office for one day this year. In the past, it has taken him two days.
- Kept staff informed as each Fight the Flood application fee was received.

- Reminded staff to complete timesheets and update award/grant Master File.
- Updated quarterly staff allocations.
- Attended VACORP Fall 2021 Basic Training Session.
- Attended eVA Buyer User Group Zoom meeting.
- Distributed 2021-2022 Annual Creditable Coverage Notice to staff.
- Submitted Role Mapping Workbook to Cardinal.
- Submitted an order to Dell to replace staff inoperable desktop computer and monitor.
- Reminded Mark Harris, Consociate Media to send credit card backup each time GoDaddy charges occur.
- Worked with Ciara Lawson of VRS to reconcile Hybrid Retirement Plan DC components.
- Reviewed and prepped incoming contracts for signature by MPPDC Executive Director; and Chair as required. Contacted funders as needed for questions and/or corrections.
- Created new project numbers and project files for new FY22 awards.
- Put out bids for marketing work to vendors in preparation of application to DRPT RFP “Transit Recovery Marketing Initiative”.

Closed Projects

Project 30121 – Staff Support to Middle Peninsula Alliance (MPA) FY21

MPPDC staff are providing clerical and fiscal assistance to the Middle Peninsula Alliance.

Project 30217 – Transportation Demand Management (TDM) Operating FY21

This program assists local commuters and employers with transportation issues. The main emphasis is on lowering the number of single occupancy vehicle commutes within and from the Middle Peninsula region through marketing and promotion of the program through local media and provision of ride matching services to commuters.

Project 30318 – Rural Transportation Planning FY21

This program provides rural transportation planning services through the Rural Transportation Planning Work Program which outlines specific tasks and goals to guide the rural planning of transportation services.

Project 32018 – GoVA Bay Direct

This project is a special COVID economic development project that will facilitate electronic commerce between those who want to purchase “local” seafood/agricultural products and those who can sell “local” seafood/agricultural products by customizing an established mobile and web application to address the unique economic pandemic challenges facing the Middle Peninsula.

Project 32158 – Virginia Coastal TA FY21

This project provides ongoing support to member localities of the Planning District Commission and other stakeholders committed to improving community development and coastal management within the coastal zone.

Project 32159 – DEQ Planner Yr2

MPPDC will continue to engage localities and regional and state partners regarding Bay WIP III programmatic actions and implementation activities with funding provided by DEQ.

Project 32160 – ANPDC Eco Tourism IV Promoting Ecotourism to Support Conservation of Conserved Lands and Resilient Communities

This project will build on the efforts completed between 2017 – 2019. During this project PDC’s will focus on implementing actions identified in the 36-month Marketing Strategy and Action Plan. PDC’s will also organize a business resiliency training for local businesses. Finally, PDCs will create a tiered priority list for paddling launch sites that need signage enhancements and will begin the development of graphic design content for the selected launch sites.

MPPDC: Membership, Appointments, Committee Assignments, and Networks

Coastal Policy Team (CPT): The CPT, whose members and alternates represent the Virginia Coastal Zone Management Program's key partners and eight planning district commissions, provides a forum for discussion and resolution of cross-cutting coastal resource management issues. Members serve on the team at the discretion of their agency or planning district commission director. The CPT recommends funding levels to the DEQ Director for coastal zone management projects. (MPPDC Staff 15 years +)

Virginia Coastal Resilience Technical Advisory Committee: As appointed by the Governor in EO-71, a Technical Advisory Committee (TAC) with representatives of state agencies, coastal planning districts and regional commissions, and academic advisors, among others will facilitate the coordination and the development of the Virginia Coastal Resilience Master Plan. The Commonwealth's Chief Resilience Officer, Special Assistant to the Governor for Coastal Adaptation and Protection, and TAC will work with localities, regional entities, citizens, and stakeholder groups to identify critical infrastructure, at-risk communities, adaptation strategies, and specific resilience projects for inclusion in the Plan.

Congressman Robert Wittman's Fisheries Advisory Committee and Environmental Advisory Committee: (MPPDC Staff 8 years +)

Virginia Sea Grant Program External Advisory Committee (EAC): The EAC provides stakeholder input on the strategic planning process, the research proposal review process, and on Commonwealth-wide trends and needs. The EAC is a diverse group of end-users including representatives from state agencies, the education community, coastal planning and management, the private sector, and NGOs. (MPPDC Staff 9 years+)

The Association for Commuter Transportation (ACT) (Telework Council Secretary): ACT is the premier association for professionals and organizations whose focus is the delivery of commuting options and solutions for an efficient transportation system. The Telework Council is concerned with promoting telework and providing telework information and technical assistance to employers (MPPDC Staff 10 years+)

Middle Peninsula Northern Neck Coordinated Human Services Mobility Committee: Provides direction for a unified comprehensive strategy for transportation service delivery in the Middle Peninsula and Northern Neck Planning Districts focused on unmet transportation needs of seniors, people with disabilities, and people with low incomes. (MPPDC Staff 12 years)

The Coastal Society: The Coastal Society is an organization of private sector, academic, and government professionals and students. The Society is dedicated to actively addressing emerging coastal issues by fostering dialogue, forging partnerships, and promoting communications and education. (MPPDC staff serves as a Director)

Eastern Virginia Groundwater Management Advisory Committee (EVGMAC) Workgroup #2B: EVGMAC is charged with assisting the State Water Commission and DEQ in developing, revising and implementing a management strategy for groundwater in Eastern Virginia Groundwater Management Area. Group #2B will identify trading options and programs used in other states; evaluate how trading programs might help with future growth and development, and individual and regional solutions; and evaluate feasibility, data needs, cost and possible participants.

Opportunities Identified to Implement Commission Priorities
Proposals Status

Service Center	Project Title and Description	Date Applied	Funding	Status
Environmental	DCR Flood Fund Round 1 – Middlesex Carlton Road Boat Ramp Design & Permitting	Sep. 2021	\$26,400	Awarded
Environmental	DCR Flood Fund Round 1 – Fight the Flood Tools & Staff Capacity	Sep. 2021	\$1,495,990	On hold
Environmental	DCR Flood Fund Round 1 – Mathews Co. Shoreline Project Designs (4)	Sep. 2021	\$66,226	On hold
Environmental	DCR Flood Fund Round 1 – Middlesex Co. Shoreline Designs (2)	Sep. 2021	\$76,160	On hold
Environmental	DCR Flood Fund Round 1 – Gloucester Co. Shoreline Designs (7)	Sep. 2021	\$92,565	On hold
Environmental	DCR Flood Fund Round 1 – Shoreline Construction – Brednin/Karny-Harvey	Sep. 2021	\$202,629	On hold
Environmental	DCR Flood Fund Round 1 – Shoreline Construction - Parker	Sep. 2021	\$91,564	On hold
Environmental	DCR Flood Fund Round 1 – Shoreline Construction - Hodges	Sep. 2021	\$154,210	On hold
Environmental	DCR Flood Fund Round 1 – Shoreline Construction - Robinson	Sep. 2021	\$63,279	On hold
Environmental	DCR Flood Fund Round 1 – Gloucester Co. Shoreline Designs (7)	Sep. 2021	\$92,565	On hold
MPCBPAA	VTC Virginia Coastal Wilds Marketing	June 2021	\$12,500	Submitted
Transportation	UDOT RAISE WWF Enhancement (Try 2)	July 2021	\$2,635,476	Submitted
Emergency Mgmt.	VDEM SHSP – Cybersecurity	April 2021	\$246,556	Submitted
Community	VCZMP ANPDC Ecotourism Year 5	Mar. 2021	\$13,600	Awarded
Environmental	FEMA BRIC Fight the Flood Project Scoping	Nov. 2020	\$100,000	Submitted

ACRONYMS

ACH	Automated Clearing House	RBOG	Rural Business Opportunity Grant
AFID	Agricultural and Forestry Industries Development	RFP	Request for Proposal
AHMP	All Hazards Mitigation Plan	RFQ	Request for Qualifications
BCC	Building Collaborative Communities Project	RLF	Revolving Loan Fund
BOS	Board of Supervisors	RTP	Rural Transportation Planning
CBPA	Chesapeake Bay Preservation Area	SERCAP	Southeast Rural Community Assistance Project
CDBG	Community Development Block Grant	SHSG	State Homeland Security Grant
CEDS	Comprehensive Economic Development Strategy	SWCD	Soil and Water Conservation District
CIP	Capital Improvement Plan	SWM	Storm Water Management
COI	Conflict of Interest	SWRP	State Water Resource Plan
CZMP	Coastal Zone Management Program	THIRA	Threat & Hazard Identification & Risk Assessment
DEQ	Department of Environmental Quality	TMDL	Total Maximum Daily Loads
DCR	Department of Conservation & Recreation	USACE	U.S. Army Corps of Engineers
DGIF	Department of Game and Inland Fisheries	USDA	U.S. Department of Agriculture
DHR	Department of Historic Resources	USFWS	U.S. Fish and Wildlife Service
DHCD	Department of Housing and Community	VACORP	Virginia Association of Counties Risk Pool
DMME	Department of Mines Minerals and Energy	VAPA	Virginia Planning Association
DOE	Department of Energy	VAPDC	Virginia Association of Planning District Commissions
DRPT	Department of Rail and Public Transportation	VASG	Virginia Sea Grant
EDA	Economic Development Administration	VAZO	Virginia Association of Zoning Officials
EDO	Economic Development Organization	VCP	Virginia Coastal Program
EECBG	Energy Efficiency and Conservation Block Grant	VCRMP	Virginia Coastal Resilience Master Plan
EOC	Emergency Operation Center	VCWRLF	Virginia Clean Water Revolving Loan Fund
EPA	Environmental Protection Agency	VCZMP	Virginia Coastal Zone Management Program
FEMA	Federal Emergency Management Agency	VDEM	Virginia Department of Emergency Management
Fracking	Hydraulic Fracturing	VDH	Virginia Department of Health
GIS	Geographic Information System	VDOT	Virginia Department of Transportation
HRPDC	Hampton Roads Planning District Commission	VEE	Virginia Environmental Endowment
LGA	Local Government Administrators	Vertical	“Towers or other structures that hold cell, broadband and other equipment”
LPT	Local Planning Team	VIMS	Virginia Institute of Marine Science
LSIP	Living Shoreline Incentive Program	VLCF	Virginia Land Conservation Fund
MOU	Memorandum of Understanding	VMRC	Virginia Marine Resource Commission
MPA	Middle Peninsula Alliance	VOAD	Volunteer Organization Active in Disasters
MPBA	Middle Peninsula Broadband Authority	VOP	Virginia Outdoors Plan
MPCBPAA	Middle Peninsula Chesapeake Bay Public Access	VRA	Virginia Resources Authority
MPEDRO	Middle Peninsula Economic Development and Resource Organization	VSMP	Virginia Stormwater Management Program
NIMS	National Incident Management System	VTA	Virginia Tourism Association
NFWF	National Fish and Wildlife Foundation	VTC	Virginia Tourism Corporation
NOAA	National Oceanic and Atmospheric Administration	VWP	Virginia Water Protection
NPS	National Park Services	VWWR	Virginia Water Withdrawal Reporting
OCVA	Oyster Company of Virginia	WIP	Watershed Implementation Plan
OLGA	Online Grant Administration	WQIF	Water Quality Improvement Fund
PAA	Public Access Authority		
RBEG	Rural Business Enterprise Grant		

**Middle Peninsula Local Government Dredging
Implementation Plan**

10 Year Feasibility and Implementation Study

DRAFT Executive Summary

Conducted for

Middle Peninsula Chesapeake Bay Public Access Authority

by

Community Futures

Shore Consulting LLC

and

Virginia Institute of Marine Science at William & Mary

With help from

The Berkley Group

and

Many others

July 2021

Conducted through funding from the Virginia Port Authority Virginia Waterway
Maintenance Fund

The Dredging Problem

Navigable waterways in the Middle Peninsula are becoming clogged with sediment to the degree that commercial and recreational marine traffic can no longer safely maneuver to existing piers, docks and moorings. This is having a negative economic effect on the region. Efforts to revitalize the historic working waterfront communities that depend on boat access to creeks, rivers and the Chesapeake Bay have been stymied. Recreation and tourism focused on water activities is interrupted and housing values of waterfront properties are diminished. All of these factors have had a negative effect on local government real estate tax revenues.

The extent of the problem has been documented in Virginia Institute of Marine Science (VIMS) April 2021 report, Dredging Implementation Prioritization and Management for Middle Peninsula Shallow Draft Channels. The analysis concluded that of the 120 shallow draft channels in the region, 55 (46%) are restricted or semi-restricted and 39 (32%) are completely shoaled or have shoaling greater than 50% of the channel.

The problem has gotten so severe that the US Coast Guard (USCG) has removed aids to navigation (ATONS) from several creeks and has notified the local governments of their intent to remove additional ATONS if the channel conditions are not improved.

Without continual maintenance of the navigable waterways in the Middle Peninsula, marine traffic will have to be diverted, boating safety will be jeopardized, and recreational and economic activity curtailed. The impact will result in reduced economic activity, reduced shoreline property values, and fewer real estate taxes flowing to local governments.

Background

Dredging projects in the Middle Peninsula have historically been conducted by the US Army Corps of Engineers (USACE) but due to the reduction in funding and other higher priorities the USACE has only completed five dredging projects within the region over the period 1990-2020. As the federal budget for dredging projects has declined it has become apparent that a different approach is required to fund channel dredging in the future. In addition, local governments and non-governmental organizations have performed very limited dredging of creeks in the region. Recent funding provided through the Virginia Port Authority's Waterways Maintenance Fund (\$1.35MM) would only allow a very select few projects to be supported annually, nowhere near addressing the dredging needs throughout the region or the Commonwealth.

Dredging Type and Job Size for Federal Navigation Channels (1990-2020)

<u>Federal Channel Name</u>	<u>County</u>	<u>Date Last Dredged</u>	<u>Last Volume Dredged (cy)</u>
Horn Harbor	Mathews	Combined with Whiting Creek in 2003	4,096
Whiting Creek	Middlesex	Combined with Horn Harbor in 2003	13,285
Winter Harbor	Mathews	2009-10	87,090
Broad Creek	Middlesex	2010	38,491
Queens Creek	Mathews	2019	20,220
TOTALS			163,182
AVERAGE			32,636

Given the critical need for that shallow draft channel dredging throughout the region and the limitations of the USACE, the Middle Peninsula Chesapeake Bay Public Access Authority (MPPAA) requested funding from the Virginia Port Authority's Waterways Maintenance Fund to develop the **Middle Peninsula Local Government Dredging Implementation Plan**. The goal of this Plan is to analyze the options for carrying out channel dredging in the region and determine the most feasible method for conducting that dredging. The Plan analyzed the costs of dredging 22 channels and assessed the feasibility of establishing a regional dredging program either through contracting with the private sector, establishing a publicly operated dredging program, or a combination public-private partnership. The individual localities selected the 22 channels that would be a part of this analysis. The result of the analysis is series of recommendations on the most cost-effective method for local governments to implement the dredging program.

The basic research for the Plan included an in-depth analysis of the physical characteristics of the 22 channels conducted by VIMS. The VIMS report gave a detailed morphological analysis of each channel, a sediment survey to determine whether the material to be dredged was more sand (which can be used to replenish beaches) or more silt (which needs to be disposed of on land), the estimated quantity of material to be dredged, as well as historical research into past dredging operations. VIMS also recommended the preferred type of dredging (hydraulic or mechanical) and dredge material disposal locations. The Mattaponi River channel was determined not to require dredging within the 10-year time horizon of the analysis. Other basic research was conducted related to USACE's previous and current dredging projects, the expertise of dredging firms that work on the East Coast, and other dredging feasibility studies. The experiences of other localities along the East and Gulf Coasts that operate dredging programs were reviewed and are presented in selected case studies.

The following table summarizes the VIMS analysis of channel design and estimates of the quantity of material to be dredged.

Summary of Project Dredging Depths, Disposal/Placement Types, Volumes, and Frequencies

<u>Navigation Project</u>	<u>Dredging Depth (Ft.)</u>	<u>Assessment of Type of Disposal (Placement)</u>	<u>Total Volume</u>	<u>Dredging Frequency (Years)</u>
Mattaponi River ¹	No Dredging	No Dredging	No Dredging	No Dredging
Aberdeen Creek	-(6+1)	Upland	59,250	5-10
Cedarbush Creek	-(6+1)	Upland	89,506	10-20
Timberneck Creek	-(6+1)	Upland	46,300	5-10
Aberdeen, Cedarbush, & Timberneck Combination	-(6+1)	Upland	195,056	--
Sarah Creek	-(6+1)	Upland	9,549	5-10
Perrin River	-(6+1)	Upland	14,593	10-20
Sarah Creek & Perrin River Combination	-(6+1)	Upland	24,142	--
Free School Creek	-(4+1)	Upland	222	10-20
Whittaker Creek	-(4+1)	Upland	8,953	5-10
Free School & Whittaker Creek Combination	-(4+1)	Upland	9,175	--
Mill Creek 2	-(4+1)	Beneficial Use	1,127	10-20
Put In Creek	-(4+1)	Upland	5,370	5-10
Mill Creek 2 & Put In Creek Combination	-(4+1)	Upland	6,497	--
Davis Creek	-(7+1)	Upland	32,900	5-10
Horn Harbor	-(7+1)	Beneficial Use	82,233	10-20
Winter Harbor	-(6+1)	Beneficial Use & Upland	106,861	5-10
Horn & Winter Harbor Combination	-(7+1) -(6+1)	Beneficial Use & Upland	189,094	--
Hole In The Wall	-(6+1)	Beneficial Use	40,000	5-10
Queens Creek ²	-(6+1)	Beneficial Use	971/23,000	5-10
Milford Haven	-(10+1)	Beneficial Use	11,043	10-20
Queens Creek & Milford Haven Combination	-(6+1) -(10+1)	Beneficial Use	34,043	--
Broad Creek	-(7+1)	Beneficial Use & Upland	7,136	5-10
Bush Park Creek	-(4+1)	Beneficial Use	2,568	<5 years
Mill Creek	-(4+1)	Beneficial Use	483	10-20
Whiting Creek	-(6+1)	Beneficial Use	31,644	5-10
Robinson Creek	-(6+1)	Beneficial Use	4,372	5-10
Parrotts Creek	-(6+1)	Upland	20,265	10-20
Total:			597,375	

¹ VIMS channel condition survey indicated that dredging was not required.

² Dredging last occurred in 2019, with 2020 VIMS survey showing 971 cubic yards required to bring full project depth; long term dredging records indicate an average of 23,000 cubic yards required for removal each cycle.

Based upon this basic research the following steps were carried out to develop the Plan:

1. Estimation of the cost of dredging each of the 21 channels through contracting with commercial dredging firms including pre-construction, construction, and post-construction costs. Pre-construction costs consist of; channel condition assessments, sediment sampling, analysis of benthic riverbed-dwelling and fish life, identification of disposal sites, preliminary engineering, environmental assessment, preparation of grant and loan applications and community engagement. Construction costs meanwhile include; final engineering design, construction documents and award of construction contract, mobilization and de-mobilization of the dredge equipment, and acquisition and preparation of the disposal site. Post-construction involves monitoring the post-dredged project including a post-construction condition survey. All phases of the projects include appropriate contingencies. The costs of combining two or more projects under a single contract were also estimated.
2. Estimation of the costs of operating a locally managed regional dredging program included costs of equipment required, cost of staffing of the program, annual operating costs and the fee structure necessary to operate the dredging program.
3. Development of a schedule of dredging that would minimize costs and maximize efficiency of the dredging program.
4. Comparative analysis of the costs of conducting the dredging program through private sector contracting or conducting the dredging through a locally managed dredging program.
5. Review of the grant and loan programs that are available to help reduce the costs and provide the financing for the dredging program.
6. Analysis of the methods that each county can use to finance the cost of the dredging program over time including the impact of those various financing options on the local real estate tax rates. and
7. Recommendations for the implementation of the most feasible and cost-effective dredging program that addresses the needs of the 21 channels.

Private Sector Contracting

The costs for dredging the individual projects through contracting with a private sector dredging contractor ranged from a low of \$337,178 for Free School Creek to a high of \$3,201,088 for Cedarbush Creek. When dredging projects are combined under a single contract the Aberdeen/Cedarbush/Timberneck Creeks project would be the most expensive at \$4,700,927.

Combining projects under a single construction contract yields very significant cost savings since the mobilization/demobilization costs are spread across several projects. Typically, the mobilization/demobilization costs are \$700,000 per project.

Without grant funding the total cost of all of the dredging projects is \$30M. The cost of the dredging projects in each County are; Gloucester - \$9.2M, Mathews - \$12.6M, and Middlesex - \$8.2M.

The increase in County real estate taxes necessary to fund the dredging projects without any grant funding is projected to be: \$.024/\$100 for Gloucester County to \$.08/\$100 in Mathews County to \$.046/\$100 in Middlesex County.

Summary of Project Dredge Type and Initial Dredging Costs – Private Dredging Contractor

<u>Navigation Project</u>	<u>Type of Dredge</u>	<u>Initial Cost of Construction</u>
Mattaponi River ³	No Dredging	No Dredging
Aberdeen Creek	Hydraulic	\$2,416,043
Cedarbush Creek	Hydraulic	\$3,201,088
Timberneck Creek	Hydraulic	\$2,841,833
Aberdeen, Cedarbush, & Timberneck Combination	Hydraulic	\$4,700,927
Sarah Creek	Hydraulic	\$1,679,282
Perrin River	Hydraulic	\$1,878,608
Sarah Creek & Perrin River Combination	Hydraulic	\$2,514,523
Free School Creek	Upland Platform or Hydraulic	\$337,178
Whittaker Creek	Hydraulic	\$1,650,126
Free School & Whittaker Creek Combination	Hydraulic	\$1,987,304
Mill Creek 2	Upland Platform, Hydraulic or Mechanical	\$379,538
Put In Creek	Hydraulic	\$1,634,444
Mill Creek 2 & Put In Creek Combination	Hydraulic	\$2,013,982
Davis Creek	Hydraulic	\$2,182,320
Horn Harbor	Hydraulic	\$2,291,117
Winter Harbor	Hydraulic	\$3,093,480
Horn & Winter Harbor Combination	Hydraulic	\$4,493,758
Hole In The Wall	Hydraulic	\$1,951,350
Queens Creek ⁴	Hydraulic	\$1,562,250
Milford Haven	Hydraulic or Mechanical	\$1,385,624
Queens Creek & Milford Haven Combination	Hydraulic	\$1,996,548
Broad Creek	Hydraulic	\$1,529,468
Bush Park Creek	Mechanical	\$1,350,332
Mill Creek	Upland Platform or Mechanical	\$339,571
Whiting Creek	Hydraulic	\$1,689,937
Robinson Creek	Hydraulic	\$1,379,297
Parrotts Creek	Hydraulic or Mechanical	\$1,929,197
Total, Single Projects:		\$36,702,083
Total, with Combinations:		\$30,058,514

³ VIMS channel condition survey indicated that dredging was not required.

⁴ Dredging last occurred in 2019, with 2020 VIMS survey showing 971 cubic yards required to bring full project depth; long term dredging records indicate an average of 23,000 cubic yards required for removal each cycle.

Regionally Operated Dredging Program

The cost of operating a regional dredging program was estimated using a hydraulic cutter head dredge operated with a staff of 5 members.



Photo: 2020 Hydraulic Dredge Plant, Oyster Channel, VA.

Source Credits: USACE and Dredgit Corp.

A regionally operated dredging program would have an annual budget of \$2,581,979 – Administration \$855,630 including a Replacement Reserve of \$250,000/yr., and Dredging - \$1,766,349 including Debt Service on Equipment of \$521,597.

This regionally operated dredging program would be able to dredge approximately 750 cu. yd. per day or about 120,000 cu. yd. per year. At this rate the regional program would be able to complete around 3 to 4 dredging projects per year depending upon the sizes of the projects. At that rate, one round of dredging for the portfolio would take approximately 5 years to complete.

The number of shallow draft channels needing dredging across the region and the projected frequency of maintenance dredging would require full-time operation of the regional dredging program for the foreseeable future.

A \$27/cy dredging fee structure is required to support the regionally operated dredging program.

The cost to complete all projects within each of the Counties at the rate of \$27/cu. yd. would be: Gloucester - \$8.5M, Mathews – \$9.8M, and Middlesex - \$3M for a total cost of \$21.3M.

Lowered costs are achieved as a result of being able to plan and move dredging operations sequentially from one site to the next in a logical geographic order and having much lower mobilization/demobilization costs.

The increase in County real estate taxes necessary to fund the dredging projects without any grant funding is projected to be: \$.021/\$100 for Gloucester County, \$.061/\$100 in Mathews County and \$.017/\$100 in Middlesex County.

If grant funding were available for the dredging equipment (\$3.6M) the dredging fee charged the counties could be lowered from \$27/cu. yd. to \$21.50. If 50% of the equipment costs could be covered the fee would be \$24.30/cu. yd. The DHCD - GO Virginia and the VPA - Waterway Maintenance Fund programs are potential sources of a grant.

The pro forma of the regionally operated dredging program indicates that the initial start-up time and the down time during the winter months cause a cash flow and first year deficit (Expenditures exceed revenues by \$619,060) requiring a \$650,000 working capital line of credit (LOC) to offset these cash flow issues.

During the second year of operation the pro forma projects the regional dredging program revenues will exceed expenditures by \$108,709 reducing the LOC to \$250,000 at the end of the 2nd year. During the third-year revenues again exceed expenditures by \$173,005 further reducing the LOC to \$100,000 at the end of the year. At the end of three years of operation of the regional dredging program, the replacement reserve is projected to grow to \$750,000 and there would be cash balance of \$122,654 at the end of the third year.

The following table summarizes the annual costs of implementing a regionally operated dredging program.

Proposed Annual Budget – Regionally Operated Dredging Program

<u>Category</u>	<u>Description</u>	<u>Cost - Administration</u>	<u>Cost - Dredging and Disposal</u>
<u>Personnel</u>			
	Director/Dredge Superintendent	\$100,000	
	Dredge Captain/Tug Operator		\$75,000
	Dredge Maintenance Engineer		\$65,000
	Dredge Leverman		\$65,000
	Dredge First Deckhand		\$65,000
	Dredge Second Deckhand		\$50,000
	Total Wages	\$100,000	\$320,000
	Payroll Taxes - Social Security	\$7,500	\$24,000
	Retirement	\$5,000	\$16,000
	Workman's Comp.	\$120	\$3,840
	Health Insurance	\$15,400	\$49,280
	Life Insurance	\$10	\$32

<u>Category</u>	<u>Description</u>	<u>Cost - Admin- istration</u>	<u>Cost - Dredging and Disposal</u>
	Training and Certification	\$2,000	\$8,000
	Total Personnel	\$130,030	\$421,152
<u>Dredging Equipment Maintenance and Supplies</u>			
	Dredge Hose and Mooring		\$25,000
	Fuel and Lubricants		\$37,000
	Miscellaneous Expenses		\$15,000
	Storage Rent		\$3,600
	Repairs and Materials - Dredge		\$25,000
	Repairs and Materials - Workboats		\$5,000
	General Maintenance Supplies		\$30,000
	Rental Equipment		\$75,000
	Subtotal		\$215,600
<u>Insurance</u>			
	Liability		\$25,000
	Hull and Equipment		\$40,000
	Other	\$6,000	
	Subtotal	\$6,000	\$65,000
<u>Office Expense</u>			
	Office and Facilities	\$3,600	
	Equipment	\$3,000	
	Utilities		
	Electric	\$3,000	
	Telephone	\$3,600	
	Water and Sewer	\$2,400	
	Internet	\$1,200	
	Subtotal	\$16,800	
<u>Consultants</u>			
	Accounting and Audit	\$25,000	
	Preliminary Engineering and Design - Future Projects	\$300,000	
	Preliminary Engineering and Design - 3 Projects		\$120,000
	Environmental Assessment	\$30,000	
	Legal	\$20,000	
	Financial	\$20,000	

<u>Category</u>	<u>Description</u>	<u>Cost - Admin- istration</u>	<u>Cost - Dredging and Disposal</u>
	Other - Grant/Loan Applications	\$15,000	
	Condition Survey – 3 Projects		\$75,000
	Monitoring and Mitigation - \$50,000 X 3		\$150,000
	Subtotal	\$410,000	\$345,000
<u>Bonds</u>			\$8,000
<u>Permit Fees and Environmental Compliance</u>			\$75,000
	Environmental Support Services		\$75,000
	Subtotal		\$150,000
<u>Administrative</u>			
	Travel	\$4,000	
	Office Supplies and Postage	\$1,200	
	Administrative Expenses and dues	\$2,000	
	Bank Fees and Finance Charges	\$600	
	Bank Interest Charges	\$15,000	
	Subtotal	\$22,800	
<u>Debt Payments</u>			\$521,597
<u>Replacement Reserves</u>		\$250,000	
<u>Other and Miscellaneous</u>		\$20,000	\$40,000
<u>Total</u>		\$855,630	\$1,726,349
<u>Grand Total</u>		\$2,581,979	

Suggested Dredging Schedule

Three basic dredging schedules were assessed; two based on geographic proximity and one based on a combination of geographic proximity with dredging projects where data assessments have been completed. Each alternative was measured against the following criteria:

- Minimizes travel time for moving dredging equipment from site to site
- Minimizes travel cost for moving equipment from site to site
- Facilitates daily dredging production rate of 750 cubic yards per day
- Facilitates weekday work schedule
- Facilitates requirements for dredge equipment maintenance based on normal usage

- Generally consistent in meeting annual dredging program dredging target totals (within 120,000 cubic yards)
- Produces the shortest dredging program cycle time

The first two alternatives meet the first 6 criteria with alternative three also being able to meet criteria 7 such that a second round of dredging could then begin for those projects most in need of maintenance dredging. The following table lays out the resultant base dredging schedule. Such a schedule would allow for completion of the first complete cycle of dredging in December 2027. Thereafter it is envisioned that a maintenance dredging program will routinely respond to dredging needs within the 3-county area based on the timely preparation of project condition surveys.

Suggested Dredging Schedule

<u>Navigation Project</u>	<u>Project Year</u>	<u>Begin Date For Mobilization</u>	<u>End Date for Demobilization</u>	<u>Total Period of Performance By Project⁵</u>
Davis Creek	1	10/01/22	12/22/22	59
Aberdeen Creek	2	04/01/23	08/15/23	98
Timberneck Creek	2	08/16/23	12/04/23	79
Cedarbush Creek	3	04/01/24	10/16/24	142
Hole In The Wall	3	10/17/24	01/22/25	70
Sarah Creek	4	04/01/25	05/06/25	25
Perrin River	4	05/07/25	06/20/25	32
Free School Creek	4	06/21/25	07/08/25	12
Whitaker Creek	4	07/09/25	08/12/25	24
Mill Creek 2	4	08/13/25	08/29/25	13
Put In Creek	4	08/30/25	09/24/25	19
Horn Harbor	4	09/25/25	03/27/26	132
Winter Harbor	5	04/01/26	11/20/26	168
Queens Creek	5	11/21/26	01/21/27	45
Milford Haven	6	04/01/27	05/10/27	27
Broad Creek	6	05/11/27	06/09/27	21
Bush Park Creek	6	06/10/27	06/30/27	15
Mill Creek	6	07/01/27	07/16/27	12
Whiting Creek	6	07/17/27	10/05/27	57
Robinson Creek	6	10/06/27	10/29/27	17
Parrotts Creek	6	10/30/27	12/24/27	41

⁵ Measured as the number of workweek-days.

Regionally Operated Dredging Program vs. Private Sector Contracting

The costs of contracting the various dredging projects were compared to the costs of carrying out the dredging program through a regionally operated dredging program. Based upon that analysis, **it is 29% less costly to dredge the channels through a regionally operated program than through contracting with private sector dredging contractors.**

Dredging all of the channels through contracting with the private contractors is estimated at \$30M versus \$21.3M if dredged through the regionally operated dredging program. The savings for each locality are estimated to be: Gloucester - \$.7M, Mathews - \$.2.8, and Middlesex - \$.5.2M.

The cost savings of a regionally administered and operated dredging program results in less of an impact on the real estate tax rate: \$.003 – Gloucester County, \$.02 – Mathews County, and \$.029 in Middlesex County.

Small to medium sized dredging projects, 1,000 to 85,000 cu. yd., are more economical to implement through a regionally operated dredging program.

Larger dredging projects, greater than 85,000 cu. yd., are less costly when undertaken with a private sector contractor than a regionally operated dredging program.

Very small dredging projects, less than 1,000 cu. yd. using an upland platform method of dredging, are less costly when undertaken with private contractor.

The regionally operated dredging program would likely contract with the private sector for some projects, particularly the smaller projects, to achieve cost efficiencies and reduce overall cost to the localities.

The following table illustrates the cost comparison of dredging each channel through a regionally operated dredging program or contracting with a private sector dredging contractor.

Regional Program vs. Private Sector Cost Comparison

<u>Dredging Project</u>	<u>Regional Dredging Program</u>		<u>Private Sector</u>	
	<u>Dredging Cost at \$27/cy</u>	<u>Total Dredging and Disposal Cost</u>	<u>Dredging Cost</u>	<u>Total Dredging and Disposal Cost</u>
Aberdeen Creek	\$1,599,750	\$2,192,128	\$1,823,662	\$2,416,043
Cedarbush Creek	\$2,416,635	\$3,215,709	\$2,174,160	\$3,201,088
Timberneck Creek	\$1,250,100	\$2,191,618	\$1,697,529	\$2,841,833
Aberdeen, Cedarbush, Timberneck Combination	\$5,266,485	\$6,298,820	\$3,668,588	\$4,700,927
Sarah Creek	\$257,823	\$691,552	\$1,355,549	\$1,679,282
Perrin River	\$394,011	\$1,073,106	\$1,419,510	\$1,878,608

Regional Dredging Program

Private Sector

<u>Dredging Project</u>	<u>Dredging Cost at \$27/cy</u>	<u>Total Dredging and Disposal Cost</u>	<u>Dredging Cost</u>	<u>Total Dredging and Disposal Cost</u>
Sarah, Perrin River Combination	\$651,834	\$1,630,297	\$1,898,059	\$2,514,523
Free School Creek	\$5,994	\$307,723	\$728,567	\$1,545,299
Free School Creek ⁶	--	--	--	\$337,178
Whittaker Creek	\$241,731	\$543,460	\$1,348,393	\$1,650,126
Freeschool, Whittaker Combination	\$247,725	\$549,454	\$1,707,237	\$2,008,969
Gloucester Total	\$6,166,044	\$8,478,571	\$7,273,884	\$9,224,419
Mill Creek 2	\$30,429	\$65,197	\$344,766	\$379,538
Mill Creek 2	--	--	--	\$1,325,018
Put In Creek	\$144,990	\$556,064	\$1,206,356	\$1,634,444
Mill Creek, Put In Creek Combination	\$175,419	\$601,404	\$1,679,406	\$2,013,982
Davis Creek	\$888,300	\$1,536,341	\$1,534,276	\$2,182,320
Horn Harbor	\$2,220,291	\$2,431,139	\$2,226,373	\$2,291,117
Winter Harbor	\$2,885,247	\$3,611,623	\$2,784,938	\$3,093,480
Horn & Winter Harbors Combination	\$5,105,538	\$5,980,498	\$3,857,776	\$4,493,758
Hole In The Wall	\$1,080,000	\$1,229,996	\$1,801,350	\$1,951,350
Queens Creek	\$26,217	\$134,889	\$1,453,575	\$1,562,250
Milford Haven	\$298,161	\$386,207	\$1,297,575	\$1,385,624
Queens Creek, Milford Haven Combination	\$324,378	\$470,669	\$1,929,310	\$1,996,548
Mathews Total⁷	\$7,573,635	\$9,818,908	\$10,802,118	\$12,632,451
Broad Creek	\$192,672	\$387,423	\$1,243,050	\$1,529,468
Bush Park Creek	\$69,336	\$149,147	\$1,270,517	\$1,350,332
Mill Creek	\$13,041	\$43,176	\$309,432	\$339,571
Mill Creek	--	--	--	\$1,229,634
Whiting Creek	\$854,388	\$977,970	\$1,566,351	\$1,689,937
Robinson Creek	\$118,044	\$201,238	\$1,296,100	\$1,379,297
Parrotts Creek	\$547,155	\$1,281,223	\$1,391,314	\$1,929,197
Middlesex Total	\$1,794,636	\$3,040,178	\$7,076,764	\$8,217,802
Total All Projects	\$15,534,315	\$21,337,657	\$25,152,766	\$30,074,672
Average	\$1,109,594	\$1,557,738	\$1,932,202	\$2,211,151

⁶ Estimates of cost using an on-land platform mechanical dredging method (as opposed to hydraulic cutterhead suction) were calculated for Free School Creek, Mill Creek and Mill Creek 2.

⁷ The costs were used if all cost-saving combination projects are implemented.

Obstacles or Barriers

In general, based on samples, surveys, and sediment analysis performed by VIMS the dredging and disposal (placement) of dredge material from the channels evaluated indicate the following:

- No contaminated creeks.
- Short term impacts may include destruction of the non-motile benthic community along with temporary changes in water quality, air and noise emissions. Short term impacts would cease with the completion of construction.
- Long term impacts to soils and bathymetry, typical of a dredging project, would be expected however these projects are not expected to cause long term adverse impacts on the surrounding ecosystems.
- Although dredging and disposal (placement) activities can impact the benthic environment these activities may also allow for an improvement in water circulation and water quality as well as to provide a higher degree of resiliency to combat the impacts being brought about by sea level rise and increasing storm induced damages to property.
- **Any effects on the environment should be minimal and be offset by the project benefits to also include providing safe navigation, opportunities for the movement of waterborne commerce, enhancement of recreational boating opportunities, and restoration of lost real estate tax base.**

Joint permit applications will be prepared as appropriate to address the above obstacles and barriers and the following additional considerations will be addressed:

- Oyster leases in project areas.
- The availability of appropriately located and sized real estate parcels suitable for the disposal (placement) of dredge material.
- Utilities and other crossings of dredging and/or dredge material disposal (placement) areas.
- As with all capital improvement projects in a coastal riverine environment, in particular real estate, costs have been variable and can be expected to be so in the future.
- Identification and finalization of Section 408 requirements by the USACE.

Finally, active engagement with stakeholders via public outreach will help to ensure early and often communication so that all understand the dredging program, its importance and impacts, as well as obstacles and barriers to implementation.

Options for Financing Dredging

Possibility of grants to reduce the overall costs of the dredging projects and the potential for debt capital to provide long-term financing for the net cost of the projects were evaluated. In addition, various methods of raising revenues were evaluated to determine the most feasible options for paying the annual cost of the dredging projects. Lastly, the implications of not taking any action were analyzed based upon the recent real estate assessment experience of Mathews County for the years 2005, 2011, and 2017. The following are the findings and conclusions related to each area of analysis.

Grant Options

The cost of channel dredging can be reduced through grants or contributions to the projects. Four general categories of grants can be applied to dredging projects: 1) grants that can cover most of the overall cost of a dredging project, 2) grants that would support the economic expansion of the harbor served by the channel, 3) grants that improve the environment, typically related to beneficial use of the dredge material and 4) grants that may be available to reduce the planning and predevelopment costs of the dredging projects.

Three programs can provide grant support for most of the individual dredging projects: 1) Virginia Port Authority, Waterway Maintenance Fund, 2) US Army Corps of Engineers, Continuing Authorities Program, Section 107 – Navigation, and 3) USDA Rural Development Community Facilities Direct Loan and Grant Program.

The Virginia Port Authority (VPA) Waterway Maintenance Fund is the single best grant program for supporting the regional dredging projects but annual allocation funds limit its utilization to one or two projects a year, which is insufficient to address the need for dredging in the region.

There are six grant programs that could support dredging if dredging is a component of a larger project that increases economic activity related to a working waterfront or harbor: 1) VPA - Aid to Local Ports, 2) DHCD, Go Virginia Implementation Grants, 3) DHCD, CDBG Community Economic Development Grants, 4) EDA, Public Works Grants, 5) EDA, Economic Adjustment Grants, and 6) EDA, Disaster Supplemental Assistance.

Four programs are directed at the “beneficial disposal of dredge material”: 1) US Army Corps of Engineers, Continuing Authorities Program, Section 204 – Beneficial Use of Dredge Material, 2) US Army Corps of Engineers, Chesapeake Bay Environmental Restoration and Protection, Section 510, 3) US Army Corps of Engineers, Project Modifications to Improve the Environment - Section 1135 and 4) Virginia Department of Environmental Quality - Virginia Community Flood Preparedness Fund (CFPF).

Given the amount of funding that is projected to be available in the Virginia Community Flood Preparedness Fund (CFPF), there is a significant potential for grants that would cover a portion of several dredging projects.

It appears that the US Army Corps of Engineers, Chesapeake Bay Environmental Restoration and Protection, Section 510 program will have funding available over the next several years that will be able to support dredging that is tied to implementation of the Chesapeake Bay Program.

Funding to cover a portion of the costs of the pre-dredging activities are eligible under eleven different programs: 1) Virginia Port Authority, Waterway Maintenance Fund, 2) DHCD, Go Virginia, Enhanced Capacity Building, 3) DHCD, CDBG, Project Planning Grants, 4) US Army Corps of Engineers, Continuing Authorities Program, Section 107 – Navigation, 5) US Army Corps of Engineers, Continuing Authorities Program, Section 204, 6) US Army Corps of Engineers, Project Modifications to Improve the Environment, Section 1135, 7) US Army Corps of Engineers, Chesapeake Bay Environmental Restoration and Protection, Section 510, 8) EDA, Public Works Grants, 9) EDA, Economic Adjustment Grants, 10) EDA, Disaster Supplemental Assistance program, and 11) DEQ, Virginia Community Flood Preparedness Fund (CFPF).

If the counties choose to operate a regional dredging program through the Middle Peninsula Chesapeake Bay Public Access Authority by purchasing a dredge and related equipment, the VPA - Wa-

terway Maintenance Fund and the DHCD – GO Virginia grant programs are potential opportunities for grants to cover all or a portion of the cost of that dredging equipment, \$3.6M.

Loan Options

Long-term debt will almost certainly be required to support the financing of the proposed dredging projects for the Middle Peninsula counties because of the size of the projects. It is highly unlikely that grants will be available in sufficient number and quantity to support the full dredging program proposed.

The counties may wish to issue debt through the Middle Peninsula Chesapeake Bay Public Access Authority (MPPAA) to avoid having to have a referendum approved by the voters of each participating county. The MPPAA is specifically authorized to issue debt for dredging activities and to operate a channel-dredging program within its boundaries.

If the counties choose to issue debt through the MPPAA or other authority it will require, at a minimum, a “moral obligation” resolution from the locality. Additional collateral may be needed to satisfy the lender.

The engagement of a financial advisor and bond counsel will be necessary to properly evaluate the best financial structure(s) for the dredging projects.

The ability of the localities in the Middle Peninsula to “pool” dredging projects into a single financing package will determine the potential debt funding options available. Virginia Resources Authority Pooled Finance Program and publicly issued municipal bonds will require multiple dredging projects to justify the associated bond issuance costs.

The Virginia Resources Authority’s Pooled Finance Program provides an affordable and efficient method to provide the necessary debt financing if several dredging projects can “pooled” into a single bond issue, greater than \$1MM.

Commercial lending institutions accustomed to providing long-term loans to localities and political subdivisions, particularly those that participate in the USDA Rural Development - Community Facilities Loan Guarantee Program, appear to be a viable option for financing the regional dredging program. Working through commercial lenders reduces the cost of issuance, provides greater flexibility in the structure of the debt, and can be completed in a timeframe to meet dredging schedules. Another advantage of a commercial lender is their ability to provide short-term debt in support of pre-dredging activities and the possibility of converting that debt into long-term debt. Debt from commercial lenders will typically result in higher interest rates and require greater loan security.

Since there have been few locally sponsored, shallow-channel dredging projects supported by long-term debt in Virginia, it may take a considerable time to develop the appropriate financing structure that will satisfy either a public or private lender.

Options for Raising Annual Revenues to Cover the Costs of the Dredging Program

A central question that the Counties will ask is: “How much will a dredging program cost the taxpayers and how can we pay for it?” In order to answer that question, the cost of each dredging project was annualized assuming that it would be financed for the useful life of the dredging project and the impact on the real estate tax rate calculated. This same procedure was conducted for all of the projects identified for each county. Four different levels of grant funding were assumed and applied to each project analysis. In addition, an analysis was conducted applying the cost of the dredging project to the tax base of the waterfront properties served by the dredging project.

Any grant funding that can be secured to reduce costs is directly reflected in a reduction in real estate tax increases necessary to pay the annual debt service. Typically, a 50% grant for either the dredging or the disposal of dredge material will reduce annual debt service between 20% and 40%.

Longer useful life of the dredging projects results in decreases in the annual debt service payments thus decreasing the burden on the real estate tax base. The useful life of a dredging project is typically between 5 and 20 years.

The impact of the annual debt service cost of contracting the dredging projects to private contractors on real estate tax rate of each County is \$.024/\$100 for Gloucester to \$.08/\$100 in Mathews County and \$.046 in Middlesex County. If grant funding is awarded to any of the projects the tax rate would be reduced accordingly.

The impact of the annual debt service cost of a regionally operated dredging program on the real estate tax rate of each County drops to \$.021/\$100 for Gloucester to \$.061/\$100 in Mathews County and \$.017 in Middlesex County. If grant funding is awarded to any of the projects or the dredging equipment the tax rate would be reduced even further.

If you apply the costs of dredging projects only to the waterfront properties of the watershed served by the dredging project, the real estate tax increases necessary are typically more than the County's real estate tax rate. Special tax districts covering only the watershed properties appear to be politically infeasible because of the high increases in the real estate tax rates necessary to cover the dredging project costs.

Applying the costs of dredging to the watersheds served by that project results in the high value real estate watersheds paying much lower taxes than low value watersheds. This leads to wide differences in tax rates across the county.

Do Nothing Option

What is the likely impact on the real estate tax base by not addressing the dredging needs of throughout the region? This question is difficult to answer, but an analysis of the Mathews County land assessments over the last three assessment cycles (2005, 2011 and 2017) was undertaken for the watershed properties served by the proposed dredging projects to provide some insight into what the impact might be. The following are the findings and conclusions of that analysis:

Land values in these watersheds increased between 2007 and 2011 by 31% (\$60,700,300) but declined between 2011 and 2017 by 10% (\$24,361,300).

If the property values had remained constant in these watersheds at the 2005 levels through the next reassessment cycle (2017 through 2023) and the tax rate remained at the \$.645/\$100, the County would have gained an additional \$942,782 in taxes.

Projecting the increase in property values at the 2005 to 2011 rate for the watersheds into next reassessment cycle, 2023 reassessment, yields a \$73,212,689 increase in property value and an annual real estate tax gain of \$72,222 with a cumulative real estate tax gain of \$2,833,331 for the 2023 - 2029 reassessment cycle.

Loss of property values over the last three assessments can be attributed, in part, to lack of water access and to the increased costs and risks of waterfront living (i.e. increased cost of flood insurance, cost of hazard mitigation, and impact of sea level rise).

While hard to quantify, the inaction of political leaders to address the dredging needs of the County will likely have a direct and significant reduction in future waterfront land values thus a commensurate reduction in real estate tax revenues to the Counties.

Recommendations

Based on the analysis, findings, and conclusions, it is recommended that:

The Middle Peninsula counties join together through the auspices of the Middle Peninsula Chesapeake Bay Public Access Authority (MPPAA) to purchase and operate their own medium-sized hydraulic cutter dredge to carry out dredging projects throughout the region. This approach is the most cost-effective course of action for dredging the shallow draft channels in the Middle Peninsula.

In order to implement this recommendation, the following action steps are recommended:

1. The Middle Peninsula counties formally request the MPPAA to develop a plan for managing a regionally operated dredging program with a detailed financing plan to support the program.
2. The MPPAA engage a financial advisor and bond counsel to evaluate the best finance structure for funding the dredging projects over time.
3. The Middle Peninsula counties, based on the approval of the “regional dredging management plan/MPAA”, adopt the appropriate resolutions providing the assurances that the local revenues will be available to cover the costs of the regionally operated dredging program.
4. The Middle Peninsula counties encourage the Virginia Port Authority to adopt a multi-year commitment to dredging projects in the Middle Peninsula based on the “regional dredging management plan/MPAA”. Such action will help facilitate the completion of pre-dredging activities, support a comprehensive approach to dredging shallow draft channels, reduce costs and improve the coordination with other potential grant programs.
5. The MPPDC, in partnership with member localities, identify several working waterfront communities for intense planning that would support the development of the working waterfronts leading to grant funding supporting the working waterfront development and channel dredging.
6. The MPPDC, in partnership with member localities, continue and expand its planning efforts to determine the eligibility for grant funding for the beneficial use of the dredge material and how the dredging program coordinates with other environmental initiatives, particularly the improvement of the Chesapeake Bay and resiliency from flooding.
7. The Middle Peninsula localities should partner with the USACE, when federal funding becomes available, to expedite dredging projects and reduce costs. This includes pre-construction, construction, and post construction activities.
8. The Middle Peninsula localities utilize the USACE pre-construction planning and other work products to facilitate the dredging of federal navigation channels.



Andrew R. McRoberts
Attorney

Direct: (804) 783-7211
AMcRoberts@SandsAnderson.com

RICHMOND | CHRISTIANSBURG | FREDERICKSBURG
MCLEAN | DURHAM | WILLIAMSBURG

SANDSANDERSON.COM

1111 East Main Street
Post Office Box 1998
Richmond, VA 23218-1998
Main: (804) 648-1636
Fax: (804) 783-7291

October 4, 2021

BY EMAIL (LLawrence@mppdc.com)

Mr. Lewis L. “Lewie” Lawrence
Executive Director
Middle Peninsula Planning District Commission
Post Office Box 286
Saluda, Virginia 23149

RE: MPPDC Flood Fund – Bases for Exclusion of Individual Applicants

Dear Lewie:

I am responding to your request for my opinion in accordance regarding § 10.1-603.25 (Virginia Community Flood Preparedness Fund; loan and grant program) of the Code of Virginia as applied to the scope of MPPDC’s authority to reject applicants.

Issues

1. On what legal basis, if any, may the Virginia Department of Conservation and Recreation and/or the MPPDC reject Flood Fund applications requesting 80% state funding (versus 70% state funding) if that applicant is located in a low-income geographic area but is not a low-income individual?
2. If the state should reject a Flood Fund application, is it obligated to provide the justification for that decision to the applicant?

Applicable Law and Analysis

Va. Code §§ 10.1-603.24 (Definitions) and -603.25(E) provide, in pertinent part:

“Low-income geographic area” means any locality, or community within a locality, that has a median household income that is not greater than 80 percent of the local median household income, or any area in the Commonwealth designated as a qualified opportunity zone by the U.S. Secretary of the Treasury via his delegation of authority to the Internal Revenue Service.

E. Localities shall use moneys from the Fund primarily for the purpose of implementing flood prevention and protection projects and studies in areas that are subject to recurrent flooding as confirmed by a locality-certified floodplain manager. Moneys in the Fund may be used to mitigate future flood damage and to assist inland and coastal communities across the Commonwealth that are subject to recurrent or repetitive flooding. No less than 25 percent of the moneys disbursed from the Fund each year shall be used for projects in low-income geographic areas. Priority shall be given to projects that implement community-scale hazard mitigation activities that use nature-based solutions to reduce flood risk.

Your questions relate specifically to MPPDC’s provision, or withholding, of Flood Fund grants to applicants in low-income geographic areas who are not themselves low-income individuals. The applications at issue involve proposed project that will result in nature-based solutions. Per Flood Fund program guidance, the state would only fund such a project at 80% if it is located in and would serve “low-income geographic areas”; otherwise, the state will only fund 70% of the project.

As I understand, DCR and the Governor’s office have placed a hold on issuing any decision on MPPDC Flood Fund proposals because of a determination that many of the applicants may not be low-income individuals, even though they reside in low-income geographic areas. To remedy this inconsistency, the Governor’s office has asked MPPDC to amend the MPPDC submitted applications, develop its own standard for disallowing those that live in low-income geographic areas from requesting 80% state funding, and then resubmit their proposals to DCR. I further understand that it was suggested that the assessed value of the applicants' homes be considered in ruling them out of contention for receipt of this grant.

The statute and guidance are clear that the criteria deals with areas, not people. To ignore its plain language or utilize unreliable measures such as property value for grants would be arbitrary and certainly inconsistent with the law. The state may exercise discretion in choosing to reject grant applications,¹ but it would be improper for the MPPDC to winnow the grant applicants based on unwritten criteria. Such an exercise could expose you and/or the MPPDC to potential liability and/or litigation.

The state may have some basis to give preference to projects larger in scale than those affecting one parcel or property owner. Va. Code § 10.1-603.25(E) states, “Priority shall be given to projects that implement community-scale hazard mitigation activities that use nature-based

¹ See “2021 Grant Manual for the Virginia Community Flood Preparedness Fund,” p. 9 (“The Department, the Chief Resilience Officer, the Special Assistant to the Governor for Coastal Adaptation and Protection, and the Virginia Resources Authority reserve the right to provide funding at a level less than requested by the applicant, or to refuse to fund an applicant’s request. Reasons for such determinations include, but are not limited to, incomplete applications or resilience plans, low project ranking, the feasibility of the proposal, total funding determined to be necessary to complete the project, an anticipated inability to complete the project by the specified completion date, and total available funding.”).

solutions to reduce flood risk.”² But this would not provide a bases for *rejecting* applications for one parcel or property owner. Projects of all sizes are expressly to be considered.³

I find no legal basis for the MPPDC to develop criteria for, or otherwise exercise discretion in, rejecting applications that otherwise conform to the requirements of the Flood Fund statute and guidelines.

As to the second issue regarding the state’s obligation to provide justification for an application’s rejection, I find no authority that would require provision of that justification directly to the applicant. However, Va. Code § 10.1-603.23 (Record of application for grants or loans and action taken) directs that “[a] record of each application for a grant or loan and the action taken thereon shall be open to public inspection at the office of the Department.” Whether the “action taken thereon” contains a justification for that action and whether that justification is conveyed directly to the applicant appears to be within DCR’s discretion. Also, of course, the Virginia Freedom of Information Act allows any citizen, applicant or not, to access all public records related to public business unless an exception applies.

Please let me know if you need anything further.

Very truly yours,



Andrew R. McRoberts

ARM/

² Even so, it is my understanding that MPPDC has incorporated community-scale, multi-parcel hazard mitigation activities using nature-based solutions to reduce flood risk into its proposals, and that these too are currently being rejected by the state.

³ See “2021 Grant Manual for the Virginia Community Flood Preparedness Fund,” p. 6 (“A project of any size within a low-income geographic area will be considered.”).

This Page Left Intentionally Blank