October 23, 2018

To the Honorable Council
City of Norfolk, Virginia

Re: SPSA

Dear Ladies and Gentlemen:

In its 2018 session, the General Assembly passed legislation permitting SPSA to amend its Articles of Incorporation to delete the two-year term limitation for SPSA’s board members appointed by localities. SPSA asks for Norfolk’s authorization to so amend its Articles of Incorporation.

Respectfully,

Bernard A. Pishko
City Attorney

BAP:1m
Attachment
Resolution

A RESOLUTION APPROVING AND ADOPTING AMENDED AND
RESTATED ARTICLES OF INCORPORATION FOR THE
SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF
VIRGINIA.

WHEREAS, the cities of Chesapeake, Franklin, Norfolk,
Portsmouth, Suffolk and Virginia Beach, and the counties of Isle
of Wight and Southampton ("Member Localities") have created the
Southeastern Public Service Authority of Virginia ("SPSA")
pursuant to the Virginia Water and Waste Authorities Act (the
"Act"), Va. Code § 15.2-5100, et seq.;

WHEREAS, by amendment to the Act enacted under 2018
Virginia Acts of Assembly House Bill 1560 ("House Bill 1560")
and codified in Va. Code § 15.2-5102.1, certain requirements
were imposed upon SPSA and changes were made regarding term
limitations for members of SPSA’s Board of Directors appointed
by the Member Localities that require amendments to SPSA’s
Articles of Incorporation;

WHEREAS, the amendments that are needed to amend the
Articles so that the Articles will conform with the changes in
the Act are set forth in the attached Amended and Restated
Articles of Incorporation (the "Amended Articles");
WHEREAS, the Act requires that any amendments to the Articles must be adopted by concurrent resolutions, ordinances or agreements of all the Member Localities and that before any resolutions can be adopted, the councils and boards of supervisors of each of the Member Localities must comply with certain notice, advertising and public hearing requirements set forth in the Act;

WHEREAS, in furtherance of the requirements of the Act, the City Council caused proper notice of a public hearing and other information required by the Act to be published one time in a newspaper of general circulation in the City of Norfolk;

WHEREAS, the public hearing was held on October 23rd, at the time and place specified in the aforementioned notice; and

WHEREAS, preliminary estimates of capital costs, proposals for any specific projects to be undertaken by the Authority and preliminary estimates of initial rates for services of such projects were not included in the Amended Articles because they are not germane to the process of amending the Articles and, in any event, the City Council finds that inclusion of such information is impracticable;

BE IT RESOLVED by the City Council of the City of Norfolk:

Section 1:- That the City Council hereby approves and adopts the Amended Articles, true copies of which are attached hereto.
Section 2: - That this Resolution approving and adopting the Amended Articles shall be effective immediately.

Section 3: - The City Council directs that the appropriate officers of the City of Norfolk (i) execute the Amended Articles in substantially the form attached hereto, (ii) cause the executed Amended Articles to be filed with the Virginia State Corporation Commission, and (iii) do all other things necessary or appropriate to amend the Articles pursuant to the Amended Articles, including the execution of a single Concurrent Resolution with other Member Localities that is consistent with this Resolution.
CONCURRENT RESOLUTION ADOPTING AMENDED AND RESTATED ARTICLES OF INCORPORATION FOR
THE SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA

WHEREAS, the cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach, and the counties of Isle of Wight and Southampton ("Member Localities") created the Southeastern Public Service Authority of Virginia ("SPSA") pursuant to the Virginia Water and Waste Authorities Act (the "Act"), Va. Code § 15.2-5100, et seq.; and

WHEREAS, by amendment to the Act enacted under 2018 Va. Acts of Assembly House Bill 1560 and codified in Va. Code § 15.2-5102.1, certain changes were made regarding term limitations for members of SPSA's Board of Directors appointed by the Member Localities, that require amendments to its Articles of Incorporation (the "Articles"); and

WHEREAS, the amendments that are needed to bring the Articles into conformance with the changes in the Act are set forth in the attached Amended and Restated Articles of Incorporation (the "Amended Articles"); and

WHEREAS, the Act requires that any amendments to the Articles must be adopted by concurrent resolutions, ordinances or agreements of all the Member Localities and that before any resolutions can be adopted, the councils and boards of supervisors of each of the Member Localities must comply with certain notice, advertising and public hearing requirements set forth in the Act; and

WHEREAS, in furtherance of the requirements of the Act, proper notice of a hearing and other information required by the Act was published and the councils and boards of supervisors of the Member Localities ("Councils and Boards") adopted separate resolutions approving and adopting the Amended Articles; and

WHEREAS, the separate resolutions of the Member Localities authorized each of the Member Localities to execute this single Concurrent Resolution.

NOW, THEREFORE BE IT RESOLVED by the cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach, and the counties of Isle of Wight and Southampton ("Member Localities");

1. The preliminary estimates of capital costs, proposals for any specific projects to be undertaken by the Authority and preliminary estimates of initial rates for services of such projects were not included in the Amended Articles because they are not germane to the process of amending the Articles and, in any event, the councils and boards of the Member Localities find that inclusion of such information is impracticable.

2. Pursuant to the provisions of the Act, the Councils and Boards approve and adopt the Amended Articles.
3. This resolution adopting the Amended Articles shall be effective as of July 1, 2018.

4. The Councils and Boards direct that the proper officers of each of them (i) execute the Amended Articles attached hereto, (ii) cause the executed Amended Articles to be filed with the Virginia State Corporation Commission, and (iii) do all other things necessary or appropriate to amend the Articles pursuant to the Amended Articles, including the execution of this single Concurrent Resolution with other Member Localities.

IN WITNESS WHEREOF, the Councils of the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk, Virginia Beach and the Boards of Supervisors of the Counties of Isle of Wight and Southampton have caused this Concurrent Resolution to be executed on their behalf by their proper officers and their seals to be affixed and attested by their Clerks on the date appearing above the seal.

CITY OF CHESAPEAKE

Date:__________________________

By______________________________

Title: Mayor

(SEAL)

ATTEST:

______________________________

Clerk

Approved as to form:

______________________________

City Attorney
CITY OF FRANKLIN

By

Title: Mayor

__________________________

Date: ______________________

(SEAL)

ATTEST:

__________________________

Clerk

Approved as to form:

__________________________

City Attorney
CITY OF NORFOLK

Date: ________________

(SEAL)

ATTEST:

__________________________
Clerk

Approved as to form:

__________________________
City Attorney

By
Title: Mayor
CITY OF PORTSMOUTH

Date:__________________

(SEAL)

ATTEST:

__________________________
Clerk

Approved as to form:

__________________________
City Attorney

By__________________________
Title: Mayor
CITY OF SUFFOLK

By

Title: Mayor

Date: ____________________

(SEAL)

ATTEST:

_________________________
Clerk

Approved as to form:

_________________________
City Attorney
CITY OF VIRGINIA BEACH

By __________________________
Title: Mayor

Date: _______________________

(SEAL)

ATTEST:

_________________________
Clerk

Approved as to form:

_________________________
City Attorney
COUNTY OF ISLE OF WIGHT

By ____________________
   Title: Chair of Board of Supervisors

Date: ____________________

(SEAL)

ATTEST:

______________________  Clerk

Approved as to form:

______________________  County Attorney
COUNTY OF SOUTHAMPTON

By ____________________________
Title: Chair of Board of Supervisors

Date: ____________________________

(SEAL)

ATTEST:

______________________________
Clerk

Approved as to form:

______________________________
County Attorney
AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF THE
SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA

The Councils of the Cities of Chesapeake, Franklin, Nansemond, Norfolk, Portsmouth, Suffolk, and Virginia Beach and the Boards of Supervisors of the Counties of Isle of Wight and Southampton created the Southeastern Public Service Authority of Virginia (the “Authority”), formerly the Southeastern Water Authority of Virginia, pursuant to the Virginia Water and Waste Authorities Act, Chapter 51, Title 15.2, Code of Virginia of 1950, as amended (the “Act”), formerly the Virginia Water and Sewer Authorities Act (Chapter 28, Title 15.1, Code of Virginia of 1950, as amended), as a public body politic and corporate, by adopting Articles of Incorporation effective January 24, 1973 (the “Original Articles”). On January 1, 1974, the Cities of Nansemond and Suffolk were consolidated into a single city and the terms of the members representing those cities terminated and the governing body of the consolidated City of Suffolk appointed a member to fill the vacancy and serve for the unexpired term. By concurrent resolutions, adopted by the Councils and the Boards of Supervisors of the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton (collectively, “SPSA Member Communities”), the Original Articles were amended by Articles of Amendment dated January 15, 1976, by Articles of Amendment dated July 15, 1983 and by Amended and Restated Articles effective January 1, 2019. In view of recent amendments to the Act that become effective July 1, 2018, the Councils and the Boards of the SPSA Member Communities by concurrent resolutions have adopted these Amended and Restated Articles of Incorporation of the Southeastern Public Service Authority of Virginia effective as of July 1, 2018, and hereby certify:
(a) The name of the Authority is "Southeastern Public Service Authority of Virginia" and the location of its principal office is in Chesapeake, Virginia.

(b) The powers of the Authority shall be exercised by a board of directors (the "Board") consisting of sixteen (16) members selected in the following manner: (i) one member from each participating political subdivision who shall be selected and appointed by the Governor (each, a "Governor Appointed Board Member") from a list of three proposed members submitted by the governing body of each participating subdivision, which proposed members shall possess general business knowledge and shall not be an elected official, and (ii) one member from each participating political subdivision who shall be directly appointed upon a majority vote of the governing body of the political subdivision and who shall be an employee of the political subdivision (each a "Locality Appointed Board Member").

(c) The first members of the Board consisted of one member residing in and appointed by the governing body of each of the original incorporating political subdivisions. The names and addresses of the first Board members, the names of the appointing political subdivisions and the year of expiration of the terms of the first Board members were as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Appointing Political Subdivision</th>
<th>Expiration of Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mrs. Marian P. Whitehurst, Mayor</td>
<td>P.O. Box 15225, Chesapeake, VA</td>
<td>Chesapeake</td>
<td>1975</td>
</tr>
<tr>
<td>Dr. Darden W. Jones, Mayor</td>
<td>P.O. Box 96, Franklin, VA</td>
<td>Franklin</td>
<td>1973</td>
</tr>
<tr>
<td>Gurley A. Barlow, Jr., Chairman</td>
<td>Board of Supervisors, Route 1, Smithfield, VA</td>
<td>Isle of Wight</td>
<td>1974</td>
</tr>
<tr>
<td>D.J. Magnum, Jr., Mayor</td>
<td>318 Sherwood Dr., Suffolk, VA</td>
<td>Nansemond</td>
<td>1973</td>
</tr>
<tr>
<td>Roy B. Martin, Jr., Mayor</td>
<td>City Hall, Norfolk, VA</td>
<td>Norfolk</td>
<td>1976</td>
</tr>
<tr>
<td>Name</td>
<td>Address</td>
<td>Appointing Political Subdivision</td>
<td>Expiration of Terms</td>
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<td>-----------------------------</td>
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</tr>
<tr>
<td>Jack P. Barnes, Mayor</td>
<td>1 High Street, Portsmouth, VA</td>
<td>Portsmouth</td>
<td>1975</td>
</tr>
<tr>
<td>W. H. Story, Chairman</td>
<td>Board of Supervisors, Capron, VA</td>
<td>Southampton</td>
<td>1974</td>
</tr>
<tr>
<td>James F. Hope, Mayor</td>
<td>P.O. Box 1569, Suffolk, VA</td>
<td>Suffolk</td>
<td>1973</td>
</tr>
<tr>
<td>Robert B. Cromwell, Jr., Mayor</td>
<td>P.O. Box 5533, Virginia Beach, VA</td>
<td>Virginia Beach</td>
<td>1976</td>
</tr>
</tbody>
</table>

The terms of the first members began on the date of the issuance to the Authority of the certificate of incorporation by the State Corporation Commission and expired on December 31 of the years set forth above.

(d) Alternate Board members may be selected in the same manner as Board members. Alternate Board members selected by the Governor shall have the same qualifications as Governor Appointed Board Members. Alternate Board members selected by the participating political subdivisions shall have the same qualifications as Locality Appointed Board Members.

(e) The successor of each Board member shall be appointed for a term of four years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Board members shall hold office until their successors shall have been appointed and qualify, and any member shall be eligible for reappointment to succeed himself; provided, however, that no Governor Appointed Board Member shall serve for more than two consecutive four-year terms, except that any Governor Appointed Member appointed to the unexpired term of another shall be eligible to serve two consecutive four-year terms. The term of each Locality Appointed Board Member shall expire upon such member’s ceasing full-time salaried employment with such
member’s participating political subdivision. Each Governor Appointed Board Member may receive compensation of $25 per meeting attended but not to exceed $600 per year, or such other compensation as may be determined from time to time by resolutions of the governing bodies of the member political subdivisions, but each Locality Appointed Board Member shall serve without compensation. Each Board member shall be reimbursed the amount of the member’s actual expenses necessarily incurred in the performance of the member’s duties.

(f) The Authority has been formed for the purposes of financing, constructing, operating and maintaining a water system and a garbage and trash collection and disposal system, all pursuant to the provisions of the Act. The core purpose of the Authority is the management of the safe and environmentally sound disposal of regional waste.

The Authority may contract with its participating political subdivisions, any sanitary district thereof or any authority therein created pursuant to the Act to furnish water service and garbage and trash collection and disposal service upon such terms as the Authority shall determine; provided, however, that the same schedule or service rates shall be applicable to all such political subdivisions unless the Authority, by unanimous consent of its Board members, authorizes different service rates for any one or more of the participating political subdivisions. The Authority is expressly prohibited from contracting with any other party desiring a supply of water except upon the written consent of the city or county within the geographical boundary of which such party is located.

(g) The Authority shall cause an annual audit of its books and records to be made by the State Auditor of Public Accounts or by an independent certified public accountant at the end of each fiscal year and a certified copy thereof to be filed promptly with the governing body of each of the participating political subdivisions.
IN WITNESS WHEREOF, the Councils of the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk, Virginia Beach and the Boards of Supervisors of the Counties of Isle of Wight and Southampton have caused these Amended and Restated Articles of Incorporation to be executed on their behalf by their proper officers and their seals to be affixed and attested by their Clerks, on the date appearing above the seal.

CITY OF CHESAPEAKE

Date:________________________

(Seal)

ATTEST:

_________________________
Clerk

Approved as to form:

_________________________
City Attorney
CITY OF SUFFOLK

Date: ________________________

(SEAL)

ATTEST:

___________________________
Clerk

Approved as to form:

___________________________
City Attorney

By ________________________
Title: Mayor
CITY OF VIRGINIA BEACH

Date: ____________________________  By ____________________________

Title: Mayor

(SEAL)

ATTEST:

____________________________

Clerk

Approved as to form:

____________________________

City Attorney
COUNTY OF ISLE OF WIGHT

By ______________________________
Title: Chair of Board of Supervisors

Date: ______________________________
(SEAL)

ATTEST:

______________________________
Clerk

Approved as to form:

______________________________
County Attorney
COUNTY OF SOUTHAMPTON

By __________________

Title: Chair of Board of Supervisors

Date: ____________________

(SEAL)

ATTEST:

__________________________

Clerk

Approved as to form:

__________________________

County Attorney