

**BY-LAWS
of the
EASTERN SHORE OF VIRGINIA PUBLIC SERVICE AUTHORITY**

ARTICLE I – FORMATION

The Eastern Shore of Virginia Public Service Authority (the “Authority”) was amended by ordinances adopted by Northampton County and the Towns of Cape Charles, Cheriton, Exmore and Nassawadox on June 28, 2010 and by charter amendment issued by the SCC on August 13, 2010, said Articles were amended.

ARTICLE II – THE AUTHORITY

Section 1. Name of the Authority. The name of the Authority shall be “Eastern Shore of Virginia Public Service Authority”, hereinafter referred to as the “Authority”.

Section 2. Seal of Authority. The seal of the Authority shall be as adopted by the Authority.

Section 3. Office of the Authority. The principal office of the Authority shall be 5229 The Hornes, Eastville, Virginia 23347. The Authority Board may designate additional offices at such other places and at such times as the affairs of the Authority may from time to time require.

ARTICLE III – MEMBERS

The members of the Authority shall be designated by those localities identified in the Articles of Incorporation, or in any Articles of Amendment thereto.

ARTICLE IV – AREA OF OPERATION

The area of operation of the Authority shall be the County of Northampton, Virginia. The Authority shall further, subject to the powers and limitations of the Virginia Water and Waste Authorities Act, Section 15.2-51 *et seq* of the Code of Virginia of 1950, as amended, have

the right to operate within the territorial boundaries of any municipality not included in the area of operation.

ARTICLE V – AUTHORITY BOARD

The powers of the Authority shall be vested in its Authority Board. There shall be ten (10) Authority Board members, all of whom shall be appointed in the following manner:

One (1) Authority Board member shall be appointed by each of the four (4) participating towns (Towns of Cape Charles, Cheriton, Nassawadox & Exmore), and six (6) At-Large Authority Board members shall be appointed by the Northampton County Board of Supervisors, which appointees may or may not be members of the respective governing bodies.

The term of office of the initial appointees to the Board of Directors, and of their successors, shall be as provided in the Authority's Articles of Incorporation and subsequent amendments thereto. If a vacancy occurs by reason of the death, disqualification or resignation of a Board member, the governing body of the political subdivision which appointed the Authority Board member shall appoint a successor to fill the unexpired term. Whenever a political subdivision withdraws its membership from the Authority, the term of any Board member appointed from such political subdivision shall immediately terminate.

ARTICLE VI – OFFICERS AND DUTIES

Section 1. Officers. The offices of the Authority are a Chairperson, Vice-Chairperson, a Secretary and a Treasurer as may be elected in accordance with Section 4. No two (2) or more offices may be held by the same person, except the offices of Secretary and Treasurer. Neither the Secretary nor the Treasurer need be members of the Authority Board.

Section 2. Powers and Duties.

(A) **Chairperson.** The Chairperson shall preside at all meetings of the Authority. Except as otherwise provided by resolution of the Authority, the Chairperson shall

sign all contracts, deeds, and other instruments that may be authorized by the Authority. The Chairperson shall further have such powers as may be incidental or inherent with this office, or that may be specifically authorized by the Authority. At any such meeting of the Authority, the Chairperson shall submit such recommendations and information as such Chairperson may consider proper concerning the business, affairs, and policies of the Authority.

(B) **Vice-Chairperson**. The Vice-Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson, and, in case of the resignation or death of the Chairperson, the Vice-Chairperson shall perform such duties as are imposed on the Chairperson until such time as the Authority shall elect a new Chairperson.

(C) **Secretary**. The Secretary shall (i) maintain custody of the corporate seal and books; (ii) issue notices of all meetings of the Authority Board; and (iii) keep the minutes of all meetings of the Authority. The Secretary also will keep proper records of the contracts, deeds, records, publications and property belonging to the Authority, including the Articles of Incorporation, Charter, Bylaws and Amendments to those documents. The Secretary will sign or countersign to attest to any instruments that so require his/her signature. The Secretary will make such reports as the Authority may require. The duties of the Secretary may be discharged, with the exception of signing or countersigning any instruments, by employees of the Authority acting under his/her supervision and direction.

(D) **Treasurer**. The Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the authority in such bank or banks as the Authority shall select. The Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such monies at the direction of the Authority. Except as otherwise provided by resolution of the Authority, all such orders and checks shall be countersigned by the

Chairperson or Vice-Chairperson. All persons authorized to sign checks and warrants for the authority, or otherwise handle Authority funds, shall first be duly bonded by a certified and licensed bonding company. The cost of such bonding shall be borne by the Authority and shall be in such amounts as determined by the Board. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Authority, at each regular meeting an account of the transactions and also an account of the financial condition of the Authority. The Treasurer shall give such bond for the faithful performance of his or her duties as the Authority may determine.

Section 3. Election or Appointment. The officers of the Authority shall be elected annually. The Chairperson and Vice-Chairperson shall be elected at a regular meeting of the Authority to be held not less than two (2) months prior to the end of the fiscal year, which election shall be effective July 1st, or until a successor is elected and qualifies. No member of the Authority, except the Secretary or Treasurer, shall hold the same office more than three (3) consecutive terms.

Section 4. Vacancies. A vacancy in any office shall be filled for the unexpired portion of the term by the Authority at any regular meeting or at a special meeting called for that purpose.

Section 5. Personnel. The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Virginia Water and Waste Authorities Act and all other laws of the commonwealth of Virginia applicable thereto. The selection and compensation of such personnel (including the Secretary and Treasurer) shall be determined by the Authority subject to the laws of the Commonwealth of Virginia.

The Executive Director of the Authority shall have direct supervision of all staff employees of the Authority as well as general day-to-day supervision over the administration of its business and affairs, subject to the Authority and direction of the Authority. He or she shall be charged with the management of the water and waste projects of the Authority.

ARTICLE VII – GENERAL POWERS & MEETINGS

Section 1. General Powers. The Authority shall have all the powers, duties and responsibilities of the Virginia Water and Waste Authorities Act under Title 15.2 of the Code of Virginia of 1950, as amended.

Section 2. Compensation. Each Board member of the Authority shall be reimbursed for travel outside Northampton County and other expenses in accordance with policies established for staff expenditures.

Section 3. Fiscal Year. The fiscal year of the Authority shall be from the first day of July to the thirtieth day of June, inclusive.

Section 4. Regular Meetings. The Authority shall have the power to set the dates, times, and places of regular meetings of the Authority which shall not be less frequent than six a year. At least one (1) meeting shall be held not less than two (2) months prior to the end of the fiscal year.

Section 5. Special Meetings. The Chairperson of the Authority or the Secretary may, when deemed expedient, call a special meeting of the Authority for the purpose of transacting any business designated in the call. The call for a special meeting may be mailed to the business or home address of each Board member of the Authority at least five (5) days prior to the date of such special meeting. Any Board member may waive, either prior or subsequent to any such meeting, in writing any such required notice. Presence at any such meeting, other than for the

purpose of objecting to notice, shall be deemed a waiver of notice. At such meeting, no business shall be considered other than as designated in the call, except that if all of the Board members of the Authority are present at such special meeting, any business including business not prescribed in said notice may be transacted at such special meeting.

Section 6. Quorum. A majority of the Board members of the Authority shall constitute a quorum for the purpose of conducting its business and exercising its powers and for all other purposes.

Section 7. Manner of Voting. The voting on all questions coming before the Authority shall be by roll call, and the yeas and nays shall be entered upon the minutes of such meeting. All actions taken by the Authority shall require a majority vote of all Board members.

Section 8. Order of Business. At the regular meetings of the Authority, the following shall be the order of business.

1. Call to order
2. Statements from the public.
3. Approval of the minutes of the previous meeting
4. Review of financial statement
5. Report of the officers
6. Report of committees
7. Unfinished business
8. New business
9. Adjournment

The order of business may be altered or suspended at a meeting by a majority vote of the Board members present. Parliamentary rules as established by Roberts Rules of Order shall govern when not otherwise in conflict with these by-laws.

ARTICLE VIII – COMMITTEES

The Board may create standing committees and charge such committees with defined responsibilities on an ongoing basis. The Board will specify the number of persons to serve on

each standing committee. The Board may from time to time create ad hoc committees to carry out specific assignments, the members of which shall serve at the will and pleasure of the Board. Standing committees shall be for the period of July 1st or June 30th or for the unexpired terms ending on June 30th. No more than two (2) members may serve on any one committee. Non-members may be appointed as may any adult citizen who resides in the service area.

ARTICLE IX – AMENDMENTS

The by-laws of the Authority may be amended or repealed, in whole or in part, at any meeting of the Authority by an affirmative vote of two-thirds (2/3) of all Board members at any duly established or called meeting of the Authority. Notice of all amendments must be e-mailed or delivered to the Board members at least thirty (30) days prior to such meeting.

ARTICLE X – INCONSISTENCY OR CONFLICT WITH TITLE 15.2

In the event that any provision of these by-laws is inconsistent with or in conflict with Title 15.2 of the Code of Virginia of 1950, as amended, said statutory provision or provisions shall be deemed to apply and supercede any such inconsistent or conflicting provision or provisions of any by-law or by-laws.

ARTICLE XI – CONSISTENCY WITH ARTICLES OF INCORPORATION

No provision of these by-laws shall be inconsistent with the Authority's Articles of Incorporation or Articles of Amendments.