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HOUSE BILL NO. 1255

Offered January 20, 2016

A BILL to amend and reenact § 15.2-7205 of the Code of Virginia, relating to the BVU Authority; Board of Directors.

Patron—Pillion

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-7205 of the Code of Virginia is amended and reenacted as follows:

§ 15.2-7205. Board of Directors; membership.

A. The powers of the Authority shall be vested in an the Authority Board of Directors consisting of nine seven directors. The number of Directors on the Board may directors shall not be increased altered by the Authority Board.

B. The Authority's Authority Board, which will initially take office on July 1, 2010. However, beginning on July 1, 2016, the Authority Board shall be constituted as follows:

1. Four One director who is a citizen of the City of Bristol, Virginia, citizen appointees and is not a member of the Bristol City Council, appointed by the Governor. The four Bristol, Virginia, citizen appointees currently on the Bristol Virginia Utilities Board are hereby directors on the Authority's Board and their respective terms are extended on the Authority Board as follows:

- a. The term ending June 30, 2010, will be extended to end June 30, 2014.
- b. The term ending June 30, 2011, will be extended to end June 30, 2015.
- c. The second term ending June 30, 2011, will be extended to end June 30, 2016.
- d. The term ending June 30, 2012, will be extended to end June 30, 2016.

Each of said members will thereafter be eligible for one additional consecutive four-year term pursuant to the limitation set forth herein.

2. Two members appointed by One director who is a member of the Bristol City Council who are members of, appointed by the Bristol City Council serving on the Bristol Virginia Utilities Board as of June 1, 2010. Such members shall to serve a four-year term, coterminous with their his term on the Council, commencing July 1, 2010. Should no present member of Council serving on the Bristol Virginia Utilities Board be a member of Council on that date, Council may appoint two other members of Council to serve on the initial Authority Board for a term that is coterminous with that member's term on Council.

3. One new Bristol, Virginia, citizen, who is not a city council member. Such citizen will be director who is a citizen of Washington County and is not a member of the Washington County Board of Supervisors, appointed by the Bristol, Virginia, City Council and shall serve a term from July 1, 2010, until June 30, 2015 Senate Committee on Rules.

4. One new member, a director who is a citizen of the City of Bristol, Virginia, citizen, appointed by the Bristol Virginia Utilities Board whose term will start July 1, 2010, and end June 30, 2014 who is engaged in business and is not a member of the Bristol City Council, appointed by the Authority Board.

5. One director who is a member of the Board of Supervisors of Washington County, Virginia, who will be Board of Supervisors, appointed by that the Washington County Board of Supervisors to serve a four-year term coterminous with his or her term on the Board of Supervisors commencing July 1, 2010.

6. One director who is a member of the Abingdon Town Council, appointed by the Abingdon Town Council to serve a four-year term coterminous with his term on the Town Council.

7. One director who is a Scott County citizen and is not a member of the Scott County Board of Supervisors, appointed by the Speaker of the House of Delegates.

C. If any appointments to the initial Board are made prior to the effective date of this chapter, such appointments shall be deemed valid and effective as of such date The four-year term of all directors shall begin July 1, 2016. The term of Authority Board membership for any director thereafter shall be four years.

D. The City Council shall elect, in addition to its Council members, three of the Bristol, Virginia, citizen Board members when the above terms expire. The remaining three Bristol, Virginia, citizen members will be elected by the Authority Board when the above terms expire. The City Council and the Authority Board will alternate electing persons to fill an expiring term until each has appointed the number it appoints to the Board. Any vacancy in a term shall be filled by the body making the original appointment and shall be for the remainder of the term. Said appointment shall be made within 30 days from the date the vacancy occurs.

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59 E. The term of the Council members shall be for four years coterminous with those members' terms
60 of office on the City Council. Those City Council Members Each director who is a member of the
61 Abingdon Town Council, Bristol City Council, or Washington County Board of Supervisors may serve as
62 many terms as the City Council appointing governing body decides as long as the appointees are
63 members appointee remains a member of the City Council relevant governing body. The City Council
64 governing body may appoint other members a different member of the City Council or Board of
65 Supervisors at the end of any appointee's four-year Council or Board term or upon the exit of the
66 Council member from the Council governing body. In the latter case, the Council Member will new
67 appointee shall serve for the remainder of the term vacated by an exiting City Council member of the
68 governing body.

69 F. All other directors shall serve four-year terms, except for the longer appointments to the initial
70 Board. Those directors may serve a maximum of two terms and then must be off the Board for one full
71 year before election to fill another full term or to fill the remainder of a vacated term.

72 G. E. If funds are available, each director may be reimbursed by the Authority for the amount of
73 actual expenses incurred by him in the performance of his duties. Such expense allowance shall
74 constitute a cost of operation and maintenance of such utility systems and shall be prorated among each
75 of the systems it manages using the "3-Factor" "Three-Factor" allocation method approved by the
76 Commission. The three factors consist of the percentages that each division comprises of total plant in
77 service, total operating revenues, and total customer accounts. Once each operating division's percentage
78 of each of the three factors is calculated, the sum of the three factors divided by 3 three results in the
79 operating division's share of the total direct or indirect costs.

80 2. That the members of the Board of Directors of the BVU Authority in office on June 30, 2016,
81 are hereby removed from office as of July 1, 2016. Notwithstanding the appointment of any
82 director on or before July 1, 2010, or of his successor, any term of office begun before July 1,
83 2016, and scheduled to end after that date is hereby terminated.

84 3. That no later than July 1, 2016, the Auditor of Public Accounts shall examine the accounts and
85 books of the BVU Authority.

86 4. That an emergency exists and this act is in force from its passage.