

**MINUTES OF THE
BOARD OF DIRECTORS SPECIAL MEETING
SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA**

March 4, 2009

At the Special Meeting of the Southeastern Public Service Authority of Virginia (SPSA) held at 9:30 a.m., in the Portsmouth Council Conference Room, 6th Floor, Portsmouth City Hall, 801 Crawford Street, Portsmouth, Virginia, there were:

ROLL CALL

Members:

Don Williams, Chair	(NO)
Bryan L. Collins ~	(CH)
Barry W. Cheatham <i>absent</i>	(FR)
Stan D. Clark, Vice Chair *	(IW)
Jeffrey A. Gardy	(SU)
William E. Moody, Jr.	(PO)
Dallas O. Jones *	(SH)
Michael J. Barrett	(VB)

Alternates:

William E. Harrell	(CH)
June Fleming	(FR)
W. Douglas Caskey	(IW)
Stanley A. Stein	(NO)
G. Timothy Oksman	(PO)
Mike Johnson *	(SH)
Selena Cuffee-Glenn	(SU)
John Barnes	(VB)

Others present at the meeting included SPSA executives Mr. Rowland (Bucky) Taylor, Executive Director, Mr. Clement Mikowski, Treasurer to the Board, Mrs. Lou Ann Ivory, Executive Assistant and Secretary to the Board and Anthony M. Thiel, SPSA General Counsel and guests Mr. R. Stuart Broom and Mr. Warren Nowlin of Williams Mullen. Additionally, Ms. Regina V.K. Williams, Norfolk City Manager and Mr. James Spore, Virginia Beach City Manager were present as were numerous legal and financial individuals from each of the member localities and several staff members from the Hampton Roads Planning District Commission.

(CH) Chesapeake; (FR) Franklin; (IW) Isle of Wight; (NO) Norfolk; (PO) Portsmouth; (SH) Southampton County; (SU) Suffolk; (VB) Virginia Beach

* Indicates Late Arrival (but prior to any voting)

~ Indicates arrival during closed session

The meeting began with the invocation and was followed by Roll Call. A quorum was present.

PUBLIC COMMENT PERIOD

There was one speaker present for the Public comment period, Mr. Tom Best, who spoke from his seat. (Mr. Best's comments are summarized here as no recording ability was present at this meeting due to the change in the location.)

Mr. Best stated that he notice we were "Request for Closed Session" as our agenda item and asked for an interpretation and response as to what allowed us to enter into a closed meeting, also asking why we would want to exclude the public from this meeting with all that is going on. He said we had previously stated that we would only enter into closed session for two reasons; one being personnel matters and the other being contract negotiations. Mr. Best also stated that we have indicated we are \$240 million in debt but he feels it is closer to \$500 million and he intends to present documentation to the VRA on this at a VRA meeting on Friday.

ACTION AGENDA:

CLOSED MEETING

ITEM NO. 1: REQUEST FOR CLOSED MEETING

A request was made for a closed Session of the Board as published in the agenda note under Item #1 for the following purposes:

(1) In connection with the possible sale of the waste to energy system, pursuant to (a) Virginia Code Section 2.2-3711(A)(3) for the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, and (b) pursuant to Virginia Code Sections 2.2-3711(A)(7) and 2.2-3711(A)(29) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel and possible negotiation of revisions to the terms of existing contracts and/or negotiation and award of new contracts where competition and bargaining are involved and where discussion in open session would adversely affect the bargaining position and negotiating strategy of the Authority.

(2) In connection with advice and discussions related to SPSA's financing and related agreements and other contracts, pursuant to Virginia Code Sections 2.2-3711(A)(7) and 2.2-3711(A)(29) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel and possible negotiation of revisions to the terms of existing contracts and negotiation and award of new contracts where competition and bargaining are involved and where discussion in open session would adversely affect the bargaining position and negotiating strategy of the Authority.

A motion to approve the Closed Session request as published in the agenda packet was made by Mr. Barrett (VB) and seconded by Mr. Jones (SH). All present voting yes; opposed none; motion carried.

This request was followed by a Special Closed Session exemption request (also published in the Board agenda) by the chair and printed herein:

That the CAOs, city/county attorneys and staff of member communities and the staff of the Hampton Roads Planning District Commission present at this Board meeting be permitted to attend the closed meeting because they are deemed necessary and because their presence will reasonably aid the Board in its consideration of the topics that are the subject of this meeting.

Mr. Gardy (SU) made a motion to approve the Chair's request which was seconded by Mr. Harrell (CH) and unanimously approved by recorded vote. Motion carried.

Upon completion of the closed meeting, the following certification was read:

The Board of the Southeastern Public Service Authority of Virginia hereby certifies that, to the best of each member's knowledge: (a) only public business matters lawfully exempted from open meeting requirements by Virginia law under the Virginia Freedom of Information Act were discussed in the closed meeting to which this certification applies; and (b) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed or considered in the closed meeting just concluded.

A motion to approve the certification of the Closed Meeting as read and resume the Open Meeting was made by Mr. Collins (CH) and seconded by Mr. Jones (SH). All present voting yes; opposed none; motion carried.

ITEM NO. 2: ACTIONS ARISING FROM CLOSED SESSION

There were no actions from the Closed Session.

ITEM NO. 3: RESOLUTION – CONFIRMATION OF AUTHORIZATION TO EXPAND THE PERMITTED USE OF THE PROCEEDS OF A TAXABLE LINE OF CREDIT FROM WACHOVIA BANK, NATIONAL ASSOCIATION FOR WORKING CAPITAL; AUTHORIZATION TO NEGOTIATE AND EXECUTE THE RELATED DOCUMENTS

Mr. Taylor stated that staff had been working with Wachovia Bank to expand the permitted use of the proceeds of our line of credit and allow us to use the remaining portion of it toward operating expenses. Mr. Clark (IW) made a motion to confirm the Authority's agreement to the terms on which Wachovia Bank, National Association, will agree to the use of draws on its \$13.2 million line of credit in favor of the Authority for

the purposes of working capital and are further authorized to execute an allonge to the Authority's \$13.2 million promissory note and related documentation to the extent necessary to reflect any negotiated changes in the terms of the line and the promissory note. This motion was seconded by Mr. Gardy (SU). All present voting yes; opposed none; motion carried.

OLD/NEW BUSINESS

There were no Old or New Business items at this meeting.

ADJOURNMENT

There being no further business to come before this Board of Directors, the meeting was adjourned.

Rowland L. Taylor
Executive Director

Submitted by: Lou Ann Ivory
Secretary, SPSA Board of Director