

**MINUTES OF THE  
EASTERN SHORE OF VIRGINIA  
PUBLIC SERVICE AUTHORITY**

A meeting of the Eastern Shore of Virginia Public Service Authority was held on Tuesday, January 18, 2011, at 7:00 p.m. in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.

Members present:

Robert H. Meyers  
Bob Panek  
Granville F. Hogg, Jr.  
J. T. Holland  
Henry J. Heneghan, Jr.  
Artie Miles  
Carl Harris  
Felton Sessoms

Members absent:

George E. Gowen, Jr.  
Scott R. Walker, Jr.

Others present:

Roberta Kellam, member, State Water Control Board  
Billy Moore, Exmore Mayor  
Katherine H. Nunez, Executive Director & County Administrator  
Janice Williams, County Administrator's Office

Call to Order & Establishment of Quorum:

Chairman Meyers called the meeting to order and announced that a quorum was present.

Statements from the Public:

There were no statements from the public.

It is noted for the record that all public comments offered at last month's meeting are herewith included in the record of this meeting (see New Business).

Approval of Minutes:

Motion was made by Mr. Miles, seconded by Mr. Harris, that the minutes of the meeting of December 21, 2010 be approved. All members were present with the exceptions of Mr.

Gowen, Mr. Walker and Mr. Hogg and voted “yes”, with the exception of Mr. Panek who abstained. The motion was passed.

Review of Financial Statement:

No changes

Report of Officers: Chairman

(a) Ms. Nunez reported that completed Conflict of Interest Disclosure Forms have been received from all members except Mr. Gowen.

(b) The Chairman reported that Mr. Gowen has verbally resigned from the PSA and the Mr. Walker has sent a written resignation to Mr. Panek and the Chairman with an effective date of February 16, 2011. Ms. Nunez reported that these two vacancies will be reported to the appointing body – the Northampton County Board of Supervisors.

Report of Officers: Vice Chairman

Mr. Panek distributed a written report on his January 12, 2011 meeting with Ms. Dona LoVecchio (VP, Construction and Shared Services of Riverside Health System) and Mr. Mike Canales (Director, Facility Services) of Riverside Shore Memorial Hospital to discuss future wastewater treatment services for the medical community at Nassawadox. Mr. Gowen, the other member of the committee did not attend. Mr. Panek’s report was distributed to the members present. It is on file in the Office of the County Administrator and is summarized as follows:

“We agreed to the following approach:

1. Riverside would contract for the wastewater characterization study (needed for PER).
2. Riverside would provide the ADF estimates (needed for PER).
3. After the Nassawadox Town Council decision and finalization of the Preliminary Engineering Report (PER) for the Northern Node, the PSA would provide the cost estimates to Riverside (by end of February).
4. Riverside would then evaluate whether participation in the public system or investment in their private system is preferable.
5. If they decide to participate, a capital contribution would be negotiated (also would need to be done for the other existing commercial customers).
6. Financial assistance applications (USDA RD, DEQ, etc.) for the Northern Node, Phase 1 would be prepared reflecting the capital contributions (March/April for RD, July for DEQ).”

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Mr. Hogg arrived at 7:10 p.m.

Report of Meeting Today:

Chairman Meyers reported that a meeting was held today with Supervisor Randall and the Baldwins on discussion of offering the old canning plant site, adjacent to Cheriton, to the County for sewage treatment. Mr. Randall had informed Chairman Meyers that he was inviting Mr. J. T. Holland to join the talks and to brief the PSA. When questioned, Mr. Holland stated

that no specifics were provided at the meeting and that Supervisor Randall will be briefing the Board of Supervisors.

Ms. Nunez briefed the Authority on the most recent meeting of the Project Management Team and noted that new information has been distributed to the Nassawadox Town Council on user rates, etc. This new information will be discussed at the Town Council's meeting scheduled for January 24th and was also distributed to the Authority membership. The next PMT meeting will be held on February 2<sup>nd</sup> at 7:00 p.m.

When questioned by Mr. Hogg, Mr. Heneghan indicated that the Town of Cheriton will consider mandatory hook-ups provided that a monthly fee of \$35 or less can be achieved.

Mr. Miles stated that if the Town of Nassawadox chooses not to participate, the Town of Exmore would like to be a solution to serve the Nassawadox medical community.

Old Business: Review of Bylaws:

Mr. Panek stated that he did not believe proper notice (30 days) had been provided to the Authority members in order to vote on the Bylaws tonight. Motion was made by Mr. Holland, seconded by Mr. Sessoms, that action on the Bylaws be postponed until the March 2011 meeting. All members were present with the exceptions of Mr. Walker and Mr. Gowen and voted "yes." The motion was unanimously passed.

At this time, Mr. Panek suggested two amendments to the draft Bylaws as set out below:

#1. Amend Article VII, Section 8. Order of Business to include a new item "2. Approval of Agenda".

Motion was made by Mr. Panek, seconded by Mr. Holland that this amendment be approved as presented. All members were present with the exceptions of Mr. Walker and Mr. Gowen and voted "yes." The motion was unanimously passed.

#2. Add a new Section 9 under Article VII – General Powers & Meetings, to read:

"Section 9. Public Representation. Officers of the Authority shall use the title of their Office when making a public statement only if such statement represents a position which has been approved by the Board. Any Board member making a public statement shall indicate in such statement whether the views expressed are personal or represent a position which has been approved by the Board."

Mr. Heneghan questioned whether this amendment was legal and asked if a legal opinion could be sought. Chairman Meyers agreed, indicating that that the second sentence was too broad and that the first sentence was sufficient. Mr. Meyers also stated that he was offended by Mr. Panek's amendment, believing that it was directed at him. Mr. Panek replied that this is serious public business and that "we have to keep the record straight." Mr. Heneghan again noted that he believed this to be a legal matter and that the PSA should have the protection gained by review of legal counsel.

Motion was made by Mr. Panek, seconded by Mr. Holland, that the second amendment be approved as presented. Mr. Holland, Mr. Miles, Mr. Panek and Mr. Sessoms voted “yes,” Mr. Harris, Mr. Hogg and Mr. Meyers voted “no”, and Mr. Heneghan abstained. The motion failed.

Mr. Meyers offered alternative wording as follows:

“Section 9. Board members making a public statement may not represent a position of the PSA without approval of the PSA Board.”

Motion was made by Mr. Panek, seconded by Mr. Hogg, that the revised wording be approved as shown above. All members were present with the exception of Mr. Walker and Mr. Gowen and voted “yes.” The motion was unanimously passed.

The Authority members were reminded that consideration of the Bylaws will be heard at the March 2011 meeting.

Motion was made by Mr. Panek, seconded by Mr. Heneghan, that due to the lack of a proper quorum at the last meeting, all public statements be re-entered into the minutes of this meeting. All members were present with the exceptions of Mr. Walker and Mr. Gowen and voted “yes.” The motion was unanimously passed.

Mr. Panek reminded the Authority of the need to make some decisions as to whether it will be a co-applicant on existing and future financial assistance applications. At the Chairman’s suggestion, Mr. Panek will submit this item in writing for consideration at next month’s meeting.

Mr. Miles questioned whether all previous actions taken by this body needed to be ratified in light of the quorum uncertainty in past meetings. Motion was made by Mr. Holland, seconded by Mr. Hogg, that all actions taken at previous meetings be heretofore ratified. All members were present with the exceptions of Mr. Walker and Mr. Gowen and voted “yes.” The motion was unanimously passed.

#### Old Business: Election of Treasurer and Election of Secretary

Chairman Meyers reminded the membership that Ms. Marie Frock has volunteered to serve as Treasurer of the PSA and that volunteers were still being sought for the office of Secretary.

#### Adjourn:

Motion was made by Mr. Heneghan, seconded by Mr. Holland, that the meeting be adjourned. All members were present with the exceptions of Mr. Walker and Mr. Gowen and voted “yes.” The motion was unanimously passed. The meeting was adjourned at 8:30 p.m. The next meeting of the PSA will be on Tuesday, February 15, 2011 at 7:00 p.m. in Conference Room #2 of the former Northampton Middle School, 7247 Young Street, Machipongo, Virginia.