City of Newport News

Virginia 23607

Office Of The City Manager

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November 1, 2006

HAND DELIVERED

Mr. David K. Paylor
Director
Virginia Department of Environmental Quality
629 East Main Street
Richmond, VA 23219

Dear Mr. Paylor:

I am writing on behalf of the City of Newport News to request the State Water Control Board to reconsider it's September 6, 2006 decision to deny the City's Application to extend the term of the Virginia Water Protection Permit for the King William Reservoir for five years.

As you know, the King William Reservoir Project is a critical component of the Virginia Peninsula's strategy to collectively meet our water supply needs through the year 2050. By that date, the over 600,000 people living on the Peninsula will depend on this supply expansion project to ensure that their water needs can be adequately met. The City of Newport News and our regional partners have been working on this planning and permitting of this project since 1989. Over $25 million has been invested to obtain the required state and federal permits, including the Virginia Water Protection Permit, which was issued in 1997.

The City applied for the extension so that we would be able to complete a detailed wetland mitigation plan and provide other valuable information that would be needed by the Board before it considered a renewal of the permit. While we understand that an extension of the permit would not create any greater expectation or certainty that the Board would approve our application for re-issuance of the permit, this extension assists us in securing the monies required to complete the studies and to fulfill the conditions of the original State permit. Favorable action on the extension will provide assurance that we are taking the appropriate and necessary steps to put us in the position to obtain a renewal.

It is clear from the discussions at the September 6, 2006 SWCB meeting that Board members had questions about what actions the City would be taking in regard to the project during the extension period, and whether we would begin construction on project facilities prior to the Board considering the renewal of the permit. It was our understanding that the staff recommendation regarding the five year extension did contain conditions which were intended to limit our ability to start the actual construction of project facilities before the Board could consider and act on a permit renewal. Regrettably, we were unable to fully respond to the questions posed by the Board on this, and I believe that confusion existed over what the City could legally do versus what we intended to do during the extension period.

Subsequent to the September Board meeting, the City filed a request for a formal hearing on this decision, and I am confident that we would be able to not only address but also resolve the Board's concerns in such a proceeding. However, the preparation for, and conduct of, a formal hearing would seem to be a waste of valuable resources for all involved if this can be accomplished in another way. For this reason we, therefore, ask that the Board allow us an opportunity to more fully address their concerns at the next meeting of the Board in December. Taking this step would allow the Board to determine whether or not a formal hearing is truly necessary.

If the Board is willing to reconsider their September 6, 2006 decision and grant an adequate extension of time without having to conduct a formal hearing, we would be amenable to a condition, as part of the extension that prohibits the construction of project facilities under the current permit. I look forward to having an opportunity to address the Board at it's December meeting.

Sincerely,

Randy W. Hildebrandt
City Manager

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