

**HCSA Regular Board Meeting
September 19, 2024**

A regular meeting of the Board of Directors of the Halifax County Service Authority was held on September 19, 2024 at 3:30 PM in the Authority conference room located at 2529 Houghton Avenue in the Town of South Boston, Virginia.

The meeting was called to order by the Executive Director as Pro-Tem Chair. A moment of silence was observed.

The Secretary called the roll for Directors present. The result was as follows:

Present:	LaTonya Hamilton	Hope Harris-Gayles
	George Leonard	Kathy Bane
	Daniel Lloyd	Ken Buckley

Absent: Tim Davis

The Secretary certified that a board quorum was present. LaTonya Hamilton moved to approved the agenda as presented. George Leonard provided a second. The motion to approve the meeting agenda passed without opposition. The following meeting agenda was presented without discussion or changes:

Call to Order/Moment of Silence – Executive Director (Pro tem Chair)

Roll Call – Executive Director/Secretary

Review of Agenda – Executive Director/Secretary

Public Comment Period – Executive Director (Pro tem Chair)

New Business – Executive Director (Pro tem Chair)

1. *Board Approval of Director Ken Buckley*
2. *Election of Officers – Executive Director*
 - a. *Chair, Vice-Chair, Secretary, Treasurer*
3. *Review of Minutes from July 18, 2024 Meeting – Chair*
4. *Review of Financial Reports – Treasurer*
5. *Public Hearing – Town of Virgilina Water and Sewer System Acquisition – Chair*
6. *HCSA Legal Counsel/Letter of Engagement – Executive Director*
7. *Town of Virgilina – Water and Wastewater System Operations – Executive Director*
8. *Proposed Water and Wastewater Rates and Fees – Executive Director*
9. *Leigh Street Water Plant Upgrade – Executive Director*
10. *Halifax Community Strategic Plan Update – Executive Director*

Staff Reports – Executive Director/Staff

- a. *Administration and Operation Metrics*
- b. *Springbrook Software Integration & Update*
- c. *Lead Service Line Inventory Progress*
- d. *VIR Interconnection and Utility Extension Project*

Old Business – Executive Director

Closed Session – As Directed by the Chair

No one registered to address the board during the regularly scheduled public comment period.

1. Board Approval of Director Ken Buckley

The Executive Director welcomed board candidate Ken Buckley to the meeting. The Executive Director relayed to the board that all three localities have approved Mr. Buckley for service on the HCSA Board. Mr. Buckley is eligible to serve two (2) consecutive four (4) year terms. George Leonard moved to approved Mr. Ken Buckley as a HCSA board member. Daniel Lloyd provided a second. The motion passed to approve Ken Buckley as a board member passed without opposition. Congratulations and appreciation were expressed to Mr. Buckley for his willingness to serve.

2. Election of Officers

The Executive Director opened the annual organizational meeting in order to elect officers for the FY 2025 operational year. Staff presented the following slate of offices for the board to consider; Chair – Latonya Hamilton, Vice-Chair – Hope Harris-Gayles, Secretary – Mark Estes, Treasurer – Arnetta Roberts. Hope Harris-Gayles moved to nominate the slate of officers as presented. Daniel Lloyd provided a second. The motion to approve the slate of officers passed without opposition. The following officers were elected by acclamation for the FY 2025 HCSA operational year: Chair – Latonya Hamilton, Vice-Chair – Hope Harris-Gayles, Secretary – Mark Estes, Treasurer – Arnetta Roberts.

3. Review of Minutes from July 18, 2024 Meeting

The minutes of the July 18 business meeting were presented to the board. Kathy Bane moved to approve the minutes as presented. George Leonard provided a second. The motion to approve the minutes passed without opposition.

4. Review of Financial Reports

Treasurer Arnetta Roberts presented the July and August financial statements to the board for their review. No action was needed on this agenda item.

5. Public Hearing – Town of Virgilina Water and Sewer System Acquisition

The Chair transitioned the meeting to a public hearing to allow for public comment on the acquisition and ownership of the Town of Virgilina's water and wastewater utilities, assets and liabilities. With no one signed up to speak, the public hearing was closed. Any action on the acquisition was deferred until after staff's presentation of the acquisition and proposed rates and fees.

6. HCSA Legal Counsel/Letter of Engagement

HCSA legal counsel, Mr. Sam Darby with Glenn, Feldman, Darby and Goodlatte (GFD&G) will retire. Sam has recommended Mike Lockaby of Spillman an Associates (National firm with Roanoke offices) as HCSA's general counsel and bond counsel. Mr. Lockaby is well known and highly recommended from working with several Authorities and local governments in Virginia. The firm's rates are identical to the rates given to us by GFD&G and a letter of engagement has been executed by staff due to the current need of services. Hope Harris-Gayles moved to engage and contract with Mr. Lockaby for general counsel and for both legal and bond counsel services. Kathy Bane provided a second to the motion. The motion passed without opposition.

7. Town of Virgilina – Water and Wastewater System Operations

Staff presented an overview of the Town of Virgilina's water and wastewater systems acquisition process. Town staff and HCSA staff have been engaged in the transition process and all assets and liabilities, including properties, easements and financial documents. Legal and bond counsel have been working on an agreement between the two entities and staff will execute those agreements. After some discussion, Kathy Bane moved to approve the acquisition of the Virgilina water and wastewater systems and to allow staff to proceed with the resolution/agreement(s) and to execute the necessary and related documents for the successful transfer of all assets and liabilities to the Authority. and the I will give an overview of the transition process and operational timeline. Daniel Lloyd provided a second to the motion as presented. The motion passed without opposition.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HALIFAX COUNTY SERVICE AUTHORITY AUTHORIZING ACCEPTANCE OF THE WATER AND SEWER UTILITY SYSTEMS OF THE TOWN OF VIRGILINA, VIRGINIA, TO ITS OWNERSHIP AND OPERATION, AND CERTAIN RELATED ACTIONS.

WHEREAS, the Halifax County Service Authority (the "Authority") is a body corporate and politic and a political subdivision of the Commonwealth of Virginia, formed in 1995, with its most recent Charter adopted in 2007, which is the primary provider of public potable water and sanitary sewer service in the incorporated and unincorporated areas of Halifax County; and

WHEREAS, the Town of Virgilina, Virginia (the "Town") is a municipal corporation of the Commonwealth of Virginia located in Halifax County, Virginia, incorporated in 1900 with its most recent Charter adopted in 1974, which owns and operates systems for the provision of potable water and sanitary sewer service (the "Systems") within and around the Town, including real and personal property associated with operation and maintenance of the Systems (the "Property"), and certain debt secured, in part, by the revenues of the Systems (the "Bonds"); and

WHEREAS, the Town and the Authority, having carefully considered their positions, have determined to transfer the Systems from the Town to the Authority, together with the Property, and for the Authority to own, operate, maintain and otherwise provide for the transfer of the Systems and the Property to the Authority, and the Authority's assumption of the Bonds; and

WHEREAS, the Council, as required by Section 15.2-1800(B) of the Code of Virginia, 1950, as amended, has duly advertised and has held a public hearing on the disposition of such of the Property a may be real property or fixtures to the Authority; and

WHEREAS, the Town and the Authority have agreed, on certain terms and conditions embodied in a draft Utility Transfer Agreement (the "Transfer Agreement"), the form of which has been presented to the Board of Directors at this meeting and filed with the Board of Directors' records.

NOW THEREFORE, the Board of Directors of the Halifax County Service Authority hereby resolves:

1. Incorporation of Recitals. The foregoing recitals above are found and determined to be a part of this resolution.
2. Approval of Transfer Agreement. The Transfer Agreement is hereby approved. The Chair, Vice-Chair, and Executive Director, any of whom may act, are hereby authorized and directed to execute and deliver the Transfer Agreement, as of its Effective Date, with such insertions, deletions, and emendations as may be necessary, not inconsistent with the forms presented at this meeting, the propriety of which shall be conclusively established by execution thereof.
3. Transfer of Property. The acceptance of the Property from the Town is hereby approved. The Chair, Vice-Chair, and the Executive Director, any of whom may act, are hereby authorized and directed to execute, deliver and accept such deeds, plats and bills of sale, or other instruments as may be necessary to transfer the Property described in the Transfer Agreement in accordance with the Transfer Agreement, including the parcels of real property referenced in Exhibit A to this resolution. The instruments of transfer shall be in such form as may be reasonably satisfactory to the Chair, Vice-Chair, or Executive Director, whose approval thereof shall be conclusively established by execution thereof.

1. Financing. In recognition that it may not be possible to arrange closing of the Authority's Assumption of the Bonds prior to the Effective Date, the Executive Director is authorized and directed to cooperate with the Mayor, Vice-Mayor and relevant agents of the Town, the Town's bondholders, and such other persons as may be necessary or desirable to effect the Authority's assumption of the Bonds. While recognizing that the Board of Directors may not bind future Boards of Directors with respect to such matters, the Board of Directors hereby authorizes and directs the Executive Director to bring before the Council such further resolutions as may be necessary or desirable to effect the Authority's assumption of the Bonds, and recommends to such future Board of Directors that it adopt such resolutions.

2. Effective Date. This resolution is effective upon adoption.

The undersigned Secretary of the Board of Directors of the Halifax County Service Authority hereby certifies that the foregoing constitutes a true, complete and correct copy of a resolution adopted on November 19, 2024, by Board of Directors at a regular meeting, and (b) during the consideration of the foregoing resolution, a quorum present. I hereby further certify that the minutes of such meeting reflect how each member of the Board of Directors voted with respect to the adoption of the foregoing resolution as follows:

Member	Vote
LaTonya Hamilton, Chair	Yes
Hope Harris-Gayles, Vice-Chair	Yes
Kathy Bane	Yes
George Leonard	Yes
Daniel Lloyd	Yes
Tim Davis	Yes
Ken Buckley	Yes



(SEAL)


 Secretary of the Board of Directors
 Halifax County Service Authority

8. Proposed Water and Wastewater Rates and Fees

Staff presented to the board the need to changes HCSA rates, fees and charges in order to meet the requirements of the Letter(s) of Condition that are mandated by the agreement(s) to borrow money form the Virgina Department of Health, Office of Drinking Water for the necessary improvements to the Leigh Street Water Filter Plant. The rates are required to support and meet the loan indentures and covenants that are associated with borrowing form the Virginia Resources Authority. The rates depict and project a five (5) year plan for rates. After discussions, Hope Harris-Gayles provided a motion to advertise for a public hearing where HCSA will present the proposed rates for public comment. LaTonya Hamilton provided a second to the motion. The motion passed without opposition. The following rate advertisement was approved.

9. Leigh Street Water Plant Upgrade

The Executive Director updated the board on the continued engineering and design that is at seventy-five percent completion. Staff have also requested a project cost update as we are seeing as much as thirty percent increase in project cost across the state. The board will be updated at the November meeting.

10. Halifax Community Strategic Plan Update

The board was updated on the Halifax Community Strategic Plan that was developed to suggest and provide initiatives and concepts that will increase community growth, pride and address the needs for schools, child-care and business development.

Staff Reports – Executive Director/Staff

Staff update the board on the projects listed below and they updated the board on operational and administrative metrics.

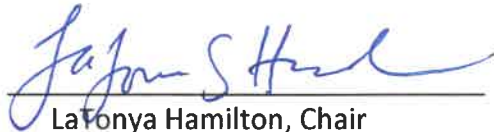
- a. Administration and Operation Metrics
- b. Springbrook Software Integration & Update
- c. Lead Service Line Inventory Progress
- d. VIR Waterline Extension project

Without any additional business items or actions needed, the board moved to adjourn.

Respectfully Submitted,



Mark S. Estes – Executive Director - Secretary



LaTonya Hamilton, Chair

Approved: 11/21/2024

