

SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting*

Regional Board Room

723 Woodlake Drive, Chesapeake, Virginia



Wednesday, December 8, 2021 at 9:30 a.m.

*To accommodate those who may not be able to attend in person, the public may listen to and view presentations displayed at this meeting by registering at <https://attendee.gotowebinar.com/register/7839699744684297741>. Members of the public may also listen to the SPSA Board Meeting via telephone by dialing toll-free to 1-877-309-2071 and entering access code 995-449-651. Additionally, members of the public are invited to speak electronically at the SPSA Board of Directors Meeting during the designated public comment period at the beginning of the meeting by registering in advance with the meeting organizer. All requests for registration to make an electronic public comment must be received by 3:00 p.m. on December 7, 2021.

Meeting Organizer: Tressa Preston ~ tpreston@spsa.com ~ 757.961.3486



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1. Call Meeting to Order

Pledge of Allegiance
Roll Call

2. Public Comment Period

All speakers must register prior to call to order;
5-minute maximum per speaker unless advised by Chairman differently;
30-minute total maximum time.

3. Chairman's Comments**4. Approval of Minutes**

The minutes of the October 27, 2021 Board meeting are included below for Board review and approval.

RECOMMENDED ACTION: Approve the minutes as presented.

MOTION: Do I hear a motion that the October 27, 2021 minutes of the SPSA Board of Directors meeting be approved as presented?

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

October 27, 2021

The Regular Meeting of the Board of Directors of the Southeastern Public Service Authority (SPSA) was held at 9:30 a.m. in the Regional Board Room at the Regional Building, 723 Woodlake Drive, Chesapeake, Virginia. The following members were in attendance or as noted:

Mr. John Maxwell	(CH)	Mr. Earl Sorey	(CH)
Ms. Sheryl Raulston	(FR)	Ms. Amanda Jarratt	(FR)
Mr. Dale Baugh	(IW)	Mr. Randy Keaton	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Mr. Burle Stromberg	(PO)
Mr. Mark Hodges (<i>absent</i>)	(SH)	Ms. Lynette Lowe*	(SH)
Mr. David Arnold‡	(SU)	Mr. Albert Moor*	(SU)
Mr. Thomas Leahy	(VB)	Mr. L.J. Hansen	(VB)

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

*Indicates late arrival.

‡Indicates early departure.

Others present at the meeting included Alternate Ex-Officio Members Mr. Michael Etheridge (IW), Mr. Gary Kelly (VB), Mr. Oliver Love, Jr. (NO), and Mr. Richard Underhill (PO), SPSA executives, Ms. Liesl R. DeVary, Executive Director and Treasurer, Mr. Dennis Bagley, Deputy Executive Director, Ms. Tressa Preston, Secretary and Executive Administrator, and Mr. Brett Spain, General Counsel.

To accommodate those who could not attend in person, through the meeting notice, members of the public were also invited to listen to and view presentations displayed at the meeting by registering for attendance using a GoTo Webinar teleconferencing platform. Members of the public were also invited to speak at the SPSA Board of Directors Meeting during the designated public comment period at the beginning of the meeting by registering in advance with the Secretary through contact information published in the meeting notice. Members of the public were also invited to listen to the SPSA Board Meeting via toll-free telephone.

1. CALL MEETING TO ORDER

Mr. Baugh, Chairman of the Board, called the meeting to order at 9:36 a.m. and led the Pledge of Allegiance.

2. PUBLIC COMMENT

Ms. Preston reported that she received no requests to make a public comment.

3. CHAIRMAN'S COMMENTS

Chairman Baugh commented that much has moved forward since the last Board Meeting, including the first meeting of the Flyover Oversight Committee, the completion of the annual audit, Wheelabrator's suggested future options, a meeting with Columbia Gas, and a meeting with VDEQ regarding the Title V Permit, all of which will be discussed later in the meeting. Chairman Baugh also reported that, as part of his efforts to become more familiar with SPSA operations, he has completed a visit to all of the transfer stations. As he has previously, Chairman Baugh encouraged Board Members to take tours of their own with Mr. Bagley. Chairman Baugh shared his personal observations of operations, noting that safety and cleanliness appeared to be in good order. He met with each station supervisor without Mr. Bagley present and they each reported pride in their work and appreciation for Mr. Bagley's engagement and leadership. Chairman Baugh commented that the Chesapeake Transfer Station was particularly busy. Because of his Naval background, Chairman Baugh is particularly interested in fire safety and he was pleased to note that fire equipment was in working order and that historically the only fires that have occurred at SPSA transfer stations were because of existing fires being brought in on trucks. He saw that leachate was being managed well and that capital equipment gets quite a workout. His observations gave him a new appreciation for how tire management and unplanned downtime impact operational efficiency. Chairman Baugh commented on the art and skill of properly loading a trailer with waste and the talents of the important team members who work as scale attendants. Overall, he was very impressed by what he saw and appreciates the work that Mr. Bagley and his team do to keep things working well.

Returning to SPSA operations as a whole, Chairman Baugh observed that, while there are many issues to address that will shape SPSA's future, he is confident in Ms. DeVary and SPSA's excellent staff to be capable of balancing all the activities. He also asked that Board Members pay attention to the matters at hand and contribute their individual talents to help address those matters. Chairman Baugh asked if there were any questions or comments.

Mr. McCoy complimented Chairman Baugh on his transition into the role as Chairman and for looking at SPSA through new eyes, noting that, as a Board Member with a long tenure, it is easy to forget just how many different aspects are involved in daily operations. Having visited the Regional Landfill again recently, he was reminded of how impressive and amazing the operation is, as a whole. Mr. McCoy added that he is incredibly impressed with SPSA's leadership and their ability to handle the difficult decisions ahead. He congratulated Ms. DeVary and Mr. Bagley on their hard work and jobs well done in handling the complex issues related to waste disposal.

Chairman Baugh thanked Mr. McCoy for his comments, adding that sitting at the table as a Board Member only gave him a partial view of SPSA's operations, but that getting out to see the workings in person, he realized that it is a significantly bigger, more integrated, and more complex operation than he realized. Chairman Baugh said that discovery has been a pleasure and that it is satisfying to be a part of something you can engage with and be proud of, particularly when you know about the challenges involved in providing this service that we all utilize but rarely take the time to think about.

4. APPROVAL OF MINUTES

The minutes of the September 22, 2021 Board Meeting had been distributed. Chairman Baugh asked if there were any additions or changes and there were none.

Mr. McCoy moved, seconded by Ms. Raulston, to approve the September 22, 2021 minutes of the SPSA Board of Directors as presented. The motion was adopted by a unanimous vote in favor.

5. ANNUAL AUDIT

Ms. DeVary introduced Mr. Logan Booth of Cherry Bekaert. Mr. Booth provided a brief overview of their findings and offered an unmodified opinion of the fiscal year 2021 financial statements. They noted no material weakness in internal control and found SPSA to be in compliance with all laws and regulations. There were no disagreements or difficulties in performing the audit. For informational purposes, the auditor also mentioned upcoming governmental accounting and financial reporting standards that will become effective in coming years. At the request of staff, on behalf of the Board, Mr. Booth outlined some of the notable fluctuations between the FY 2020 and FY 2021 financial statements. Mr. Booth concluded the presentation and offered to answer any questions that the Board might have.

Mr. Leahy, a member of the Audit Committee, clarified that the numbers provided by SPSA staff for the pension and OPEB estimates were dictated to SPSA by VRS. Mr. Booth agreed that those numbers were a third-party estimate, not estimates created by SPSA. Mr. Keaton asked Mr. Booth to discuss SPSA's net position and how it is categorized between restricted and unrestricted funds. Mr. Booth commented that the net position did increase by \$8 million, which was comparable to fiscal year 2020. Regarding the restriction, he stated that a certain portion of the restrictions are for the pension and those are defined restrictions, but essentially, the assets that are reported under the net position, is an asset where a company sets those funds aside for a future payment on that net pension asset. Another part of the net position that Mr. Booth noted related to the Environmental Trust Fund, which is a contractual obligation for SPSA to earmark funds for future use. Mr. Keaton replied that he noticed that the unrestricted funds increased by about \$11 million, and that the pension portion decreased. Ms. DeVary made sure that the Board was aware that when they refer to a "net pension asset" it is because SPSA's portion of the VRS plan is overfunded. She went on to say that more commonly it is seen as an "unfunded liability," but for SPSA, currently, that is not the case. The VRS data that is shown is as of June 30, 2020, and the asset has been reduced by about \$3 million due to market fluctuations and a few changes in assumptions. Ms. DeVary wanted to be sure the Board understood that the variation was due to a change or reduction in the asset and not an increase in the liability. Mr. Keaton added that the increase in the unrestricted funds is mainly going into landfill expansion and closure, which is an intentional increase that should be explained. Mr. Leahy followed up on Mr. Keaton's comment, adding that the Audit Committee is recommending that, in future years, the audit contain notes regarding the specific earmarking of these cash reserves for use in the flyover project and future landfill expansion. He continued, that by noting the specific use for these funds, there would be no chance of appearance that, due to the amount of cash SPSA has on hand, rates could be seen as excessive when, in actuality, the rates and cash reserves are quite reasonable, given the projects in place. Mr. Keaton agreed with Mr. Leahy, stating his purpose in discussing the matter was to ensure that the intention of SPSA's cash reserves was reflected for the record.

Ms. DeVary asked Audit Committee Chairman Lynette Lowe to comment. Ms. Lowe reported that the Audit Committee, which was made up of herself, Mr. Maxwell and Mr. Leahy, met on two occasions. They thoroughly studied the audit report and had detailed discussions with Ms. DeVary and her staff, as well as with the auditor. They inquired about

the status of the pension program, which currently has a pension asset as opposed to a pension liability. They asked about the methodology used to determine the cost related to landfill closure and post closure and the auditor responded that the methodology is valid and consistent with prior years. Ms. Lowe reported that they also discussed, as was mentioned by Mr. Leahy, that in future years they would like to see a note in the audited statements detailing the cash designated toward the flyover project to better explain SPSA's need for high cash reserves. Based on the Audit Committee's discussion, and with full confidence in Ms. DeVary and her staff, Ms. Lowe and the Audit Committee recommended that the fiscal year 2021 audited financial statements be accepted as presented. She asked Mr. Maxwell and Mr. Leahy if they had any additional comments to add, but they did not.

Mr. Maxwell moved, seconded by Ms. Lowe to accept the SPSA annual audit as presented. The motion was adopted by a unanimous vote in favor.

Ms. DeVary recognized Ms. Sandy Schreiber, Accounting Manager, for her job well done in managing the audit and communicating with the auditors. Mr. Booth thanked Ms. Schreiber and Ms. DeVary for their assistance, noting that it was a pleasure to work with them. Chairman Baugh thanked Mr. Booth and then he thanked Ms. Lowe for her willingness to serve as Chairman. She thanked Chairman Baugh and her fellow committee members, noting they were a great team. Chairman Baugh replied that he hoped Ms. Lowe would consider continuing as Chairman next year and she indicated that she would.

6. EXECUTIVE DIRECTOR UPDATES

Ms. DeVary was pleased to once again report that SPSA staff continues to do a great job keeping operations running smoothly. As an update to the Cells VIII and IX permitting process, Ms. DeVary informed the Board that there was a third-party consulting call, which included tribal and environmental representatives. During the call, they discussed the Phase 1A cultural resource assessment that was completed on the proposed expansion area, which was a desk-top review and included researching deeds and land ownership, along with consulting existing research on the area. The conclusion of that assessment was similar to the one conducted on the Cell VII area in 2007 and 2008 and noted that the area for proposed landfill expansion was used primarily as a passageway and not likely to be a site that people inhabited. However, as the process moves forward, the recommendation is to conduct a full cultural resources assessment which includes soil testing along a designated grid to get more detailed information on land use. This process will likely require more funding for the project budget sometime in the future. Ms. DeVary estimated a likely increase in the amount of \$60,000 for the study. The Army Corps of Engineers continues to struggle with the process of eliminating off-site alternatives. They were provided with an opinion from the Virginia Attorney General regarding the legislation which states that a new landfill cannot be sited in an area that will impact more than two acres of wetlands, from which SPSA is explicitly excluded. The Corps found the opinion to be unclear regarding any other possible exceptions to the legislation and they are seeking more concrete answers. Additionally, at the Corps' request, Mr. Spain opined on SPSA's right to the use of eminent domain to seize property noting that, while SPSA has that right, without the support of the local government, SPSA would not be able to get proper zoning and permitting, rendering eminent domain virtually useless to SPSA from any practical perspective. The Corps will be seeking more information from Southampton County and Suffolk on the proposed off-site locations in their jurisdictions and SPSA will continue to help the Corps get to a place where they feel comfortable eliminating some of the off-site alternatives in order to move forward in the process.

Ms. DeVary informed the Board that the proposed \$3 per ton tax being discussed for the upcoming General Assembly Session does not have any legislation written as of yet, but there have been flyers distributed outlining what they are proposing. The goal of the legislation would be to fund parks. Ms. DeVary attended the HRPDC's joint legislative meeting on September 23, 2021 and encouraged opposition to any trash tax bill. At that time, the HRPDC said that they would include opposition on their legislative agenda, but it appears that at the CAO's meeting they decided to wait until actual legislation was proposed. Ms. DeVary asked CAOs present to confirm if that was the case. Ms. Jarratt reported that at the larger HRPDC meeting held on October 21, 2021, it was determined that they would include opposition to the proposed trash tax in their legislative agenda. Ms. DeVary was pleased to receive that information. Mr. Hansen asked if SPSA had engaged the Virginia Municipal League (VML) on this matter and Ms. DeVary reported that VML is publicly opposed to the proposed legislation and is listed on the flyer against a trash tax. Ms. DeVary went on to say that she recently spoke with Mr. Meade Spotts, who is spearheading this effort, and he believes that those opposed to this legislation need to begin contacting their delegates now. Unless the Board disagrees, Ms. DeVary plans to go ahead and send a letter on behalf of the communities that SPSA represents. Mr. McCoy sought clarification from Ms. Jarrett who reiterated that at the larger HRPDC group meeting it was decided that the HRPDC would come out in opposition to the tax. Ms. DeVary commented that some of the biggest reasons to oppose the tax are that there is no nexus between waste disposal and funding for parks and that there are other things that can be done to impede out-of-state waste. SPSA's Use and Support Agreements forbid out-of-area waste, let alone out-of-state waste. Mr. Keifer asked if it would be valuable to have a Board Motion on this matter. Mr. Leahy added that delegates should be reminded that this would be a regressive tax with the burden falling to homeowners, with low-income homeowners being feeling the effects more acutely. Ms. DeVary said she planned to explain how the fees will be passed on to the residents. She intends to have the Chairman sign the letter, then send it to the delegate list provided by Mr. Spotts, and then perhaps the municipalities may want to send letters of their own.

Mr. Keifer moved, seconded by Mr. McCoy, to support the Executive Director drafting a letter in opposition to the proposed trash tax legislation for the Chairman to sign and then be distributed, as discussed. The motion was adopted by a unanimous vote in favor.

In regards to the status of the proposed Amended and Restated Landfill Gas Agreement with Mas Energy, Ms. DeVary reminded the Board that she, Mr. Bagley, and counsel have been working on this matter for quite some time. Months ago, Ms. DeVary reported to the Board that Mas Energy had operating issues that resulted in missed wellhead readings in June. Mas was able to recover some data files, however, staff did not have sufficient time to review prior to the submission of the Title V Semi-Annual Report due to the Virginia Department of Environmental Quality (VDEQ) on September 1, 2021. It was decided that SPSA would speak with VDEQ locally, send the Title V Semi-Annual Report by the September due date, and then likely submit a revised report after having had time to assess the data. The revised report was sent in and SPSA met with Mr. John Brandt from the local VDEQ office, HDR Engineering, and Mr. Michael Hall of Mas Energy, who participated electronically. Mr. Hall took full responsibility for the errors and omissions made. Ms. DeVary, staff, and HDR outlined for Mr. Brandt the multitude of corrective actions that have been put in place to ensure that a mistake like this never happens again. These actions include Mas Energy contracting a third party to be responsible for the wellhead readings

and compliance reporting that is sent to HDR, SPSA staff shadowing that third-party contractor to ensure that the readings are complete, and SPSA purchasing equipment to perform random spot checks on wellheads. Ms. DeVary also reminded the Board that there have been no notable instances of wellheads exceeding required limits and this was not a matter of wellhead compliance issues, but a matter of Mas Energy's staffing issues. Ms. DeVary and staff are confident that those issues have been corrected and she and Mr. Bagley have seen tremendous improvement in communications, including weekly meetings with landfill staff. Because of these positive steps forward, Ms. DeVary thinks that it is in SPSA's best interest to continue working with Mas Energy to have them convert the facility into a Renewable Natural Gas (RNG) facility. There are a few changes still needed in the agreement, but Ms. DeVary hopes to be able to bring the proposed Amended and Restated Landfill Gas Agreement to the Board for approval at the December Meeting. It is still unclear whether or not VDEQ will be issuing a warning letter or a notice of violation regarding the missed wellhead readings, so that will be addressed as needed. Ms. DeVary asked if there were any questions, but there were none. Ms. DeVary reiterated that she and staff are very pleased with developments and that they know Mas Energy has the experience and knowledge to run an RNG facility, which will be in SPSA's best interests. During the process, Ms. DeVary and staff learned that the wellhead system on Cells V and VI were put in as a temporary solution in 2010 and were never updated by the previous company, but that Mas plans to install a new system at their considerable expense. Ms. DeVary again stated that she hopes to bring the agreement to the Board at the December meeting and will likely include a copy of the contract in the agenda.

Ms. DeVary stated that Wheelabrator's future plans would be discussed later in the meeting during closed session.

Ms. DeVary reminded the Board that DEQ requires financial assurance for the closure and post closure care of the Regional Landfill and transfer stations be certified each year. As of June 30, 2021, the total projected costs are approximately \$24.97 million. The largest part of that is \$24.56 million for the landfill and the remaining \$408,400 for the transfer stations. Ms. DeVary has received a letter that DEQ has approved the cost estimates and the use of the corporate financial test to demonstrate financial assurance. As of June 30, 2021, SPSA had approximately \$38.5 million set aside for landfill expansion (\$19.3 million) and closure costs (\$19.2 million). Ms. DeVary commented that she doesn't always separate the two numbers, but she wanted to mention that they are broken into two pieces. Mr. McCoy commented that if the Board were to look at the financial statements from ten years ago alongside the current statements it would be an interesting comparison. Ms. DeVary commented that when looking at the financial audit, it doesn't necessarily line up with the monthly budget reports in the agenda, because the budget is cash-based and the financial statements are prepared based on a full accrual method, which can be confusing. Ms. DeVary added that she would be happy to show a comparison from 2010, when the new Board structure began, and current financials at a later meeting. Mr. Hansen asked Ms. DeVary to explain the delta between the shown \$24.56 million required in financial assurance for landfill closure costs and her calculated \$19.2 million that is currently set aside for landfill closure. Ms. DeVary explained that the \$24.56 million is calculated as though SPSA would have to close the Regional Landfill today. The \$24.56 million includes the cost to close cells V and VI as well as provide for 30 years of post-closure for cells I-VI. In the financial statements, Ms. DeVary only posts a liability based on airspace consumed each year. For example, if Cells V and VI are only at 67% capacity then the liability that is reflected is only 67%. Each year, the calculated amount of airspace used gets expensed and SPSA's liability increases. Mr. Hansen thanked Ms. DeVary for the explanation. Mr. Stromberg

asked if there were plans to close a transfer station. Ms. DeVary clarified that while there are no plans to close a transfer station, under SPSA's Permit, there must be funds available to close a station if it becomes necessary. She noted that, comparatively speaking, the funds required to close a transfer station are minimal. Ms. DeVary also added that there is no reason to suspect that SPSA would need to close Cells V and VI before they reach capacity.

Ms. DeVary announced that she and Mr. Bagley decided that it would be a good idea to take time at each Board Meeting to go over aspects of SPSA's Environmental Management System, which is the process that helps SPSA maintain environmental excellence at an E3 level. She asked Mr. Bagley to outline the key elements.

Mr. Bagley commented that he was excited to be given the opportunity to talk about the environmental excellence program. Because it is such a large endeavor, Mr. Bagley and Ms. DeVary determined that the best approach would be to break it down in to smaller pieces that can be covered over time. The first item to discuss is having an environmental policy in place, which requires an environmental management system, the practice of recycling to the fullest extent possible, having pollution prevention measures in place, maintaining regulatory compliance, offering community education, and the commitment to continually improve on environmental operations. Mr. Bagley gave several examples of these tenets in action, such as the metal recycling program at the Regional Landfill and the tours given to elementary children to educate them on how the SPSA Regional Landfill fits into the waste cycle and the work being done to ensure environmentally sound practices. Mr. Bagley reminded the Board that this is just the first in a series of presentations about the Environmental Management System and he looks forward to continued discussions on this crucial aspect of operations. He opened the floor to any questions or comments.

Ms. Raulston informed the Board that she has reviewed much of SPSA's Environmental Management System and environmental policy and praised Mr. Bagley and his staff for doing a very good job on such an extensive system. Because of her experience in Environmental Management Systems, there were several points that stood out to Ms. Raulston, including SPSA's inherent responsibility to set an example of environmental stewardship, going above and beyond compliance regulations as a state-of-the-art operation committed to doing the right thing. She went on to speak about the work done to ensure that compliance dates are met and how SPSA has a systemized procedural approach to meeting each deadline. In regards to community education, Ms. Raulston stated that this is of critical importance and noted Ms. DeVary's speaking at City Council Meetings and the landfill tours being given, as well as holding public meetings, as necessary, and staying engaged with the public through the website and any other available means. She concluded by congratulating Mr. Bagley on a job well done and thanked him for his efforts. There were no further questions or comments.

Mr. Bagley provided the operations report stating that in the September reporting period SPSA landfilled 26,570 tons, which was a decrease of 4,087 tons from the previous month. 1,448,568 gallons of leachate were sent to HRSD, which is a decrease of 363,332 gallons from the last reporting period. September had 4.3 inches of rain, which, although was 9.88 fewer inches than the previous month, added 123,000 gallons to the leachate ponds for treatment. Mr. Bagley and staff are addressing ways to keep rainwater out of the leachate system. 846,699 gallons of leachate were pumped at a flow rate of 19.5 GPM, or 98% of allowable flow, which is an excellent number. 601,869 gallons of leachate were hauled, which is a decrease of 317,585 gallons from the previous month, due to the reduction in rainfall and a smaller working face on the landfill. Wheelabrator continues to

have 89% of ash delivered qualify for use as alternative daily cover. Mr. Bagley reminded the Board that ash responds like topsoil and is easy to work with as cover. At the September meeting, it was discussed that SPSA would begin transporting waste from the western transfer stations to the Atlantic Landfill. This process began on October 14, 2021 and it has been a smooth transition, due to the efforts of the transportation team. Mr. Bagley thanked Mr. Tim Strickland and his staff for their excellent work. Asphalt work and tipping floor repairs were in progress at Landstown Transfer Station. There were some delays due to rain, but Mr. Bagley reported that the asphalt work is, for all intents and purposes, complete and that typical floor repairs will begin soon. Staff has been in communication with Virginia Beach waste disposal staff and they are working with the transfer station supervisor to make sure that Virginia Beach trucks are serviced as quickly and efficiently as possible. A final review of the Design-Build drawings for the operational area improvements at the Regional Landfill was scheduled for the following day and Mr. Bagley told the Board that the contractor is getting shovel-ready so that they can move quickly when the buildings ship sometime in early spring. Mr. Bagley offered to answer any questions, but there were none.

7. FLYOVER OVERSIGHT COMMITTEE REPORT

Mr. Hansen, Chairman of the Flyover Oversight Committee, reported that he, Mr. Sorey of Chesapeake, and Mr. Robert Lewis of Suffolk, met on October 7, 2021 with Mr. Chris Hall of VDOT, his staff, and consultant to discuss the current status of the flyover project. Mr. Hansen described the meeting as short, but productive, and said that it helped the Committee to establish working relationships as they move forward on this project, which still has a long way to go in the process toward completion. Mr. Hansen recognized that members of the Board not regularly involved with highway engineering projects may not be familiar with some of the terms used to describe the process, particularly percentages of design. Mr. Hansen explained that a project begins with a concept, which is followed by preliminary estimates and survey work which get folded into the concept and include situational aspects, such as existing utilities and survey results. At that point the project is at what is referred to as “30% design” which is a first blush of what the design will look like. At 60% design, technical details begin to emerge and there is a better understanding of the real-world implications of the project. Mr. Hansen reported that the flyover project is past 30% and on the way to 60%, so there is a fairly good understanding of what is going to get built, the practical aspects to consider, and some technical knowledge of how the project is processing and the direction in which it is headed. He went on to say that at this point everything looks good, but challenges like soil information or a problematic environmental report can occur which don’t get fully fleshed out until 60% design completion. Mr. Hansen stated that there are still elements to overcome, but after this positive meeting with VDOT, the Committee feels very comfortable with the status of the project and the communicative relationship with VDOT moving forward. The Committee has asked VDOT to make a presentation to the Board, but feels that it is best that they wait until they reach 60% design completion, which will likely be near the first of the year. The next Committee meeting is scheduled for December 6, 2021. Mr. Hansen asked Mr. Sorey if he had anything he would like to contribute.

Mr. Sorey added that he was able to confirm that the flyover project will not require an Interchange Junction Report, which is significant because of the time required for such an effort. Knowing this information, Mr. Sorey is now more comfortable with the project schedule. Mr. Hansen added that, while VDOT is a transportation organization, the actual highway is owned and operated by the City of Suffolk and he wants to ensure that they are confident in what is being built. Mr. Hansen concluded by saying that he believes the project

is on a good path and he then offered to answer any questions. Mr. McCoy commended staff for recognizing the need for this Committee and the Board for authorizing its formation. Mr. McCoy went on to ask if the flyover project was under a Design-Build contract. Mr. Hansen clarified that it is a Design-Bid-Build contract, which is more of a traditional procurement method. Ms. DeVary added that she is very grateful to the Committee for their time and help. She also recognized Mr. Lewis who was present at the Board Meeting.

8. WIN WASTE INNOVATIONS PORTSMOUTH MONTHLY REPORT

Mr. Bob Hely delivered the WIN monthly report in person for Mr. Clint Stratton who was on vacation.

WIN Waste Innovations - Portsmouth

October 2021 Report to SPSA Board



Meeting SPSA's mission to provide safe and environmentally sound disposal of regional solid waste



**WIN Waste Innovations Portsmouth
September 2021
Actual Operational Data**



Net Refuse Received			Total Refuse Processed			Total NP Diverted			Ash Shipped		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
51,477	44,420	7,057	50,769	48,908	1,861	4,425	5,047	622	13,669	14,468	799
Volumes up this period			Favorable to plan despite unfavorable boiler USDT								

Steam Sales			Boilers			TG's Unscheduled Downtime			Net MWH Sold		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
24,798	27,212	(2,415)	362	152	(211)	0	0	0	13,457	18,346	(4,889)
NNSV dropped slightly below plan this period			Driven by grate failure on Boiler 1 and tube leak on Boiler 2			Outage pulled in early for Boiler 1 to mitigate grate failures			Driven by boiler unscheduled downtime and unfavorable boiler steam loads		

- Includes 1,510 tons of non-qualifying residue delivered to landfill, qualifying residue 88.91% for September.
- Waste delivered by SPSA to RDF- 52,165 tons; Boiler availability - 83%; Turbine Generator availability- 100%; Ash Screen availability - 98%.
- 0 OSHA Recordable accident this period, 1 for the YTD, 0 Environmental Incident and 0 Citizen Complaints

As a producer of renewable energy, WIN Portsmouth is pleased to help raise awareness of offshore wind farms coming to sites off Virginia Beach and Kitty Hawk NC.

WIN was a sponsor for Inside Business Top 40 Under 40 event at VB Surf and Rescue Museum where the theme was the power of wind.

WIN WASTE Innovations is Proud to Support WINDSdays



Questions?



Mr. Hely offered to answer any questions, but there were none.

9. FINANCIAL REPORT

Ms. DeVary informed the Board that as of September 30, 2021 total revenues exceeded total expenses by approximately \$2.8 million as compared to \$2.9 million in the previous fiscal year. Tipping fees fiscal year to date reflect an increase of 6.2%, or approximately \$755,326 as compared to FY 2021. Municipal waste tonnages were down approximately 12% or 16,606 tons as compared to last fiscal year. Commercial tons were up approximately

35% or 16,119 tons as compared to last year. For the month ending September 30, 2021 total municipal waste was 121,546 tons as compared to 138,152 tons a year ago. Ms. DeVary noted that the projected tonnage budget for the year is divided by twelve and shown as a straight line on the chart and the variation from month to month has been hovering around that average, which she hopes will continue in the coming months. She also added that the offset is that if there are fewer tons delivered, SPSA will not have the expense of paying Wheelabrator to process those tons, so it should balance financially.

Ms. DeVary reported that total expenses as of September 30, 2021 were approximately \$11 million, compared to \$10 million in the prior fiscal year. Cash balances were at \$54.4 million, designated as \$1.8 million in the operating fund, \$6.4 million, the equivalent of 2 months' operating expenses, in the undesignated fund balance, \$3.7 million for FY 2021 purchase orders, \$2.5 million for the proposed HRSD force main, and \$40 million in the landfill expansion and closure fund. Ms. DeVary then opened the floor for questions, but there were none.

Mr. Keifer moved, seconded by Ms. Jarratt, to approve the SPSA financial report as presented. The motion was adopted by a unanimous vote in favor.

In accordance with the SPSA Procurement Policy, Ms. DeVary awarded contracts for equipment replacements that totaled under \$100,000 and were a part of the capital replacement budget. She reported to the Board that, through a City of Chesapeake Cooperative Contract with Richmond Ford West, SPSA purchased one pickup truck for use at the Regional Landfill and one for use by Household Hazardous Waste. The total cost was \$64,067 out of a budgeted \$66,127. Ms. DeVary asked if there were any other financially-related questions, but there were none.

10. CLOSED SESSION

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding a proposed amendment to the Waste Disposal and Services Agreement between Wheelabrator Portsmouth Inc. (now WIN Waste) and SPSA in accordance with (a) Virginia Code Section 2.2 3711(A)(29) for the purpose of considering the negotiation and award of a public contract involving the expenditure of public funds and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body; and (b) Virginia Code Section 2.2 3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

Mr. Leahy moved, seconded by Mr. Sorey, to enter into a closed session to discuss a proposed amendment to the Waste Disposal and Services Agreement between Wheelabrator Portsmouth Inc. (now WIN Waste) and SPSA as presented. A roll call vote was taken of all voting members present, which included all members noted above. The motion was adopted by a unanimous vote of in favor.

Motion to Approve Certification after Closed Meeting.

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; 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..

Mr. Leahy moved, seconded by Ms. Jarratt, to certify the closed session as presented. A roll call vote was taken of all voting members present, which included all members noted above with the exception of Mr. Arnold who left early. The motion was adopted by a unanimous vote in favor.

11. OTHER BUSINESS

Chairman Baugh asked if there was any further business to come before the Board but there was none.

12. ADJOURN MEETING

There being no further business to come before the Board of Directors, the regular meeting was adjourned at 12:22 p.m.

Liesl R. DeVary
Executive Director

Submitted by: Tressa Preston, Secretary, SPSA Board of Directors

5. Executive Director Updates

Attachments:

- Landfill Operational Summary
- Executive Committee Minutes – September 15, 2021

Landfill Operational Summary

SPSA Regional Landfill Operational Summary			KEY:		
Period	October 1, 2021 to October 31, 2021		Change Since Last Report		
			All Is Well		
			Working On		
			Noted Issue		
Item	Metric Item	Metric	Performance/Comment	Status Code	Comments/Corrective Actions
1	Regulatory Compliance				
1.1	Notice of Violations	None	In Compliance		No issues during the reporting period.
1.2	Environmental compliance and reporting	Compliance	All submissions made.		Awaiting response from DEQ on missed readings by contractor.
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during the reporting period.
1.2.2	Title V	Compliance	In Compliance		Semi - Annual report has been submitted and waiting for DEQ response.
1.2.3	VPDES	Compliance	In Compliance		New Permit was issued as of October 1st, 2020
1.2.4	Financial Assurance	Compliance	In compliance		
1.2.5	Wetlands	Compliance	In Compliance		
1.2.6	Groundwater	Compliance	In Compliance		
1.2.7	Storm water system operating and in compliance with VPDES permit	Systems operational and in good order	In Compliance		In compliance.
2	Landfilling Operations				
2.1	Tonnage Landfilled	Actual Tons	26,841		
2.2	No. staff	13.5	11.5		1-LEO, 1 SWA
2.2	Equipment Utilization	Key equipment fully operational and deployed	All equipment operating and deployed with appropriate spares		
3	Cover Operations				
3.1	Total Cover Material Received	Actual Tons	12,978		
3.2	Date of last aerial survey	12/12/2020			
3.3	December 2020 Operational In-Place Density (lbs./cy)	1,600-1,800lbs/cy	1,903 lbs./cy or AUF = .94		Airspace Study completed January 2021
3.4	December 2020 Effective In-Place Density (lbs./cy)	1,600 lbs./cy	1,997 lbs./cy or AUF = .99		Still well above targeted long term airspace utilization.

4	Leachate Management				
4.1	Pump stations operational during period	100 % Operational	All pump stations are operational, pump performance is being monitored, and repairs/replacements made as necessary.		All vaults are operational.
4.2	SCADA system operational during period	100 % Operational	Fully operational		SCADA is fully operational. Low Flow to meters to HRSD, FIT-0301, and FIT-0401 were calibrated on 12/29 and the Pump & Haul Totalizer was reset on 12/30.
4.3	Flow meter system functional during period	100 % Operational	All 8 Cell V/VI Pump Stations are now operational		Flow Meters can now be logged to history in Scada system and reviewed as needed.
4.4	Leachate Levels	In compliance	In compliance.		1. In compliance at all 8 pump station locations. 2. Flow generation remain < 40,000 GPD typically.
4.5	Leachate Disposal	In compliance			
4.5.1	Quantity of leachate pumped to HRSD during period	x gallons	661,795.3		From 10/01 to 10/31
4.5.1.1	Cell V, Sumps 1-4	x gallons	362,859		From 10/01 to 10/31
4.5.1.2	Cell VI, Sumps 5-8	x gallons	523,625		From 10/01 to 10/31
4.5.2	Quantity of leachate hauled for disposal during period	x gallons	422,572		From 10/01 to 10/31
4.5.3	Disposal costs in period: \$		\$ 18,478		From 10/01 to 10/31
4.5.4	Any issues relative to leachate quality and acceptance at WWTPs?	No constraints	No constraints		
5	Landfill Gas Management	Compliance	In compliance		
6	Odor Complaints	No complaints	0		From 10/01 to 10/31
7	HRSD Force Main	Contract Schedule	None provided to date.		Working with HRSD leadership to resolve.

Acronym Definitions

ACOE- Army Core Of Engineers **AUF**- Airspace Utilization Factor **BOD**- Biological Oxygen Demand **CAP**- Corrective Action Plan
COD- Chemical Oxygen Demand **CSCE**- Comprehensive Site Compliance Evaluation **DMR**- Discharge Monitoring Report
GPS- Groundwater Protection Standards **LCL**- Lower Confidence Limit **NOV**- Notice Of Violation **SCADA**- Supervisory Control And Data Acquisition
SWIFT- Sustainable Water Initiative For Tomorrow **SWPPP**- Storm Water Pollution Prevention Plan **VPDES**- Va. Pollution Discharge Elimination System
WWTP- Waste Water Treatment Plant **PLC**- Programmable Logic Controller **GPM**- Gallons Per Minute **GPD**- Gallons Per Day

Executive Committee Minutes – September 15, 2021

**Executive Committee Minutes
Southeastern Public Service Authority of Virginia
September 15, 2021**

A meeting of the Executive Committee was held at 8:30 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman Dale Baugh. The other Committee Members present at this meeting were Ms. Sheryl Raulston, Mr. John Keifer and Mr. Randy Keaton. Also in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley, and Executive Administrator, Tressa Preston, General Counsel, Brett Spain, and SPSA Board Member Tom Leahy.

Items for Discussion:

1. Review and approve Executive Committee Minutes of August 17, 2021

Mr. Keifer moved, seconded by Ms. Raulston, to approve the minutes of August 17, 2021. The motion was adopted by a unanimous vote in favor.

2. Executive Director Reports

- a) New Items:

- i. Virginia Environmental Excellence Program (VEEP)

Ms. DeVary reported that the VEEP logo and SPSA's E3 status have been added to the SPSA website, along with a link to the program's website. The logo is also being included on presentations to increase awareness of this designation.

- ii. Employee COVID Reporting Requirement / Weekly Testing for Unvaccinated

Last Friday, SPSA employees were provided with information on SPSA's new COVID-19 Vaccine Reporting Policy. Beginning the week of October 11, 2021, all employees who are not fully vaccinated, or choose not to disclose their vaccination status, must submit the results of a weekly rapid test to their supervisors. Employees will be compensated for one hour of time when testing or vaccination occurs during regular working hours. Employees have been directed to the Virginia Department of Health's website for finding testing locations and the government website designed to locate vaccination sites.

Mr. Keaton commented that in addition to testing and vaccination being a matter of public health, governmental entities have to be concerned with maintaining a workforce capable of continuing full operation to provide services to their citizens. Mr. Keifer asked if vaccination would be a condition of employment for new hires. Ms. DeVary replied that all new hires must comply with the COVID-19 Vaccine Reporting Policy, which requires weekly testing for employees who are not fully vaccinated.

iii. Proposed General Assembly Legislation

Board Member, John Maxwell, brought to Ms. DeVary's attention that there is discussion of a proposed Virginia General Assembly legislation that would impose a \$3 per ton trash tax to be used for purchasing conservation easements. SPSA will be adding its name and logo to a flyer that is opposed to this proposed legislation and a final version of the flyer will be distributed to the Board. Ms. DeVary noted that no actual legislation has been written at this point. Mr. Keifer asked that Ms. DeVary be sure that the HRPDC was aware of this proposed legislation and its potential impact on tipping fees.

iv. Flyover / VDOT Oversight Committee

After discussion with counsel, it has been determined that the Flyover Oversight Committee appointed at the August Board Meeting will be subject to all FOIA regulations, including public notice of meetings and published agendas and minutes. Ms. DeVary has spoken with L.J. Hansen, Chair of the Committee, and SPSA will be sending out an informational email, along with the most recent presentation from VDOT and SPSA's agreement with VDOT to Mr. Hansen and Committee Members Earl Sorey and Robert Lewis. VDOT recently let Ms. DeVary know that they will be ready to start meeting in person in the next few weeks and a meeting for VDOT and the Committee will be scheduled for early October. Once Committee meetings begin, there will be a standing agenda item at SPSA Board of Directors meetings for the Committee to report on their progress. Ms. DeVary suggested that VDOT make a presentation to the full Board, as well, perhaps as early as the October Meeting.

v. Navy Waste Disposal Contract

The Navy renewed their waste disposal contract with SPSA for September 1, 2021 – August 31, 2022. Rates mirror contractual commercial rates. The contract expires in August of 2023.

vi. Waste Diversion Plan

The fiscal year 2022 budget included funding for 25,000 tons of waste to be diverted from the Franklin and Isle of Wight transfer stations to the Atlantic Landfill in Waverly. This diversion is part of contingency planning for preserving airspace at the Regional Landfill. Wheelabrator is at capacity and cannot take any additional waste from SPSA. The only landfills that accept municipal waste and are in a location geographically practicable for SPSA to haul to are the Waste Management Atlantic and Bethel facilities. The Committee discussed costs, tonnages, hauling logistics, and airspace assessment for Cells V and VI given the uncertainties in the waste stream. Ms. DeVary reported that the current plan is to have the Flyover and Cell VII completed by April of 2026. Ms. DeVary also reminded the Committee that the FY 2022 Budget Book contains an in-depth projected draw schedule. She has also pulled numbers for projected costs should SPSA elect to look into taking on debt in the future and may present that information at a later date.

Ms. DeVary asked the Committee and Mr. Leahy if anyone had concerns with this waste diversion contract being procured as a sole source. There were no objections

and it was determined that Ms. DeVary would present the contract to the Board as a sole source procurement.

vii. Annual Financial Audit Status

Ms. DeVary explained that the Annual Audit begins in August and is completed by the end of September. There is something of a time crunch because SPSA now uses the Corporate Financial Test to provide financial assurance for closure and post closure costs to the Virginia Department of Environmental Quality (VDEQ), which must be submitted by September 30th of each year. Because the Audit Committee needs to meet a bit later this year, Ms. DeVary will be submitting the financial assurance with a draft of the Audited Financial Statements as an attachment. VDEQ has no objections to this arrangement. After the Audit Committee meets in October, the Annual Audit will be presented at the October Board Meeting.

viii. Executive Committee Meeting Electronic Participation Policy

Since Chairman Baugh is new to the Executive Committee, Ms. DeVary reminded everyone that the Executive Committee adopted an electronic participation policy which allows electronic participation of members as long as a quorum is present at a central location. Practically, this means that in order for one member to participate electronically, the other three members must be present in person at the meeting. A Committee member may participate electronically for personal reasons twice a year, but there is no limit on electronic participation for medical reasons.

b) Ongoing Items:

i. TFC Waste Disposal Agreement

As discussed in previous meetings, TFC had a shortfall on the amount of waste it is contractually obliged to bring to SPSA in fiscal year 2021 and was requesting an amendment to its contract to reduce its volume requirement. The Committee agreed that a contract amendment could be considered for fiscal year 2022, provided that TFC pay the shortfall fee owed to SPSA for FY 2021. TFC has paid the shortfall fee, but has informed Ms. DeVary that it may not need to adjust the contract as its volumes appear to be increasing. Ms. DeVary will continue the conversation with TFC and keep the Committee informed on any developments.

ii. Flyover / VDOT – Status

Based on Ms. DeVary's conversation with VDOT, the standing monthly call scheduled for next Monday will likely be cancelled in light of the planned in-person meeting in early October, which will include the Flyover Oversight Committee.

iii. Wheelabrator Future Plans

Ms. DeVary has still had no further response to her request for future planning strategies from Wheelabrator. She and staff continue to work on contingency plans for SPSA should Wheelabrator not be able to fulfill its contract obligations. Wheelabrator would likely look to SPSA to recoup revenue lost from the Navy's steam contract. Ms. DeVary reminded the Committee that if Wheelabrator cannot fulfill its obligation, the

contract provides SPSA with liquidated damages. SPSA continues to take proactive steps to protect its best interests.

iv. Wetlands Permitting

There has not been another call with VHB and the Army Corps of Engineers since the last Board Meeting. SPSA has completed the Corps' requests to reach out to the Attorney General for an opinion on legislation regarding wetlands impact for new landfill sites and having SPSA's General Counsel present an opinion on SPSA's rights to eminent domain, particularly as they relate to working with local government.

v. HRSD Force Main Project

Staff and consultants from HDR Engineering are still working on alternatives to the HRSD Force Main Project, which has been cancelled by HRSD due to increased costs. Ms. DeVary reports that she anticipates a decision by the end of 2021. Currently under consideration is an evaporation system that staff was able to see in action at the Atlantic Landfill. If that system is determined to be the best option, SPSA would start the bidding process and contact Ted Henifin at HRSD about seeking his support of the project as a mutual benefit. Mr. Leahy commented that force mains are simple and efficient and should be kept in consideration even at a higher cost. Ms. DeVary responded that the evaporation system should cost roughly the original estimate of the Force Main Project, which is now projected at approximately three times the original cost. Mr. Keaton and Ms. Raulston inquired about the residue that remains after the evaporation process. Mr. Bagley described the residue as a solid that will have to be processed and disposed of appropriately.

3. Closed Session

Motion to Approve Request for Closed Meeting.

Chairman Baugh read the following closed session motion:

I move that a closed session be held for discussions regarding the status of the proposed amendment of the Landfill Gas Rights, Easement and Lease Agreement, including current performance issues of Suffolk Energy Partners, LLC under the agreement and the impact of those performance issues on the proposed amendment, in accordance with Virginia Code Section 2.2 3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

Mr. Keifer moved, seconded by Ms. Raulston, to approve the closed session motion as read. The motion was adopted by a unanimous roll call vote in favor.

Motion to Approve Certification after Closed Meeting.

The Executive Committee 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; 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.

Mr. Keifer moved, seconded by Ms. Raulston, to approve certification as read. The motion was adopted by a unanimous roll call vote in favor.

4. Other Business

Ms. DeVary reported that the fiscal year 2021 surplus, after expenses, looks to be approximately \$3.18 million, which she will recommend that the Board allocate to the Landfill Expansion and Closure Fund, which could help to reduce future potential tip fee increases. She also noted that the Audit Committee has been given the contact information for the Auditors, should members wish to speak with them directly.

Mr. Keifer asked, given that it seems that rain at the Regional Landfill is a large contributing factor to excess leachate, if the leachate mitigation plans include any provisions to cap runoff. Mr. Bagley replied that addressing the impact of rain is a part of the full mitigation plans that are being analyzed.

Ms. DeVary brought it to the Committee's attention that both SPSA's Commercial Waste Contracts and Commercial Hauling and Disposal Contracts expire in June of 2023.

5. Meeting Adjourned at 10:51 a.m.

6. Flyover Oversight Committee Report

The Flyover Oversight Committee is scheduled to meet with staff from SPSA, VDOT, and HDR on December 6, 2021. Committee Chairman L.J. Hansen will provide a brief update to the Board on the highlights from that meeting.

7. WIN Waste Innovations – Portsmouth Monthly Report

Presented by Mr. Clint Stratton, Plant Manager

November 15, 2021

Liesl R. DeVary
Southeastern Public Service Authority
723 Woodlake Drive
Chesapeake, VA 23320

Dear Ms. DeVary:

Please find attached the Monthly Report for WIN Waste Innovations facility required by Schedule 15 of the Service Agreement. Should you have any questions on any of the items covered herein please do not hesitate to contact me.

Sincerely,

Clint Stratton
Plant Manager, WIN Waste Innovations

enclosure

**WIN Waste Innovations
TONNAGES REPORT
CALENDAR YEAR 2021**

MONTH	SPSA				OUT-OF-STATE		OUTSIDE-AREA		NAVY STEAM DELIVERED (K-LBS)	ALL WASTE ACCEPTED AT RDF (TONS)		NP REMOVED FROM RDF (TONS)		PROHIBITED WASTE		RDF WASTE DIVERTED TO LANDFILLS (TONS)		PROCESSED WASTE (CALC FORMULA)		RESIDUE DELIVERED TO LANDFILL (TONS)		MW SOLD TO THE GRID (MWHt)
	ACCEPTABLE WASTE (TONS)	THIRD PARTY ACCEPTABLE WASTE (TONS)	WASTE (TONS) *	WASTE (TONS) *	WASTE (TONS)	TOTAL TONNAGE	WASTE (TONS)	TOTAL TONNAGE		WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	
JAN	40,450.18	12,657.54	1,557.04	1,557.04	-	54,664.76	73,158	54,664.76	4,736.59	-	-	-	-	-	-	-	-	-	49,928.17	52,206.35	14,798.12	14,930
FEB	37,997.76	11,915.76	1,793.76	1,793.76	-	51,707.28	73,639	51,707.28	6,151.60	-	-	-	-	-	-	-	-	-	45,555.68	40,112.22	12,744.91	9,483
MAR	47,325.73	8,862.66	1,899.70	1,899.70	-	58,088.09	36,893	58,088.09	7,544.22	-	-	-	-	-	-	-	-	-	50,543.87	50,341.98	12,484.66	14,908
APR	52,509.39	6,460.51	1,568.10	1,568.10	-	60,538.00	35,622	60,538.00	5,254.43	-	-	-	-	-	-	-	-	-	55,283.57	52,563.11	16,823.69	16,513
MAY	40,946.36	2,422.43	887.66	887.66	-	44,256.45	40,928	44,256.45	4,700.58	-	-	-	-	-	-	-	-	-	39,555.87	42,248.11	12,112.68	14,005
JUN	50,768.38	4,286.10	1,111.15	1,111.15	-	56,165.63	38,450	56,165.63	6,208.16	-	-	-	-	-	-	-	-	-	49,957.47	45,696.58	11,801.59	15,483
JUL	52,029.37	7,582.82	1,090.31	1,090.31	-	60,702.50	31,836	60,702.50	6,166.98	-	-	-	-	-	-	-	-	-	54,535.52	55,173.95	15,604.26	16,617
AUG	50,149.24	5,738.92	1,205.70	1,205.70	-	57,093.86	31,046	57,093.86	7,307.72	-	-	-	-	-	-	-	-	-	49,786.14	52,774.15	13,897.73	16,168
SEP	52,165.39	3,044.97	1,000.53	1,000.53	-	56,210.89	24,798	56,210.89	4,424.63	-	-	-	-	-	-	-	-	-	51,786.26	48,908.11	13,624.64	13,457
OCT	48,867.29	286.28	907.52	907.52	-	50,061.09	26,307	50,061.09	4,114.20	-	-	-	-	-	-	-	-	-	45,946.89	46,060.03	12,815.88	13,401
NOV	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
YTD TOTAL	473,209.09	63,257.99	13,021.47	13,021.47	-	549,488.55	412,677.00	549,488.55	56,609.11	-	-	-	-	-	-	-	-	-	492,879.44	486,084.59	136,708.16	144,965.00

* NOTE: This is material brought in from the nearby counties in NC provided for under the Service Agreement.

**WIN Waste Innovations
AVAILABILITY
CALENDAR YEAR 2021**

MONTH	BOILER AVAILABILITY (%)	BOILER PLANNED OUTAGES (HRS)	BOILER UNPLANNED OUTAGES (HRS)	TURBINE AVAILABILITY	TURBINE PLANNED OUTAGES (HRS)	TURBINE UNPLANNED OUTAGES (HRS)
JAN	91.4%	144	112	96.3%	68	15
FEB	92.8%	156	37	88.3%	235	0
MAR	93.0%	192	15	92.0%	185	0
APR	88.5%	0	332	100.0%	0	0
MAY	72.1%	192	493	97.4%	0	59
JUN	83.0%	344	144	98.8%	0	27
JUL	88.3%	0	347	99.6%	8	0
AUG	92.5%	155	67	100.0%	0	0
SEP	83.4%	117	362	100.0%	0	0
OCT	85.1%	156	286	100.0%	0	0
NOV						
DEC						
YTD TOTAL	87%	1,456.00	2,195.00	97%	496.00	101.00

WIN Waste Innovations
SUPPLEMENTAL INFORMATION
October 2021

Total Waste received by SPSA:	48,867 tons
Waste delivered to RDF:	50,061 tons
Total RDF processed:	46,060 tons
Residue sent to landfill:	12,816 tons*
Electric power sold:	13,401 MW
Steam sold to Navy:	26,307 K-LBS
Overall Boiler availability:	85%
Overall Generator availability:	100%
Environmental Incidents	0

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	1

General Notes:

* This total includes 1151.35 tons of non-qualifying residue delivered to the landfill this period, qualifying residue 91.02% for this period.

Completed Boiler 1 outage this period. Major work completed in pressure part, grate overhaul, flue gas, SDA and baghouse metal repairs.

WIN Waste Innovations

Monthly Report for the Month of October 2021

This report is submitted in accordance with the Waste Disposal & Services Agreement, section 3.17.1.

Environmental Issues:

Contractor has not received any notices in violation (NOVs) or orders, and no such NOVs, proceedings, orders or investigations are pending, for the subject period.

Tests Completed:

Monthly Industrial Discharge Samples
Fuel Oil Sample
Storm water Sample(s)
Quarterly Ash Test

Tests Planned:

Monthly Industrial Discharge Samples
Fuel Oil Sample(s)
Storm Water Sample
Annual Stack Test
Quarterly GHG Test
Quarterly Ash Test

Inspections:

None

Air Quality Violations:

None

Safety Issues:



OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	1
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	0

Op Stats: see attached spreadsheet

Upcoming Planned Outages:

2021 Outages

January 10-16	Boiler 4
February 7-13	Boiler 1
March 14-22	Boiler 2
April	No outage
May 7-14	Boiler 4
May 14-21	Boiler 1
June 13-19	Boiler 3
July	No outage
August 15-21	Boiler 2
September 19-25	Boiler 3
October 10-17	Boiler 1
November 14-20	Boiler 4
December	No outage

WIN Waste Innovations RDF and WTE Operational Summary			KEY:		
Provided by WIN Waste Innovations		Change Since Last Report			
Period	Oct. 1, 2021 to Oct. 31, 2021	All Is Well			
		Working On			
		Noted Issue			
Item	Metric Item	Metric	Performance	Status	Comments
1	Regulatory Compliance				
1.1	Notice of Violations	Compliance	In Compliance		No issues during reporting period
1.2	VPDES	Compliance	In Compliance		No issues during reporting period
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during reporting period
1.2.2	Title V	Compliance	In Compliance		No issues during reporting period
2	RDF Tipping Floor Operations				
2.1	Wait Times	<30 min			Wait times were running higher than normal, we diverted tonnage to manage floor volumes.
2.2	Floor Volume	<1,000 Tons			Floor volumes exceeded 1000 tons, the facility diverted to manage floor volumes and wait times
2.3	Equipment Utilization	Key equipment fully operational and deployed			Working B line coupling and alignment issue this period. Returned to service 11-5-21
3	Ash				
3.1	Ash Delivered to RLF	Actual Tons	12,816		
3.2	Percentage of Ash Re-classified	<20%	1,151		Reclassified was 8.98%
3.3	Percentage of Ash used as ADC	> 80%	11,665		ADC was 91.02%
3.4	Rejected Loads of Ash	0	0		
4	WTE				
4.1	Boiler Availability	> 90%	85%		Downtime driven by grate and bin feed failures.
4.2	TG Availability	> 90%	100%		
4.3	Ash Screener Availability	> 95 %	98%		
5	Cleanliness/Litter Control				
5.1	Citizen Complaints	0			Overall cleanliness of the facility continues to improve.
5.2	Odor Complaints	0			No issues during reporting period

Acronym Definitions

RDF - Refuse Derived Fuel, **WTE** - Waste To Energy, **VPDES** - Virginia Pollution Discharge Elimination System, **ADC** - Alternative Daily Cover, **TG** - Turbine Generator

8. Financial Report

Statement of Revenue and Expenses – Budget to Actual Comparison

For the month ending October 31, 2021, total revenues exceeded total expenses by approximately \$3.1 million as compared to \$4.6 million in the previous year.

Tipping fee revenue received FYTD reflects an increase of 5.3% or approximately \$857,401 as compared to fiscal year 2021. Municipal waste tons are down approximately 12.6% or 22,676 tons as compared to fiscal year 2021.

For the month ending October 31, 2021, total expenses were approximately \$15.1 million as compared to \$13.6 million incurred in the previous fiscal year.

Monthly Expense Line Items

This report provides the actual expenses by month by the type of expense. The majority of the line items vary in amounts from month to month because they are either: (1) dependent on usage, or (2) timing of payment and/or check date.

Monthly Comparison of Revenues and Expenses

This report illustrates the monthly revenues and expenses. An explanation is included under each graph if there is a sizeable variance. The straight line in each graph represents the fiscal year 2022 budget on a straight-lined basis and the line graph represents the prior fiscal year for comparison.

Waste Stream Report

This report has been developed to provide the status of tonnages received as compared to the amounts budgeted. For the month ending October 31, 2021, municipal waste tonnages reflect a decrease of 12.6% or approximately 22,676 tons as compared to October 31, 2020.

Treasurer's Report of Cash Balances

This report captures the monthly activity in each of the depository accounts grouped as either unrestricted and designated funds or trust funds. As of October 31, 2021, operating cash balances were approximately \$56.1 million representing approximately \$3.2 million in the operating account, \$6.4 million in undesignated fund balance, \$3.5 million for FY 2021 Rolled Purchase Orders, \$2.5 million reserved for the HRSD Force Main, \$3.4 million for Landfill Expansion Purchase Orders and \$37.1 million designated for landfill expansion/closure.

MOTION: Do I hear a motion that the SPSA Monthly Financial Reports, subject to audit, be approved as presented?

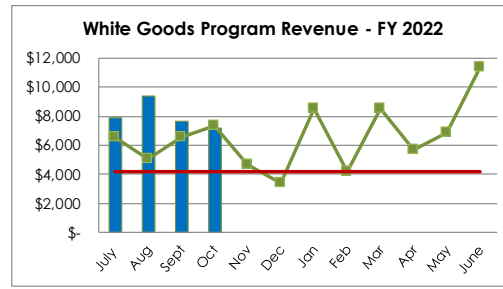
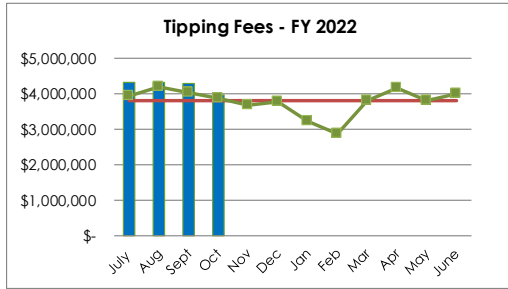
Southeastern Public Service Authority Statement of Revenue and Expenses - Budget to Actual Comparison For the Period Ending October 31, 2021								
	October 2021				October 2020			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
REVENUES								
Tipping Fees	\$ 45,951,468	\$ 3,984,634	\$ 16,953,248	36.9%	\$ 41,756,055	\$ 3,882,559	\$ 16,095,847	38.5%
Tire program	600,000	72,809	296,920	49.5%	600,000	58,198	217,580	36.3%
Household Hazardous Waste Revenue	386,650	27,095	160,641	41.5%	333,000	32,749	135,643	40.7%
White Goods Program	50,000	7,178	32,098	64.2%	40,000	7,303	25,355	63.4%
Landfill Gas Recovery	260,000	4,725	28,379	10.9%	260,000	6,509	69,568	26.8%
Miscellaneous Income	268,729	52,102	101,196	37.7%	1,429,891	973,722	1,113,934	77.9%
Interest Earnings	450,000	18,818	120,656	26.8%	450,000	271,308	340,295	75.6%
Fund Balance / Capital / Rolled PO's	4,034,338	224,816	347,538	8.6%	2,542,284	55,601	57,601	2.3%
Fund Balance / Landfill Expansion	3,787,832	2,572	171,235	4.5%	2,273,166	48,102	182,311	8.0%
TOTAL REVENUES	\$ 55,789,017	\$ 4,394,749	\$ 18,211,910	32.6%	\$ 49,684,396	\$ 5,336,051	\$ 18,238,134	36.7%
OPERATING EXPENSES								
Administration								
Salaries / Wages	\$ 850,964	\$ 59,859	\$ 244,048	28.7%	\$ 837,565	\$ 75,645	\$ 265,427	31.7%
Employee Benefits	202,110	11,877	57,164	28.3%	212,102	15,785	62,330	29.4%
A Professional / Contracted Services	691,279	5,210	142,459	20.6%	688,063	23,102	85,892	12.5%
Other Operating Expenses	226,970	16,936	65,719	29.0%	223,872	16,827	60,893	27.2%
Materials / Supplies	19,208	1,467	2,749	14.3%	17,888	1,290	2,672	14.9%
Total Administration	\$ 1,990,531	\$ 95,350	\$ 512,138	25.7%	\$ 1,979,490	\$ 132,648	\$ 477,214	24.1%
Environmental Management								
Salaries / Wages	\$ 327,643	\$ 21,247	\$ 83,575	25.5%	\$ 319,891	\$ 29,960	\$ 92,725	29.0%
Employee Benefits	103,908	7,828	31,363	30.2%	114,101	8,384	29,427	25.8%
Professional / Contracted Services	76,150	724	18,635	24.5%	78,200	2,420	14,825	19.0%
Other Operating Expenses	11,192	362	1,471	13.1%	13,700	428	1,905	13.9%
Materials / Supplies	22,860	1,687	4,940	21.6%	22,838	548	2,144	9.4%
Total Environmental Management	\$ 541,753	\$ 31,848	\$ 139,984	25.8%	\$ 548,730	\$ 41,741	\$ 141,027	25.7%
Operations								
Salaries / Wages	\$ 5,840,179	\$ 424,829	\$ 1,628,291	27.9%	\$ 5,731,396	\$ 564,000	\$ 1,785,440	31.2%
Employee Benefits	1,949,313	147,599	590,463	30.3%	1,917,326	161,253	592,002	30.9%
A Professional / Contracted Services	3,085,143	214,897	781,297	25.3%	2,996,424	252,361	866,499	28.9%
Other Operating Expenses	1,089,685	52,398	236,794	21.7%	1,053,761	55,201	313,518	29.8%
Materials / Supplies	1,846,171	146,612	583,076	31.6%	1,813,457	86,633	379,977	21.0%
Total Operations	\$ 13,810,491	\$ 986,336	\$ 3,819,922	27.7%	\$ 13,512,364	\$ 1,119,448	\$ 3,937,436	29.1%
TOTAL OPERATING EXPENSES	\$ 16,342,775	\$ 1,113,533	\$ 4,472,044	27.4%	\$ 16,040,584	\$ 1,293,837	\$ 4,555,677	28.4%
CAPITAL PROJECTS / EQUIPMENT REPLACEMENT								
A CELLS 8/9 PERMITTING	822,725	2,572	172,214	20.9%				
A TPS - TIRE SHREDDER	74,543	-	59,650	80.0%				
A ROB - Updade Lighting	61,798	1,980	1,980	3.2%				
A RLF- DEMO/CONSTRUCTION	29,193	-	24,919	85.4%				
A RLF - UST/AST REMOVAL & ADD	242,991	206,810	225,057	92.6%				
A HHW TRAILER & SCREENPRINTS	7,800	-	6,300	80.8%				
A VDOT - FLYOVER	2,767,074	-	-	0.0%				
A RLF - DESIGN BUILD PROJECT	3,420,444	6,328	8,740	0.3%				
RLF - DUMP TRUCK	442,388	417,388	417,388	94.3%				
RLF - PICKUP TRUCK	32,555	-	-	0.0%				
RLF - WHEEL WASH	300,000	-	-	0.0%				
TSP - ROAD TRACTORS	622,624	-	-	0.0%				
TSP - TRAILERS	630,000	-	-	0.0%				
TSP - YARD DOG	125,000	-	-	0.0%				
CTS - TIP FLOOR REPAIRS	100,000	-	-	0.0%				
HHW - PICKUP TRUCK	33,572	-	-	0.0%				
CTS - ABOVE GROUND SCALE	125,000	-	122,318	97.9%				
NTS - WHEELED EXCAVATOR	342,109	-	-	0.0%				
NTS - WHEELED LOADER	535,570	-	-	0.0%				
OTS - WHEELED LOADER	385,228	-	-	0.0%				
UNDESIGNATED	104,058	-	-	0.0%				
TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT	\$ 11,204,672	\$ 635,079	\$ 1,038,566	9.3%	\$ 9,479,133	\$ 224,888	\$ 359,097	3.8%
OTHER USES								
Contracted Waste Disposal	\$ 21,993,420	\$ 1,801,188	\$ 7,495,466	34.1%	\$ 19,820,929	\$ 1,751,492	\$ 7,288,970	36.8%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Reserves for Landfill Expansion/Closure	6,243,150	520,263	2,081,050	33.3%	4,338,750	361,563	1,446,250	33.3%
TOTAL OTHER USES	\$ 28,241,570	\$ 2,321,451	\$ 9,576,516	33.9%	\$ 24,164,679	\$ 2,113,055	\$ 8,735,220	36.1%
GRAND TOTAL EXPENSES	\$ 55,789,017	\$ 4,070,063	\$ 15,087,126	27.0%	\$ 49,684,396	\$ 3,631,779	\$ 13,649,994	27.5%
NET REVENUES / (EXPENSES)	\$ -	\$ 324,686	\$ 3,124,785		\$ -	\$ 1,704,272	\$ 4,588,140	

A Budget has been adjusted by \$7,349,877 for purchase orders rolled over from FY 2021, and projects related to landfill expansion.

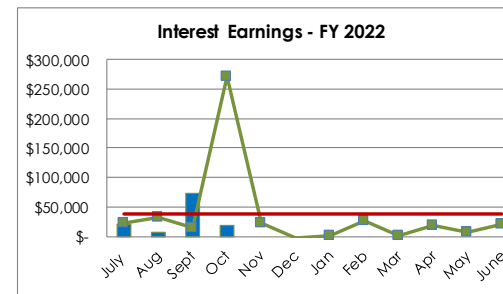
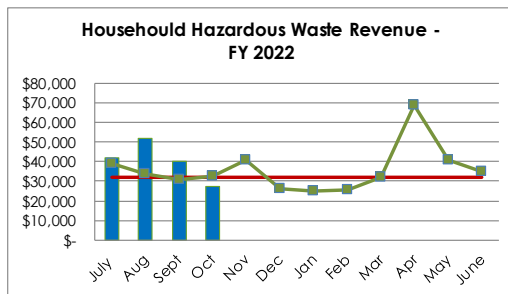
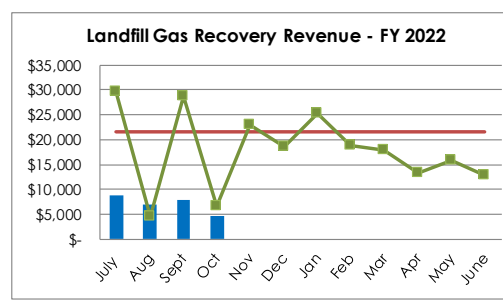
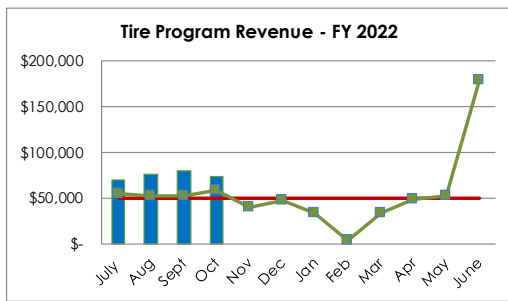
Southeastern Public Service Authority							
Monthly Expense Line Items							
Description	FY 2022 Budget	Aug-21	Sep-21	Oct-21	FYTD	From Previous Month	
						\$ Change	% Change
Salaries Exempt	\$ 2,028,362	\$ 150,180	\$ 147,501	\$ 149,814	\$ 575,387	\$ 2,313	1.6%
Salaries Non-Exempt	4,680,484	336,959	338,969	333,729	1,292,008	(5,240)	-1.5%
Overtime	309,940	26,721	22,841	22,392	88,518	(449)	-2.0%
Fica / Medicare Tax	536,936	37,538	37,227	36,212	141,846	(1,015)	-2.7%
VRS Retirement	51,537	3,481	3,485	3,483	13,783	(1)	0.0%
Health Insurance	1,408,152	112,765	110,514	108,169	445,590	(2,345)	-2.1%
Vrs Group Life Insurance	86,097	6,826	6,914	6,842	27,361	(72)	-1.0%
Unemployment Insurance	3,658	33	17	30	139	13	80.2%
Workers Compensation	168,951	12,568	12,568	12,568	50,272	-	0.0%
Medical Fees	12,450	325	2,365	425	3,115	(1,940)	-82.0%
Security Service	85,680	5,041	10,132	6,772	27,527	(3,360)	-33.2%
Professional Services	224,576	10,339	9,389	31,114	51,107	21,725	231.4%
Engineering Services	248,000	7,697	787	41,850	50,333	41,064	5221.0%
Landfill Survey	5,000	-	-	-	-	-	N/A
Legal Fees	325,000	23,062	53,738	(32,137)	44,662	(85,875)	-159.8%
Environmental Testing	103,000	19,866	1,991	872	23,025	(1,119)	-56.2%
Fire Protection	9,250	-	-	-	120	-	N/A
Temporary Employment Services	34,320	172	-	-	2,008	-	N/A
Uniform Rental	50,608	3,678	2,973	3,623	13,575	650	21.9%
Maintenance Service Agreements	159,597	1,607	1,609	3,595	36,935	1,986	123.4%
Grounds Maintenance	106,240	-	11,281	6,720	20,184	(4,561)	-40.4%
Hazardous Waste Disp/Cleanup	57,000	10,825	-	-	10,825	-	N/A
Equipment Maintenance	963,050	64,889	69,523	65,210	243,835	(4,314)	-6.2%
Building / Site Maintenance	703,641	9,919	6,414	54,690	88,185	48,275	752.6%
Leachate Pumping Station Maint	37,500	14,990	2,688	-	17,678	(2,688)	-100.0%
Advertising	9,000	-	299	299	1,192	-	0.0%
Trustee Expense	1,000	-	-	-	-	-	N/A
Permit Fees	93,661	(13)	86,955	-	97,056	(86,955)	-100.0%
Suffolk Host Fee	624,000	62,685	51,466	37,800	211,029	(13,666)	-26.6%
Electricity	207,700	10,654	13,834	15,290	40,002	1,457	10.5%
Heating/Gas/Propane	9,000	125	120	83	328	(37)	-30.8%
Water / Sewer	43,550	1,168	2,133	2,355	7,281	222	10.4%
Leachate Treatment	380,000	-	51,893	-	51,893	(51,893)	-100.0%
Telephone	113,050	8,500	9,841	9,131	34,648	(710)	-7.2%
Postage	1,860	118	73	68	327	(5)	-7.0%
Radio Communication & Repair	3,500	-	1,090	-	1,090	(1,090)	-100.0%
Insurance & Bonding	217,340	18,612	18,112	18,112	72,948	-	0.0%
Landfill Fire Expenses	0	601	(23,158)	4,598	(13,460)	27,756	-119.9%
Equipment Rental	57,100	20,300	190	-	21,930	(190)	-100.0%
Land Lease Payment	3,500	292	292	292	1,167	-	0.0%
Tire De-Rimming Service	5,000	-	-	-	-	-	N/A
Travel And Training	31,775	1,083	792	133	3,053	(659)	-83.2%
Road Tolls	191,940	16,308	16,894	15,548	65,241	(1,346)	-8.0%
Membership & Professional Dues	3,200	100	-	-	479	-	N/A
Bank Fees	48,332	4,016	4,205	4,087	16,573	(119)	-2.8%
Awards Programs	10,000	420	66	-	486	(66)	-100.0%
EMS Support Program	1,000	-	-	-	-	-	N/A
Office Supplies	13,850	579	517	1,022	2,853	505	97.8%
Dues & Subscriptions	23,158	599	965	284	2,235	(681)	-70.6%
Other Operating Supplies	100,900	5,041	2,572	4,532	16,786	1,961	76.2%
Vehicle / Equipment Fuel	911,753	67,490	114,897	69,095	316,690	(45,801)	-39.9%
Vehicle / Equipment Tires	747,700	72,331	50,804	57,606	223,456	6,802	13.4%
Safety Apparel & Equipment	35,400	4,191	1,406	3,825	9,573	2,420	172.1%
Small Equipment	45,478	1,565	3,648	12,714	18,326	9,066	248.5%
Computer Hardware	10,000	120	39	688	846	649	1663.3%
Total Operating Expenses	\$ 16,342,775	\$ 1,156,365	\$ 1,262,867	\$ 1,113,533	\$ 4,472,044	\$ (149,334)	-11.8%
Capital Projects/Equip Replacement	\$ 11,204,672	134,454	269,033	635,079	1,038,566	366,046	136.1%
Contracted Waste Disposal	21,993,420	1,862,113	1,916,464	1,801,188	7,495,466	(115,276)	-6.0%
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	N/A
Reserves for Landfill Expansion/Closu	6,243,150	520,263	520,263	520,263	2,081,050	-	0.0%
Total Expenses	\$ 55,789,017	\$ 3,673,195	\$ 3,968,627	\$ 4,070,063	\$ 15,087,126	\$ 101,436	2.6%

**Southeastern Public Service Authority
Monthly Comparison of Revenues and Expenses**

FY 2022 (bar)
FY 2021
FY 2022 Budget

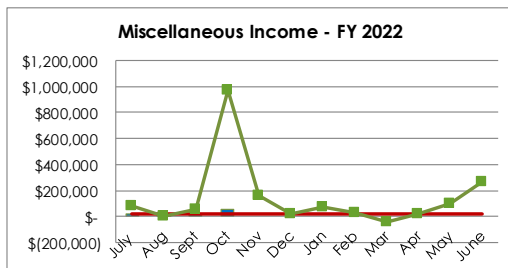


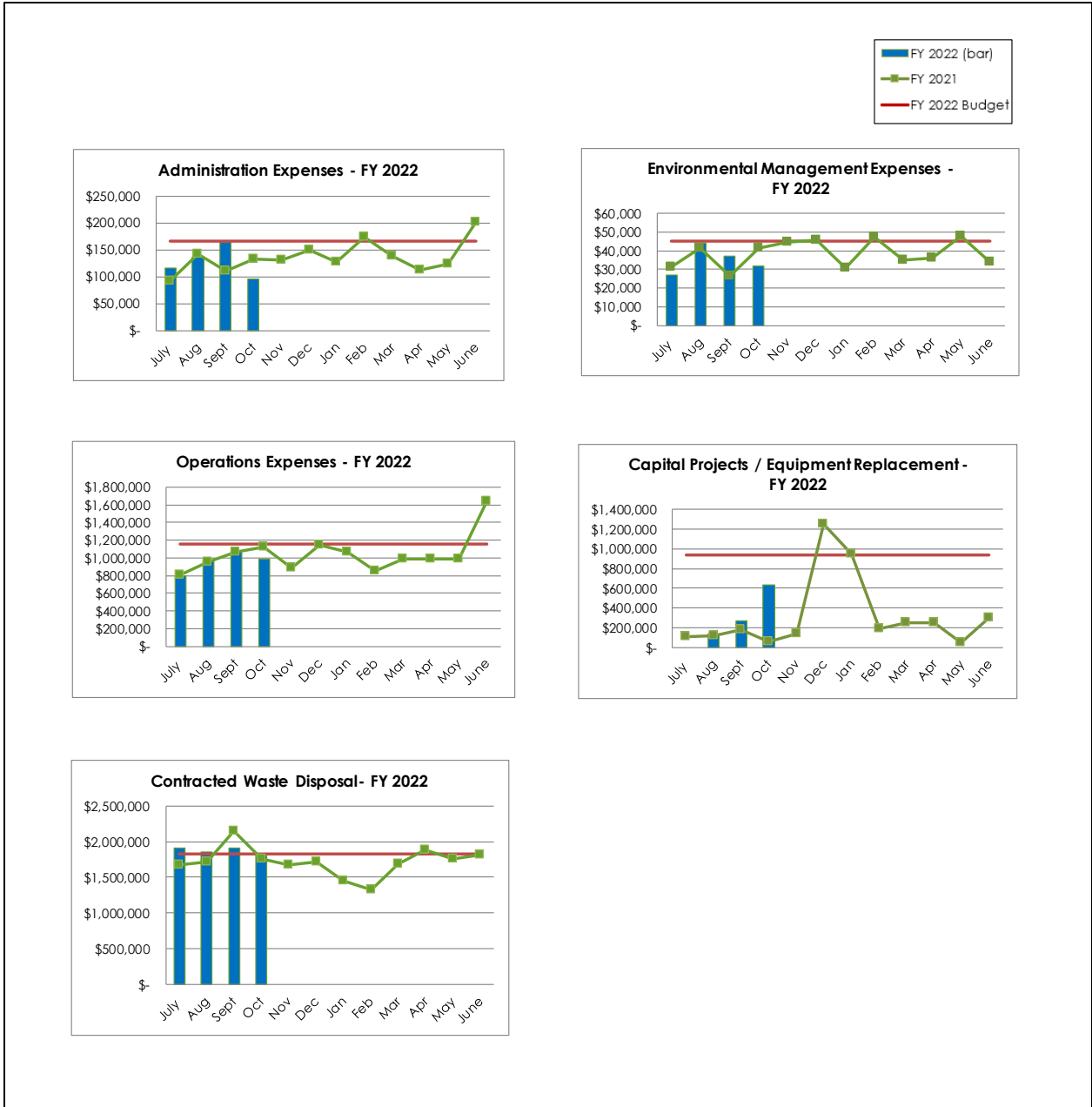
* Monthly revenue is dependent on users.



* Monthly revenue is dependent on users.

Interest payments vary based on investment date and maturity date.

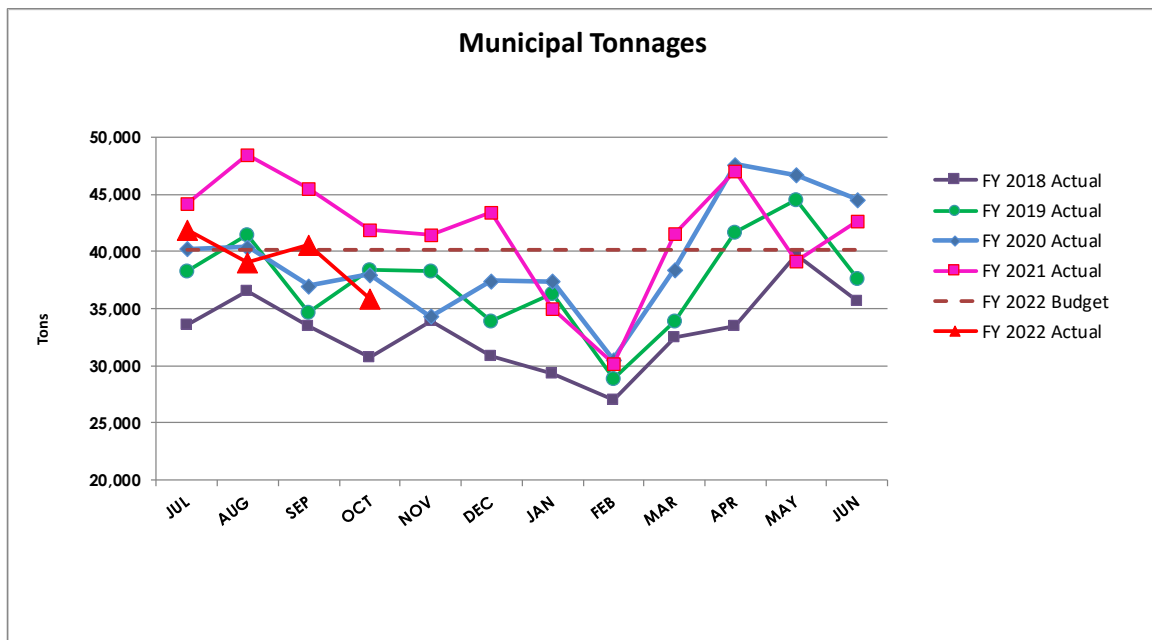




Southeastern Public Service Authority (SPSA) Waste Stream

Waste Category	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 10/31/2021	% of Budget
Waste Stream Budgeted under Tipping Fees							
Municipal Waste							
Chesapeake	90,896	105,353	112,154	114,806	110,000	37,133	33.8%
Franklin	2,698	2,955	3,276	3,499	3,300	1,276	38.7%
Isle of Wight	16,883	17,265	17,102	17,839	18,000	5,434	30.2%
Norfolk	62,587	90,129	92,423	89,209	89,000	26,649	29.9%
Portsmouth	32,769	40,222	43,829	46,339	42,000	15,139	36.0%
Southampton	8,910	10,675	9,881	10,033	10,800	3,411	31.6%
Suffolk	40,847	42,325	46,614	49,639	51,200	16,445	32.1%
Virginia Beach	127,483	138,823	147,250	169,097	157,550	51,902	32.9%
Residential (Free of Charge)	13,711	-	-	-	-	-	N/A
Total Municipal Waste	396,784	447,747	472,529	500,461	481,850	157,389	32.7%
Sludge - Norfolk	5,586	6,040	4,725	4,695	5,500	1,942	35.3%
Navy Waste	26,653	26,265	24,974	26,176	25,500	7,905	31.0%
SPSA Contracted Waste	65,936	146,442	130,777	134,044	130,000	56,000	43.1%
Construction & Demolition Debris	14,850	9,808	9,312	6,514	9,000	2,980	33.1%
Non-Contract Waste	15,469	36,682	39,588	46,616	38,000	27,148	71.4%
Total Other Waste	128,494	225,237	209,377	218,045	208,000	95,975	46.1%
Total Waste Stream	525,278	672,984	681,906	718,506	689,850	253,364	36.7%

Note: Effective July 1, 2018 residential waste tons is included with municipal waste tons.



**Southeastern Public Service Authority (SPSA)
Regional Landfill Waste Stream**

Types of Waste (tons)	FY 2018	FY 2019	FY 2020	FY 2021	July	Aug	Sept	Oct	FYTD
					FY 2022	FY 2022	FY 2022	FY 2022	FY 2022
Construction and Demolition Debris	14,850	9,807	9,312	6,515	609	636	713	1,023	2,981
Water Treatment Plant Sludge	5,717	6,039	4,725	4,694	534	528	482	398	1,942
Industrial Waste	379	295	660	603	46	2	-	-	48
Soils for Use as Alternate Daily Cover	9,990	8,630	6,602	5,841	501	517	443	562	2,023
Clean Fill	26,396	5,940	97,970	2,281	-	54	-	-	54
Peanut Residue/Hulls	9,366	4,023	4,907	4,555	514	230	296	308	1,348
Non-Processible Municipal Solid Waste	3,791	867	1,570	3,409	86	97	115	80	378
Navy Waste ²	154	359	237	297	23	7	10	11	51
Non-Processible Commercial Waste ²	2,631	598	650	891	104	218	206	178	706
Concrete/Asphalt	-	133	116	-	22	-	-	-	22
Shredded Tires	4,586	5,394	6,144	6,102	709	800	808	751	3,068
Ash - Qualifying	179,361	113,979	112,585	150,882	13,658	11,883	12,114	11,665	49,320
Non-Qualifying Ash	-	52,998	58,912	16,680	1,946	2,015	1,510	1,151	6,622
M ² SW from FTS, I ² WTS, STS	46,011	102,702	106,908	112,006	10,293	9,652	9,873	6,159	35,977
Clean Fill - Clearfield	31,709	51,540	57,872	48,453	3,287	2,795	6,143	4,555	16,780
Residual Waste - Clearfield	5,585	436	446	817	76	76	19	-	171
Diverted Processible Waste (fromTsf Station)	201	2,518	2,127	2,252	-	1,347	-	-	1,347
Total	340,727	366,258	471,743	366,278	32,408	30,857	32,732	26,841	122,838

¹ Prior to January 25, 2018, Represents CDD from the City of Suffolk and City of Suffolk's Contractors

² Boats, Flour, Frozen Foods, Other items too large for Suffolk Transfer Station

Southeastern Public Service Authority Treasurer's Report of Cash Balances For the Month Ending October 31, 2021						
Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Payables / Transfers Out	Payroll	Ending Balance
Unrestricted and Designated Funds (see footnote below):						
Townebank Operating	\$ 2,676,708.41	\$ 9,351,782.14		\$ 7,560,267.06	\$ 556,664.75	\$ 3,911,558.74
Townebank Money Market	21,775.91		0.19			21,776.10
Townebank CD	6,272,764.69					6,272,764.69
Virginia Investment Pool (VIP)	12,155,165.28	500,000.00	497.29	5,000,000.00		7,655,662.57
Raymond James & Associates Investments	33,279,717.78	5,000,000.00	-	18,303.30		38,261,414.48
Total Unrestricted and Designated Funds	\$ 54,406,132.07	\$ 14,851,782.14	\$ 497.48	\$ 12,578,570.36	\$ 556,664.75	\$ 56,123,176.58
Trust Funds:						
Environmental / Va. Beach Landfill	\$ 469,356.61		8.52			469,365.13
Environmental / Regional Landfill	471,726.88		8.37			471,735.25
Total Trust Funds	\$ 941,083.49	\$ -	\$ 16.89	\$ -	\$ -	\$ 941,100.38
GRAND TOTAL	\$ 55,347,215.56	\$ 14,851,782.14	\$ 514.37	\$ 12,578,570.36	\$ 556,664.75	\$ 57,064,276.96
Cash Balances Designated as follows:						
Operating Funds	\$ 3,223,948.07					
Undesignated (Fund Balance June 30, 2021)	6,370,616.00					
Reserved for FY 2021 Rolled Purchase Orders	76,378.26					
Reserved for FY 2021 Rolled Capital POs	3,419,294.25					
Reserved for HRSD Force Main	2,500,000.00					
Purchase Orders for Landfill Expansion (Rolled)	651,489.98					
VDOT Flyover	2,767,074.00					
Landfill Closure (as of June 30, 2021)	19,174,086.00					
Landfill Expansion	17,940,290.02					
Total Designated Funds	\$ 56,123,176.58					

(equivalent to 2 months operating expenses)

**Southeastern Public Service Authority
Budget Transfer Activity
For the Month Ending October 31, 2021**

Department	Object	Description	Transfer In	Transfer Out
NO TRANSFERS WERE MADE IN OCTOBER				
Total			\$ -	\$ -

SPSA Financial Status FY 2021 versus FY 2009

Highlights:

- Total Municipal Tons: Budgeted 481,850 in FY 2021 vs. 525,726 in FY 2009
- Municipal Tip Fee: \$61 per ton in FY 2021 vs. \$170 per ton in FY 2009
- Total Net Position changed 326% from a deficit of \$28.3 million in FY 2009 to a positive \$64 million at the end of FY 2021.
- Total Current Assets increased 101% including a 301% increase in cash and cash equivalents.
- Total Liabilities decreased 90% from \$266 million at the end of FY 2009 to \$27 million at the end of FY 2021. Most significant change is decrease in debt. At the end of FY 2009, SPSA had accumulated nearly \$284 million. Following the sale of the waste-to-energy facility in FY 2010 for \$150 million, SPSA has \$0 in debt by the end of December 2017.
- SPSA had approximately \$19.2 million set aside for landfill closure and post closure liabilities at the end of FY 2021 as compared to \$1.4 million at the end of FY 2019
- SPSA had 134.5 full time equivalent positions at the end of FY 2021 as compared to 494 full time equivalent positions at the end of FY 2009.

SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA			
Statement of Net Position			
June 30, 2021 as compared to June 30, 2009			
Assets	2021	2009	% Change
Current assets:			
Cash and cash equivalents	\$ 51,036,503	12,715,128	
Accounts receivable:	4,126,785	11,028,789	
Other	520,839	3,948,956	
Total current assets	55,684,127	27,692,873	101%
Noncurrent assets:			
Restricted assets:	941,034	32,436,625	
Capital assets, net of accumulated depreciation	30,141,382	163,072,512	
Debt issue costs	-	2,701,769	
Net Pension Asset	2,245,261	-	
Deferred Outflows of Resources - Pension & OPEB	1,882,497	-	
Total noncurrent assets	35,210,174	198,210,906	-82%
Total assets	90,894,301	225,903,779	-60%
Liabilities and Net Position			
Liabilities:			
Current liabilities, payable from current assets:	\$ 5,656,167	9,500,978	-40%
Noncurrent liabilities:			
Bonds payable	—	225,125,205	
Va. Beach Deferral	—	11,639,523	
Other Post Employment Benefits	2,046,101	662,904	
Landfill closure and postclosure care liability	19,174,086	18,946,623	
Total noncurrent liabilities	21,220,187	256,374,255	
Total liabilities	26,876,354	265,875,233	-90%
Net position:			
Net investment in capital assets	30,141,382	(31,184,052)	
Restricted for debt service	941,034	16,312,544	
Restricted for other purposes	2,245,261	1,473,470	
Unrestricted	30,690,270	(14,933,893)	
Total net position / (net deficit)	64,017,947	(28,331,931)	326%
Total liabilities and net position	\$ 90,894,301	237,543,302	-62%

9. Contract

Amended and Restated Landfill Gas Rights, Easement and Lease Agreement

The parent company of MAS Suffolk RNG, LLC (formerly Suffolk Energy Partners, LLC) (Mas Suffolk), Mas Energy (Mas), proposes to convert the methane gas collected at the Regional Landfill to renewable natural gas (RNG). Currently 30% of the methane gas is sold directly to Solenis which utilizes the gas in its boiler system. The remaining gas is either converted to electricity and sold to the grid or it is flared. The royalty payments based on the sale of RNG is projected to nearly double what SPSA has received historically, which would amount to approximately \$400,000 per year.

Mas is proposing to amend and restate the current Landfill Gas Rights, Easement and Lease Agreement (GRA) dated January 21, 2011 to allow for the conversion of its facilities to a system that can produce RNG.

Highlights of the proposed amendments to the GRA are as follows:

1. Mas Energy proposes, at its cost (approx. \$25+ million), to decommission and demolish the current facilities and construct new facilities to utilize the recovered landfill gas for the production and sale of RNG and other products.
2. The leased site is in the same general location but has a slightly larger footprint to account for the larger size of the RNG facility.
3. As contemplated by the GRA if new cells are developed, the rights to the recovered landfill gas are expanded to include Cell VII, if developed. All other future cells would be subject to the same obligation to negotiate with Mas before granting rights to a third party. SPSA has no obligation to open Cell VII or any other cells.
4. The term of the agreement is extended to 20 years from the operative date of the RNG facilities (the current agreement expires in 2031 and is subject to 2 successive 5-year options to renew and expressly states that the parties can extend the term even further).
5. Mas has the right to renew for 2 successive 5-year periods.
6. Mas has a “drop dead date” for the RNG facilities to be operational.
7. SPSA royalty payments are as follows:
 - a. Prior to decommissioning:
 - i. 30% of revenues from the sale of recovered landfill gas; and
 - ii. 20% of revenues from the sale of electricity.

- b. Post-decommissioning:
 - i. \$0.25 per MMBtu of gas that is flared. Approximately \$7,500 per month in first 12 months or \$90,000 annually
 - c. Post-operative:
 - i. 8% of revenues from the sale of RNG, associated environmental attributes and other products.
 - d. Mas Energy estimates:
 - i. Conservative estimate = \$350,000 per year, increasing 1.5% each year thereafter
 - ii. Optimistic estimate = nearly \$500,000 per year, increasing 1.5% each year thereafter
8. The current escrow reserve will be increased by \$50,000 (to \$150,000) within 10 business days of execution. The escrow may be reduced to \$100,000 at the operative date of the RNG facilities, provided Mas is not in default.
9. Prior to construction, Mas must escrow an additional \$250,000 as performance security during construction.
10. Reporting and accountability:
- a. Monthly performance standards
 - b. SPSA will have real-time access to facility performance
 - c. Mas is required to attend Board meetings in person or virtually on a quarterly basis.
 - d. Mas has hired a third party to perform monthly monitoring required under SPSA's Title V permit.
 - e. Mas will be investing approximately \$2 million in the upgrade of the collection system for Cells V and VI. This investment includes an automated well monitoring system that will provide real time access to wellhead data.
 - f. SPSA Staff have the right to perform random well readings.
 - g. SPSA Staff have the right to shadow the third party performing the monthly monitoring of wellheads.
 - h. A conference call is held each Friday between Mas Energy Staff and SPSA Staff to review the previous week and plan the following weeks work.
 - i. All wells have been labeled with GPS coordinates to ensure that all wells are being read each month and that they are reported accurately.
11. At the expiration of the term or earlier termination for any reason, the collection system will immediately transfer to SPSA, at no cost to SPSA, as long as SPSA is not in default. If SPSA is in default, SPSA must pay the fair market value of the collection system.

12. SPSA has an irrevocable option to purchase the other RNG facilities (other than the collection system) at fair market value (i) at the end of the term (if SPSA is not in default) or (ii) upon a Mas event of default/termination.
13. Mas cannot assign the agreement without prior written consent of SPSA
14. Other contract provisions include:
 - a. Termination Rights
 - b. Standard indemnification clauses
 - c. Limitation of liability
 - d. Insurance requirements
 - e. Force Majeure
 - f. Default
15. PROCUREMENT PROCESS. The GRA was procured pursuant to the Virginia Public-Private Education Facilities and Infrastructure Act of 2002 (PPEA). Virginia Code § 56-575.9(E) (the PPEA statute) provides that “[a]ny changes in the terms of the comprehensive agreement, as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment”. The GRA is being amended and restated to incorporate the terms of the prior amendment and the proposed amendments.

A copy of the Proposed Amended and Restated Agreement can be found at: <https://spsa.com/about-spsa/reports-publications>.

RESOLUTION APPROVING THE EXECUTION OF AN AMENDED AND RESTATED LANDFILL GAS RIGHTS, EASEMENT AND LEASE AGREEMENT WITH MAS SUFFOLK RNG, LLC FOR THE PURCHASE OF LANDFILL GAS AND INSTALLATION AND OPERATION OF EQUIPMENT, FACILITIES AND SYSTEMS AT SPSA'S SUFFOLK LANDFILL.

WHEREAS, in 2009, the Southeastern Public Service Authority of Virginia ("SPSA") received an unsolicited proposal pursuant to the Virginia Public Private Education Facilities and Infrastructure Act ("PPEA") from Suffolk Energy Partners, L.P., which later became Suffolk Energy Partners, LLC ("SEP") for (i) the purchase of landfill gas ("LFG") from the SPSA regional landfill (the "Landfill") in Suffolk, Virginia, and (ii) the installation and operation of equipment, facilities, and systems at the Landfill for the collection and processing of LFG in an environmentally compliant manner; and

WHEREAS, after following the procedures set forth in the PPEA and SPSA's PPEA Guidelines, SPSA and SEP executed that certain Landfill Gas Rights, Easement and Lease Agreement dated as of January 21, 2011, and designated that Agreement as the comprehensive agreement required by the PPEA; and

WHEREAS, SPSA and SEP executed that certain First Amendment to Landfill Gas Agreement dated as of August 7, 2014 (collectively, with the Landfill Gas Rights, Easement and Lease Agreement, the "Comprehensive Agreement"); and

WHEREAS, SEP merged into MAS Suffolk RNG, LLC ("MAS"); and

WHEREAS, MAS proposed that the Comprehensive Agreement be amended to, among other things, allow MAS to decommission its existing facilities and to construct new facilities to utilize recovered LFG for the production and sale of renewable natural gas and other related products; and

WHEREAS, Section 56-575.9(E) of the Code of Virginia provides that "[a]ny changes in the terms of the comprehensive agreement, as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment;" and

WHEREAS, SPSA's staff with the assistance of counsel have been discussing with MAS the terms of a proposed amendment to the Comprehensive Agreement in accordance with Section 56-575.9(E) of the PPEA and based on those discussions, staff and counsel have prepared and are recommending for review by the Board the form of the attached Amended and Restated Landfill Gas Rights, Easement and Agreement (the "Amended Comprehensive Agreement"); and

WHEREAS, the Board has determined that (i) the Amended Comprehensive Agreement serves the public purpose of the PPEA and that continuing to sell LFG and outsourcing the installation and operation of LFG collection and processing systems will result in reduced costs to SPSA and (ii) it is in the best interests of SPSA

and its member communities to approve and enter into the form of Amended Comprehensive Agreement.

NOW THEREFORE BE IT RESOLVED, by the Board of SPSA:

1. The Board hereby authorizes and directs the Executive Director of SPSA, in the name and on behalf of SPSA, to (a) execute and deliver the Amended Comprehensive Agreement, including any exhibits thereto, for and on behalf of SPSA and (b) perform SPSA's obligations as set forth in such executed Amended Comprehensive Agreement.
2. The Board hereby authorizes and directs the Executive Director of SPSA, in the name and on behalf of SPSA, to do all such acts and prepare, execute and deliver such documents as she deems necessary or desirable to carry out the intent and purposes of the foregoing resolution and to effect the purposes of such resolution.

RECOMMENDATION: Approve the resolution as presented.

MOTION: Do I hear a motion to approve the resolution as presented?

10. 2022 Board Meeting Dates**PROPOSED BOARD MEETING DATES – 2022**

Wednesday, January 26, 2022

Wednesday, February 23, 2022

Wednesday, March 23, 2022

Wednesday, April 27, 2022

Wednesday, May 25, 2022

Wednesday, June 22, 2022

Wednesday, July 27, 2022

Wednesday, August 24, 2022

Wednesday, September 28, 2022

Wednesday, October 26, 2022

Wednesday, December 7, 2022

All meetings will commence at 9:30am

RECOMMENDATION: Approve the 2022 Board Meeting dates as presented.

MOTION: Do I hear a motion that the 2022 Board Meeting dates be approved as presented?

11. Closed Session

Proposed Amended and Restated Landfill Gas Rights, Easement, and Lease Agreement

Resignation of the Executive Director

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding (a) the proposed amendment to the Landfill Gas Rights, Easement and Lease Agreement between SPSA and Suffolk Energy Partners, LLC, in accordance with Virginia Code Section 2.2-3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel and in accordance with Virginia Code Section 2.2 3711(A)(29) for the purpose of considering the negotiation and award of a public contract involving the expenditure of public funds where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body; and (b) the resignation of the Executive Director and for discussion and/or consideration of prospective candidates for the position of Executive Director, Treasurer, and related positions to be filled on an interim or permanent basis as a result of the resignation of the Executive Director in accordance with Virginia Code Section 2.2 3711(A)(1).

Roll Call Vote in Open Session

Motion to Approve Certification after Closed Meeting.

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; 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.

Roll Call Vote in Open Session

12. Other Business

13. Adjourn