

# SPSA

BOARD OF DIRECTORS

REGULAR MEETING AGENDA

**January 23, 2019**

**Start Time: 9:30 a.m.**

Location:

Regional Board Room  
SPSA/Regional Building  
723 Woodlake Drive  
Chesapeake, VA 23320

**1. INFORMAL ITEMS: DISCUSSION ONLY**

- A. MONTHLY REPORT ON WTE OPERATIONS . . . . . Clint Stratton
  - November 2018 (pg. 2-5)
  - December 2018 (pg. 6-9)
  
- B. EXECUTIVE DIRECTOR UPDATES . . . . . Liesl DeVary
  - 1. Division Productivity – December 2017 to December 2018 (pg. 10-11)
  - 2. Landfill Operational Summary (pg. 12-13)
  - 3. Construction Status Report (pg. 14)
  
- C. CHAIRMAN’S COMMENTS. . . . . Chairman Keifer

**2. ACTION AGENDA**

- A. MINUTES OF BOARD MEETING . . . . . Chairman Keifer
  - December 12, 2018 (pg. 16-26)
  
- B. FINANCIAL MATTERS . . . . . Liesl DeVary
  - 1. Financial Reports (pg. 27-35)
  - 2. Contracts
    - A. Contract Awards
      - 1. Leachate Loadout - Change Order (pg. 36)
      - 2. NTS & LTS Scale Replacement (pg. 37)

**3. CLOSED SESSION**

[Motion Needed to Approve Closed Session Request]

[Closed Session per (i) Virginia Code Section 2.2-3711 (A)(3), Virginia Code Section 2.2-3711 (A)(8), (iii) Virginia Code Section 2.2-3711 (A)(1)]

- 1. Proposed Easement – Landfill (pg. 38)
- 2. Wheelabrator Waste & Disposal Services Agreement (pg. 38)
- 3. Executive Director Performance Review (pg. 38))

**4. ACTIONS ARISING FROM CLOSED SESSION**

[Motion Needed to Approve Certification after Closed Session]

**5. OLD/NEW BUSINESS**

**6. ADJOURN MEETING**

# Agenda

## SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA BOARD OF DIRECTORS Regular Meeting

WEDNESDAY, JANUARY 23, 2019  
REGIONAL BOARD ROOM, SPSA REGIONAL BUILDING  
723 WOODLAKE DRIVE, CHESAPEAKE, VIRGINIA  
9:30 A.M.

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CALL MEETING TO ORDER . . . . . CHAIRMAN KEIFER  
PLEDGE OF ALLEGIANCE  
ROLL CALL

### 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.)

### 1. INFORMAL ITEMS: DISCUSSION ONLY

A. MONTHLY REPORT ON WTE OPERATIONS . . . . . Clint Stratton

Mr. Clint Stratton will present the monthly Wheelabrator Reports for December 2018. The monthly reports for both November and December are included I this packet.

**WHEELABRATOR PORTSMOUTH INC  
TONNAGES REPORT  
CALENDAR YEAR 2018**

MONTH	SPSA ACCEPTABLE WASTE (TONS)	THIRD PARTY ACCEPTABLE WASTE (TONS)	OUT-OF-STATE WASTE (TONS) *	OUTSIDE-AREA WASTE (TONS)	TOTAL TONNAGE	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)	PROCESSED FORMULA	ASH DELIVERED TO LANDFILL (TONS)	MW SOLD TO THE GRID (MWhr)
JAN	33,785.18	24,901.26	100.82	-	58,787.26	90,357	52,529.27	1,896.65	-	-	50,632.62	50,095.33	12,354.58	16,671
FEB	31,216.33	15,101.56	437.90	-	46,317.89	71,147	46,317.89	2,434.30	-	-	43,883.59	41,150.30	13,415.48	12,586
MAR	39,146.80	13,387.34	906.42		52,534.14	81,627	52,534.14	2,256.14	-	-	50,278.00	51,339.85	13,901.86	15,398
APR	39,582.38	15,616.11	609.89		55,198.49	55,601.00	55,198.49	2,296.73	-	-	52,901.76	52,942.67	14,722.85	19,447
MAY	46,737.81	15,901.10	482.30		62,638.91	31,894.70	62,638.91	2,741.85	-	-	59,897.06	58,002.19	15,927.85	22,713
JUN	44,316.55	15,020.87	439.60		59,337.42	27,294.60	59,337.42	2,474.29	-	-	56,863.13	54,827.16	16,289.15	21,368
JUL	46,033.03	10,107.16	439.73		56,140.19	27,267.10	56,140.19	4,231.02	-	-	51,909.17	51,947.09	14,872.00	17,914
AUG	50,344.50	11,743.13	682.96		62,087.63	27,606.30	62,087.63	4,958.77	-	-	57,128.86	58,055.93	17,650.56	21,137
SEP	42,005.13	10,233.21	732.45		52,238.34	26,782.40	52,238.34	3,526.66	-	-	48,711.68	47,208.03	13,591.59	17,876
OCT	45,079.74	11,543.61	936.74		56,623.35	35,795.20	56,623.35	4,789.54	-	-	51,833.81	48,861.47	14,550.62	18,338
NOV	44,799.54	11,876.86	813.27		56,679.40	49,268.00	56,679.40	3,985.91			52,693.49	50,136.75	14,665.45	17,256
DEC														
YTD TOTAL	463,046.99	155,432.21	6,582.08	-	618,583.02	492,745.00	612,325.03	35,591.86	-	-	576,733.17	564,566.77	161,941.99	200,704.00
12 MO	42,095.18	14,130.20	598.37	-	56,234.82	49,274.50	55,665.91	3,235.62	-	-	52,430.29	51,324.25	14,722.00	18,245.82

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

**WHEELABRATOR PORTSMOUTH INC  
AVAILABILITY  
CALENDAR YEAR 2018**

<b>MONTH</b>	<b>BOILER AVAILABILITY (%)</b>	<b>BOILER PLANNED OUTAGES (HRS)</b>	<b>BOILER UNPLANNED OUTAGES (HRS)</b>	<b>TURBINE AVAILABILITY</b>	<b>TURBINE PLANNED OUTAGES (HRS)</b>	<b>TURBINE UNPLANNED OUTAGES (HRS)</b>
JAN	93%	144.00	66.39	96%	83.25	0.53
FEB	94%	139.23	22.46	97%	67.00	-
MAR	99%	-	56.08	100%	-	-
APR	89%	140.00	171.00	96%	83.75	-
MAY	91%	142.97	131.80	100%	-	-
JUN	91%	144.00	122.08	100%	-	-
JUL	83%	192.00	320.03	99%	-	14.30
AUG	94%	-	191.00	99%	-	23.92
SEP	89%	192.00	129.00	100%	-	-
OCT	86%	144.00	273.00	98%	-	38.00
<b>NOV</b>	<b>95%</b>	<b>-</b>	<b>130.00</b>	<b>99%</b>	<b>-</b>	<b>15.00</b>
DEC						
<b>YTD TOTAL</b>	<b>91%</b>	<b>1,238.20</b>	<b>1,612.84</b>	<b>99%</b>	<b>234.00</b>	<b>91.75</b>

**Wheelabrator Portsmouth Inc.**

**Monthly Report for the Month of November 2018**

This report is submitted as required by schedule 15 of the Service Agreement for the period indicated above. Paragraphs below are keyed to the items of Section 1.2 contained therein.

**Environmental Issues:**

**Tests Completed:**

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

**Tests Planned:**

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

**Inspections:**

None

**Air Quality Violations:**

None

**Safety Issues:**

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	3
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	1

**Op Stats: see attached spreadsheet**

**Upcoming Planned Outages:**

2018 Outages

Jan 14-19	Boiler 1
Feb 11 - 16	Boiler 2
April 15-20	Boiler 4
May 13-18	Boiler 3
June 10-17	Boiler 1
July 15-22	Boiler 2
August 12-17	No outage
September 9-14	Boiler 3
October 14-19	Boiler 4
October 28-31	Boiler 1
November	No outage
December	No outage

**WHEELABRATOR PORTSMOUTH INC**

**SUPPLEMENTAL INFORMATION**

**November 2018**

Total Waste received by SPSA:	44,800 tons
Waste delivered to RDF:	56,679 tons
Total RDF processed:	50,137 tons
Ash sent to landfill:	14,665 tons*
Electric power sold:	17,256 MW
Steam sold to Navy:	49,268 K-LBS
Overall Boiler availability:	95%
Overall Generator availability:	99%
Environmental Incidents	0

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	3

**General Notes:**

\* This total includes 681.49 tons of non-qualifying ash delivered to the landfill in November  
No scheduled outage this period.

**WHEELABRATOR PORTSMOUTH INC  
TONNAGES REPORT  
CALENDAR YEAR 2018**

MONTH	SPSA ACCEPTABLE WASTE (TONS)	THIRD PARTY ACCEPTABLE WASTE (TONS)	OUT-OF-STATE WASTE (TONS) *	OUTSIDE-AREA WASTE (TONS)	TOTAL TONNAGE	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)	PROCESSED FORMULA	ASH DELIVERED TO LANDFILL (TONS)	MW SOLD TO THE GRID (MWhr)
JAN	33,785.18	24,901.26	100.82	-	58,787.26	90,357	52,529.27	1,896.65	-	-	50,632.62	50,095.33	12,354.58	16,671
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DEC	41,516.41	11,377.35	671.36		52,893.76	75,905.70	52,893.76	3,747.46			49,146.30	51,467.57	12,431.71	14,443
YTD TOTAL	504,563.40	166,809.56	7,253.44	-	671,476.78	568,650.70	665,218.79	39,339.32	-	-	625,879.47	616,034.34	174,373.70	215,147.00
12 MO	42,046.95	13,900.80	604.45	-	55,956.40	51,695.52	55,434.90	3,278.28	-	-	52,156.62	51,336.20	14,531.14	17,928.92

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

**WHEELABRATOR PORTSMOUTH INC  
AVAILABILITY  
CALENDAR YEAR 2018**

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FEB	94%	139.23	22.46	97%	67.00	-
MAR	99%	-	56.08	100%	-	-
APR	89%	140.00	171.00	96%	83.75	-
MAY	91%	142.97	131.80	100%	-	-
JUN	91%	144.00	122.08	100%	-	-
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AUG	94%	-	191.00	99%	-	23.92
SEP	89%	192.00	129.00	100%	-	-
OCT	86%	144.00	273.00	98%	-	38.00
NOV	95%	-	130.00	99%	-	15.00
<b>DEC</b>	<b>94%</b>	<b>-</b>	<b>168.80</b>	<b>95%</b>	<b>-</b>	<b>108.00</b>
<b>YTD TOTAL</b>	<b>91%</b>	<b>1,238.20</b>	<b>1,781.64</b>	<b>98%</b>	<b>234.00</b>	<b>199.75</b>

**Wheelabrator Portsmouth Inc.**

**Monthly Report for the Month of December 2018**

This report is submitted as required by schedule 15 of the Service Agreement for the period indicated above. Paragraphs below are keyed to the items of Section 1.2 contained therein.

**Environmental Issues:**

**Tests Completed:**

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

**Tests Planned:**

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

**Inspections:**

Solid Waste

**Air Quality Violations:**

Warning Letter - Stack Testing on Unit 1 not completed within 12 calendar months due to tube rupture and NNSY shipyard switch gear failure.

**Safety Issues:**

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	3
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	1

**Op Stats: see attached spreadsheet**

**Upcoming Planned Outages:**

2018 Outages

Jan 14-19	Boiler 1
Feb 11 - 16	Boiler 2
April 15-20	Boiler 4
May 13-18	Boiler 3
June 10-17	Boiler 1
July 15-22	Boiler 2
August 12-17	No outage
September 9-14	Boiler 3
October 14-19	Boiler 4
October 28-31	Boiler 1
November	No outage
December	No outage

**WHEELABRATOR PORTSMOUTH INC**

**SUPPLEMENTAL INFORMATION**

**December 2018**

Total Waste received by SPSA:	41,516 tons
Waste delivered to RDF:	52,894 tons
Total RDF processed:	51,468 tons
Ash sent to landfill:	12,432 tons*
Electric power sold:	14,443 MW
Steam sold to Navy:	75,906 K-LBS
Overall Boiler availability:	94%
Overall Generator availability:	95%
Environmental Incidents	0

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	3

**General Notes:**

\* This total includes 560.50 tons of non-qualifying ash delivered to the landfill in December  
No scheduled outage this period.

B. EXECUTIVE DIRECTOR UPDATES

Liesl DeVary

1. Division Productivity – December 2017 to December 2018
2. Landfill Operational Summary
3. Construction Status Report

Transfer Stations Division				Transportation Division			
Area Measured	2017	2018	Diff	Area Measured	2017	2018	Diff
Tons Loaded	52,568	46,303	-6,265 <sup>1</sup>	Tons Hauled	45,448 <sup>2</sup>	37,580 <sup>2</sup>	-7,868 <sup>3</sup>
Equipment Hrs.	2,321	2,113	-208 <sup>4</sup>				
Man Hours	5,355	4,835	-520 <sup>5</sup>	Man Hours	5,264	4,198	-1,066 <sup>5</sup>
				Miles Traveled	62,425	65,052	+2,627 <sup>6</sup>

<sup>1</sup> Reflects a decrease in tons handled at the transfer stations in December 2018 compared to December 2017, due to a decrease in waste handled at CTS, LTS, NTS, OTS, STS, and IOW in December 2018 compared to December 2017.

<sup>2</sup> Reflects the waste hauled by SPSA Transportation Department; which includes Norfolk Water Treatment Plant Sludge, Shredded Tire, Leachate Water from the Transfer Stations, and pumps and haul leachate from the landfill.

<sup>3</sup> This reflects a decrease in tons hauled by the Transportation Department in December 2018 compared to December 2017, due to an overall decrease in waste handled the transfer stations. SPSA hauled 1,524,895.40 gallons of leachate in the month of December 2018 which is not illustrated in the corresponding graphs.

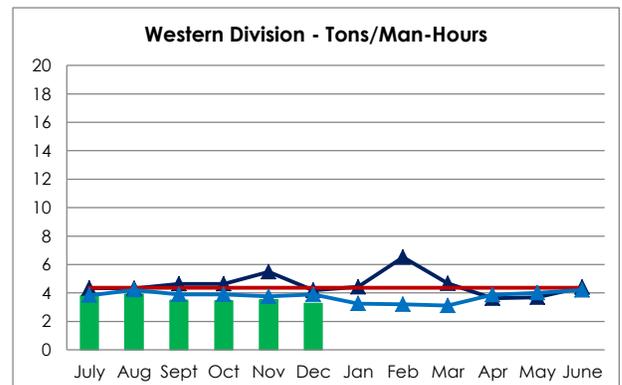
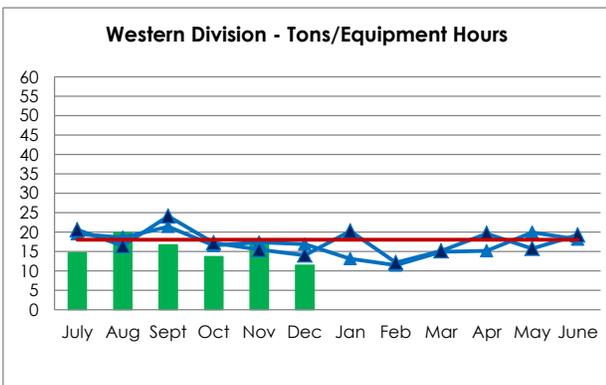
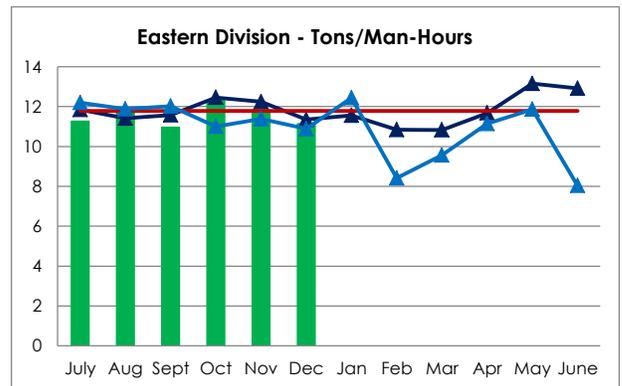
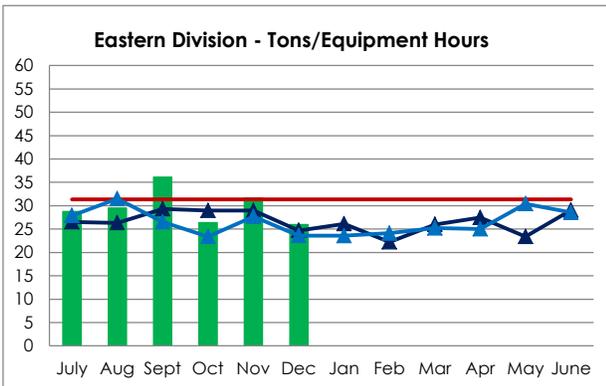
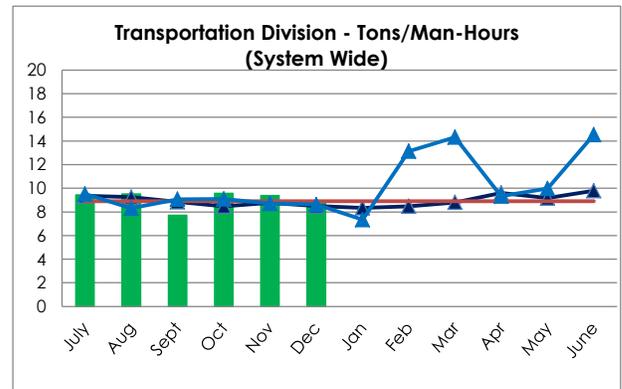
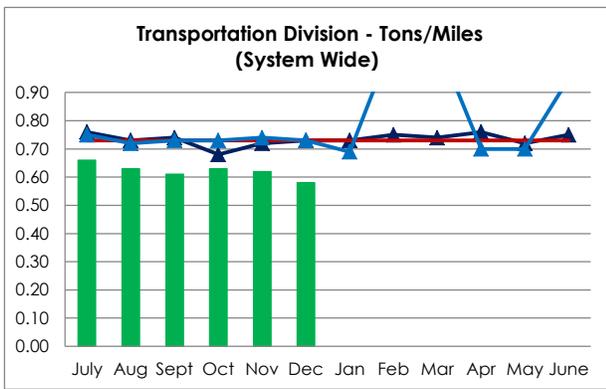
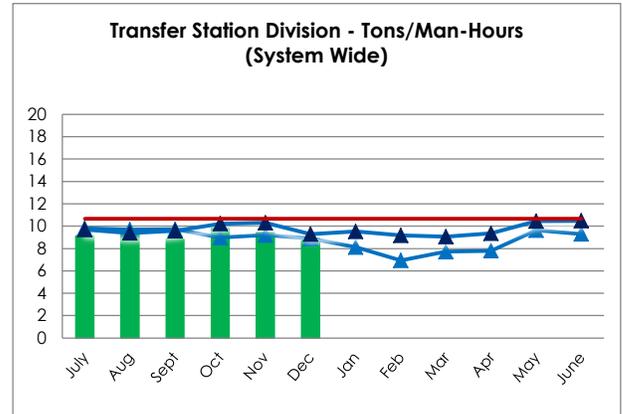
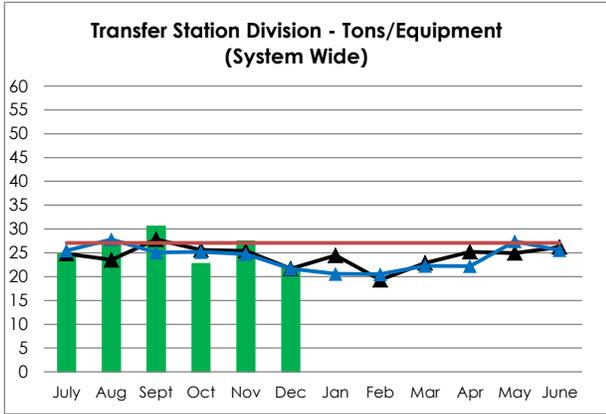
<sup>4</sup> Reflects a decrease in the hours used on the equipment at the Transfer Stations in December 2018 compared to December 2017, due to a decrease in the overall waste handled at the transfer stations.

<sup>5</sup> Reflects a decrease in man-hours used at the Transfer Stations in December 2018 compared to December 2017, due to an overall decrease in tons handled at the Transfer Stations. The Transportation Department also had a decrease in man-hours due to a decrease in the overall waste handled at the transfer stations and hauled by the Transportation Department.

<sup>6</sup> Reflects an increase in the total miles traveled by SPSA Transfer Vehicles in December 2018 compared to December 2017, this is due to SPSA's Tankers hauling 1,524,895.40 gallons of leachate in the month of December 2018. The leachate gallons hauled are not illustrated in the corresponding graphs.

# Southeastern Public Service Authority Monthly Comparison of Divisions Productivity

■ FY 2019 bar  
— Benchmark Rates (New)  
▲ FY 2018  
▲ FY 2017



**SPSA Regional Landfill Operational Summary**

Period December 1, 2018 to December 31, 2018

**KEY:**

Change Since Last Report  
 All Is Well  
 Working On  
 Noted Issue



Item	Metric Item	Metric	Performance/Comment	Status Code	Comments/Corrective Actions
<b>1</b>	<b>Regulatory Compliance</b>				
1.1	Notice of Violations	None	In Compliance		
1.2	Environmental compliance and reporting	Compliance	All submissions made.		
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during the reporting period
1.2.2	Title V	Compliance	In Compliance		Annual Emissions Report and Title V Reporting submitted to VDEQ for re-issuance of Title V Permit on 05/16/2017. Spoke with DEQ on 9/12/18 and was advised that they still have not performed the technical review or administrative review. They are short handed and we should not expect feedback for another six months to one year.
1.2.3	VPDES	Compliance	In Compliance		4th quarter sampling is complete. E-DMR for 4th quarter 903 and 2nd semi-annual due Jan, 10th 2019.
1.2.4	Financial Assurance	Compliance	In compliance		
1.2.5	Wetlands	Compliance	In Compliance		
1.2.6	Groundwater	Compliance	In Compliance		4th quarter groundwater completed December 19th. Report is due in March 2019.
1.2.7	Storm water system operating and in compliance with VPDES permit	Systems operational and in good order	In Compliance		In compliance
<b>2</b>	<b>Landfilling Operations</b>				
2.1	Tonnage Landfilled	Actual Tons	34,835		
2.2	No. staff	15 FTE	12 FTE		3 - Vacancies 3-HEOs
2.2	Equipment Utilization	Key equipment fully operational and deployed	All equipment operating and deployed with appropriate spares		Several pieces are down for routine maintenance and repair but appropriate spares are operating.
<b>3</b>	<b>Cover Operations</b>				
3.1	Total Cover Material Received	Actual Tons	23,589		Ash and Clean Fill (Clearfield)
3.2	Date of last aerial survey	8/21/2017			
3.3	August 2017 Operational In-Place Density (lbs./cy)	1,600-1,800lbs/cy	3545 lbs./cy or AUF = 1.77		
3.4	August 2017 Effective In-Place Density (lbs./cy)	1,600 lbs./cy	2006 lbs./cy or AUF = 1.00		
<b>4</b>	<b>Leachate Management</b>				
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.		Scada system is operational on all vaults and tracking leachate volumes.
4.2	SCADA system operational during period	100 % Operational	Fully operational		Phase I of the Scada project is complete. Additional Scada will be installed as part of the load out facility project which is nearing completion.
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.

Item	Metric Item	Metric	Performance/Comment	Status Code	Comments/Corrective Actions
4.5	Leachate Disposal	In compliance	Hauling for disposal quantities in excess of 50,000 GPD that can be pumped to Nansemond. COD Concentrations > 2,000 mg/L.		SPSA continues to pump and haul. Reserve capacity of leachate lagoons are measured and recorded each day. Calculations are performed daily on the volume hauled, volume produced and storage capacity to determine the quantity of leachate that needs to be hauled each day.
4.5.1	Quantity of leachate pumped to HRSD during period	x gallons	0		From 12/1 to 12/31
4.5.1.1	Cell V, Sumps 1-4	x gallons	414,499		From 12/1 to 12/31
4.5.1.2	Cell VI, Sumps 5-8	x gallons	459,288		From 12/1 to 12/31
4.5.2	Quantity of leachate hauled for disposal during period	x gallons	1,524,895		From 12/1 to 12/31
4.5.3	Disposal costs in period: \$	\$	14,685		From 12/1 to 12/31
4.5.4	Any issues relative to leachate quality and acceptance at WWTPs?	No constraints	No constraints		
<b>5</b>	<b>Landfill Gas Management</b>	Compliance	In compliance		Surface emissions monitoring for 4th quarter completed 11/27/18, no deficiencies. Gas monitoring for 4th quarter completed 12/18/18, no deficiencies. Annual Report due March 1st, 2019.
<b>6</b>	<b>Odor Complaints</b>	No complaints	No complaints		From 12/1 to 12/31
<b>7</b>	<b>HRSD Force Main</b>	Contract Schedule	None provided to date.		Still only have (unofficial) tentative date of completion to be in 2022

**Acronym Definitions**

**ACOE**- Army Core Of Engineers **AUF**- Airspace Utilization Factor **BOD**- Biological Oxygen Demand **CAP**- Corrective Action Plan **COD**- Chemical Oxygen Demand **CSC**- 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

## Construction Project Update For The Period 12/1/18 - 12/31/18

	Original Contract	Cumulative Change Orders	Change Orders This Month	Total Contract Value	% of Original Contract in CO's	Scheduled Completion Date	Current Completion Date	Percent Complete
<b>SCADA Upgrade</b>	\$1,473,470	\$56,312	\$0	\$1,529,782	3.80%	8/30/2018	12/11/2018	100%
<b>Leachate Loadout Project</b>	\$1,276,600	\$178,174	\$88,771	\$1,454,774	14% *	8/30/2018	1/25/2018	98%

### Individual Change Orders for SCADA Project

Description	Amount
CO-1 Switch from black iron to stainless steel discharge piping to eliminate corrosion from leachate.	\$12,850
CO-2 Replace corroded 480 volt underground feeder cables feeding vaults 2 and 3	\$19,646
CO-3 Remote Access which allows staff 24 hour access to SCADA from anywhere using handheld device	\$18,696
CO-4 Install power monitors to provide SCADA with electrical data from pumps and other devices to be trended	\$5,120

### Individual Change Orders for Leachate Loadout Project

Description	Amount
CO-1 Correct drainage elevation and install Drop Inlet and Pipe	\$12,849
CO -2 Additional Time Request Granted Due to weather, permit delays and material availability	\$0
CO-3 Switch to Low Flow Pumps to allow pumping to HRSD SWIFT Plant (funded by HRSD)	\$76,554
CO-4 Replace Underground Feeder Cables to vaults 5,6,7 and 8 in Cells V and VI	\$88,771

\* \$76,554 will be reimbursed from HRSD for low flow pumps

## Engineering Task Orders

	Engineering Firm	Value	Invoiced To Date	Balance
<b>SCADA Design and Construction Management</b>	HDR	\$175,000	\$156,743.23	\$18,256.77
<b>Leachate Loadout Design and Construction Management</b>	HDR	\$253,164	\$210,861.54	\$42,302.46

C. CHAIRMAN'S COMMENTS. . . . . Chairman Keifer

**2. ACTION AGENDA**

A. MINUTES OF BOARD MEETING . . . . . Chairman Keifer

The minutes of the December 12, 2018 Board meeting are attached for your review and approval.

**RECOMMENDED ACTION:** Approve the minutes as presented.

**MOTION:** Do I hear a motion that the December 12, 2018 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**

**December 12, 2018**

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. Steven Jenkins <i>absent</i>	(CH)
Ms. Sheryl Raulston	(FR)	Mr. H. Taylor Williams	(FR)
Mr. Dale Baugh	(IW)	Mr. Randy Keaton	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Mr. Solomon Ashby <i>absent</i>	(PO)
Mr. Mark Hodges	(SH)	Ms. Lynette Lowe	(SH)
Mr. David Arnold	(SU)	Mr. Patrick Roberts	(SU)
Mr. William Sorrentino	(VB)	Mr. John Barnes *9:42	(VB)

\* Indicates Late Arrival

\*\* Indicates Early Departure

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

Others present at the meeting included the Alternate Ex-Officio Members, Mr. Eric Martin (CH), Mr. Michael Etheridge (IW), Mr. Harvey Howard (NO), Ms. Erin Trimyer (PO), Mr. Scott Mills (SU) and the following SPSA executives, Ms. Liesl R. DeVary, Executive Director and Treasurer, Ms. Blanche Christian, Administrative Coordinator and Secretary, and Warren Tisdale, General Counsel.

**1. PRESENTATION**

**A. JULY 1, 2017 to JUNE 30, 2018 ANNUAL AUDIT**

Ms. DeVary commented that the Audit Committee met this past Monday and welcomed Leslie Roberts with Brown Edwards to present the audit.

Ms. Roberts began by stating that we met with the Audit Committee so this will be a high-level overview. The audit time went very well, Liesl had it ready for us and the work occurred as scheduled. We just had to wait on some information related to OPEB costs, it did not really change the financials materially, but the disclosure changed a lot. The audit went well, the first and second page is the auditor's report, which is the bottom line where we were able to look at your records and present your operations and your balances at the end of the year. At the top of page 2, you can see we have another clean unmodified opinion. The basic financial statements start on page 9 and go

through page 12. The management's discussion and the analysis are on page 3 through 8. That gives some comparative analysis and explanation. If you only read part of the financials, this will give you a great overview. Management prepared this, but we vet it. We would like to stress that nothing in there is inconsistent with the audit. The basic financial statements have strong disposition on page 9 and 10 of the statement of net position, they are assets and liabilities, and what is left is the net position. In your case, net position overall is about \$38.4 million. Of that, about \$20 million is net investments and capital assets, which is not unexpected for this type of organization, approximately \$4.8 million that is unrestricted, which is about 12.5%. The next statement of revenues expenses and changes in net position is a positive change in net position. The community tipping fees are down, but that is almost completely made up by the other tipping fees with commercial trucks that you have. The bottom line is you have positive change in net assets. The statement of cash flows from operations. You want that to always be positive, and yours is positive to the tune of about \$10 million. You are in good financial position and good cash flow. The notice to the financials, that start on page 13 explain more about how your organization operates and how your financials are put together and give a deeper dive into certain things on the basic financials. Note two on page 17 talks about the restatement and breaks it down, and that is something that is new this year that you will not see going forward. After the notes, there is another report because we audit under governmental auditing standards (GASB) because we are required to report on financial reporting as well, and that is on page 64 and 65.

This is another clean report, there is no significant deficiencies or material weaknesses in financial reporting or any emphasis instances of noncompliance with governmental accounting standards. The stapled document at your place is referred to as the management letter. If we had any issues with the audit or disagreements with management, we would formalize that in writing here. The audit went very smoothly. I point out that the implementation was more of the GASB 75, it discloses your signature statements, and you do have some significant estimates incorporated into your financials. The OPEB liability is based on actuarial evaluation is your pinch liability and your capital assets. We assign useful lives, but again, they are asking us based on our prior experience and historical knowledge. Those are big numbers on your financials, especially the capital assets. We felt as if the disclosures related to long-term debt, since it was paid off this year. It is a significant disclosure and the commitments and contingencies. All of our audit adjustments that we posted will be attached to this. All of them related to implementing this GASB and the information were not available when we started the audit, so they're not true audit adjustments. There will be a copy in Appendix A of the management's representations that they signed at the end of the audit.

**Mr. McCoy (PO) moved, seconded by Ms. Lowe (SH) that the Annual Audit for fiscal year ending June 30, 2018 be approved as presented. The vote of the motion was unanimous.**

2. **INFORMAL ITEMS: DISCUSSION ONLY**
  - A. MONTHLY REPORT ON WTE OPERATIONS

Mr. Tony McKee introduced himself to the Board, He presented for Clint who is at a management meeting in corporate. He began the operation stats for the month of October.



<b>42,005 Tons</b>	<b>52,238 Tons</b>	<b>47,208 Tons</b>	<b>13,592 Tons</b>	<b>17,876 MW</b>
Total waste received by SPSA	Waste delivered to RDF	Total RDF processed	Ash sent to landfill	Electric power sold
<b>26,782 K-LBS</b>	<b>89%</b>	<b>100%</b>	<b>0</b>	<b>3</b>
Steam sold to Navy	Overall boiler availability	Overall generator availability	Environmental incidents and OSHA Recordable Accidents	OSHA Recordable Accidents YTD

## B. EXECUTIVE DIRECTOR REPORTS

Ms. DeVary commented that SPSA is operating effectively, efficiently, and staff is doing a terrific job. I am thankful to have such a great group of dedicated folks here at SPSA. Speaking of staff, we have several vacancies. We are having difficulty hiring truck drivers, as well as heavy equipment operators, but I think our member localities are having some of those struggles as well. Since SPSA has been in business for over 30 years, we are having several retirements that are occurring too. We have had five since July and we have several more in the upcoming months.

We had two household hazardous waste special events in November. I went out to the one at Chesapeake. I was just amazed at how many people actually come out. It was out at the Tidewater Community College off Cedar Road. It started at 9 a.m. and there were lines of people waiting in line to drop off their stuff, which I just think is incredible. There were 143 participants in Chesapeake and on the same day, we had one in Portsmouth, which had 164 participants.

We executed Addendum 7 with Wheelabrator at the October board meeting. The main purpose of that was for Wheelabrator to have their contractor bring in a tipper for use at the landfill for ash. The tipper was delivered, but it is not currently in use. We are waiting on a Standard Operating Procedure (SOP) from Wheelabrator as well as a couple of other items. We are still preparing the location of where the tipper is going to be located. I will keep you informed when that becomes operational.

We have a meeting with DEQ and the Army Corps of Engineers in January 2019 with our engineers and staff to start discussions about Cells VIII and IX.

Ms. DeVary asked Mr. Bagley to provide the operations report.

Mr. Bagley commented I did want to call your attention to the metrics that are in your board packet. The first item is the amount of material that we placed in the landfill for this particular reporting period. This is an important number because we are looking at how much capacity we have left in the landfill. Once we get our air space utilization study, we can compare that and stay on track as we move forward to the construction of Cell VII. In November, 26,360 tons were placed in the

landfill, which is an increase of 10% from the previous period. The total leachate hauled for the reporting period was 1,236,150 gallons, a decrease of 60,127 from the previous period. The average quantity of leachate that we hauled daily was 43,209 gallons. Our limit for both the stations is 49,999, so we are well below that. We had no odor complaints during the reporting period.

As we discussed at the last meeting, the hauling of leachate is a large liability and operation. We have been working closely with HRSD to try to find a way to pump leachate back to the SWIFT plant. The system that we have in place can pump 49,999 gallons in about 3 hours, but they cannot treat that much in 3 hours. They've determined that if we could spread that amount of leachate out over a 24-hour period instead of giving it to them all at one time, they could probably handle the leachate. Through some discussions, meetings and negotiations with their engineers, we came up with a plan to install low flow pumps that would pump out 15 gallons per minute. At the lower flow, they believe they will be able to treat it. This will require a change order that we will be talking about in a few minutes, but if you approve the change order today, 45 days from now, we will be pumping 15 gallons per minute back to HRSD. We will be pumping and hauling half as much. Once they have proven that they can handle that amount, they will let us know and we will do incremental increases. Once they are comfortable then they will continue the incremental increases until we reach 30 gallons per minute, which is where we need to be in order not to haul anymore. We had a meeting with Ted Henifin last week, and he has agreed to pay for the project. It is a \$76,000 change order, and Ted has agreed that HRSD will be responsible up to that amount.

We had an exceedance of TSS with our stormwater third quarter monitoring. We received a warning letter on one sample that we took. We investigated on what caused the increase, and we determined that there are multiple factors. There is duckweed in some of the ditches, which has some impact. Another factor is the amount of leave and tree debris. In order to have a qualifying event to do sampling, you have to have one-tenth of an inch of rainfall. During that reporting period, we had a lot of heavy rain, which stirred up solids, and that is where our readings were high. We have done our fourth quarter sampling and it is within the parameters. So we feel comfortable that some of the steps we have taken have paid off. We do have a ditch cleaner that is going to help this situation as well.

In your packet is an engineering and project update sheet that is much more thorough. We finished the Chesapeake transfer station drop and hook lot. We replaced all of the concrete on the first six lanes and that project is completed. Jeff Murray with HDR is here today and will be doing a walk-through for the substantial completion of the SCADA project today. The loadout project will require another 45 days to replace the pump as discussed earlier due to the change order.

Chairman Keifer (NO) commented that those are two significant construction projects that we have been working on for a couple of years, and so it is good to see them come to completion and good effort adding the smaller pump.

Ms. DeVary continued with her items for future discussion. We are still working on updating our financial policies. We will have the DEQ financial assurance for you at the January meeting. In addition, I hope to have the investment committee meet before our next January meeting. We will also have a cost analysis report.

### C. CHAIRMAN'S COMMENTS

Chairman Keifer (NO) commented that before you is the Executive Director performance review. Each year, we need to evaluate the performance of Liesl, as this is her first year on the job. Attached is a work plan and the elements of her performance. We'd like you to complete this and get your comments to Blanche, either electronically or via a hard copy by the end of December, then the executive committee will gather those and bring a recommendation on an evaluation for Liesl at the January meeting.

Mr. Arnold (SU) commented I have been sitting here almost five years and this has never been done before to my knowledge. It is a great development.

Chairman Keifer (NO) commented that we have come to the end of the year, and looking back, we have accomplished an awful lot last year, and all of you on the Board should be commended for that. New Use and Support Agreements are in place, the Host Agreement with Suffolk is in place for the landfill, we have Cells that will last us for many years, and we are working on additional Cells. We have a new contract with Wheelabrator for disposal of most of the waste in an environmental responsible manner, which involved a lot of work by Bill and his subcommittee. We reduced the tipping fee from \$125 to \$62 and hopefully it will decrease further. We have paid off the debt. We have solid cash reserves, including funds to close the landfill. We hired a new Executive Director, who is doing an exceptional job, and she hired a new Deputy Executive Director, who is also doing a wonderful job. We have had a good year. I think this is a restart with SPSA, and we have accomplished a lot. Next year we will not have as many challenges. I want to thank all of you for all your hard work, as well as the staff, and wish all of you a happy holiday, a Merry Christmas and a happy New Year.

### 3. ACTION AGENDA

#### A. MINUTES OF THE BOARD MEETING

Chairman Keifer (NO) moved to the action agenda. The minutes of the October 24, 2018 Board meeting have been distributed. He asked if there were any additions or changes.

**Ms. Raulston (FR) moved, seconded by Mr. Martin (CH) to approve the October 24, 2018 minutes of the SPSA board as presented. The vote of the motion was unanimous.**

#### B. FINANCIAL MATTERS

##### 1. Financial Reports

Ms. DeVary commented that we did not have quite enough time to close out November so I am reporting on October. For the month ending October 31, 2018 total revenues exceeded expenses by approximately \$3 million as compared to \$1.3 million in the previous year. Tipping fees reflect a 3.2% decrease or approximately \$488,000 as compared to fiscal year 2017. That is due to a reduction in the tip fee. Municipal waste tons are up approximately 13% or 18,422 tons due to the bulk waste delivery. At the end of October, our fiscal year-to-date municipal tons were 152,755 as

compared to 134,333 this time last year. Total expenses at the end of October were approximately \$13.9 million as compared to \$14.8 million in the prior year. Cash balances are \$27.6 million and are designated with \$4 million in the operating fund, \$0.9 million for fiscal year 2018 rolled purchase orders, \$3.3 million in undesignated fund balance, \$2.5 million towards our contribution for the HRSD forcemain, which will not be utilized this year and \$16.9 million in landfill closure and/or expansion fund.

**Mr. Arnold (SU) moved, seconded by Mr. Broad (NO) to approve the financial reports subject to audit as presented. The vote of the motion was unanimous.**

2. Contracts
  - A. Contract Renewals
    1. HDR Renewal

Ms. DeVary commented that we have several contracts for you. The first contract is your professional engineering services, we have a current contract with HDR Engineering and we are recommending that we renew the contract by exercising option year 2 of 4 option years. The hourly rates increase by 2%. They are listed as an attachment in your board packet. The estimated annual cost is \$275,000-\$300,000. Our recommendation is to approve the contract renewal for professional engineering services with HDR for the period January 1, 2019 through December 31, 2019 as presented. Mr. Murray is here if you have any questions for him.

**Mr. Keaton (IW) moved, seconded by Ms. Raulston (FR) to approve the contract renewal with HDR Engineering as presented. The vote of the motion was unanimous.**

- B. Contract Awards
  1. Desktop Computer Replacements

Ms. DeVary continued the next contract is to replace our desktop computers. This is through Dell with the state contract. Originally, we only budgeted \$24,000 because the plan was to replace half of the computers this fiscal year and half next fiscal year. However, it would be beneficial to replace them all at one time. This provides for the replacement of 51 desktop computers. Originally, the budget split it over two years; but due to our savings in other capital equipment purchases, we are able to use that funding to replace all of these desktops. We are on Windows 7 and will be upgrading to Windows 10, as well as updating our Microsoft exchange. The total cost is \$56,348 and the recommendation would be to award the contract to Dell as presented.

**Ms. Lowe (SH) moved, seconded by Mr. Williams (FR) to award the contract to Dell as presented. The vote of the motion was unanimous.**

2. Executime and Attendance Software

Ms. DeVary commented with the continued improvement in technology, we are recommending replacing our existing time and attendance system, which is KRONOS with new software called Executime and Attendance software. Executime is through Tyler Technologies, our current software vendor, referred to as the MUNIS system. The total cost is \$56,963, all of our accounting, HR,

payroll, work orders, fleet maintenance, purchasing are wrapped up into one system, which will give us improved functionality within the current system. The annual maintenance is approximately \$2,000 that includes upgrades as they go through the system, but is not included in this purchase price. However, it reduces our annual maintenance costs paid by over \$9,000 a year. Our recommendation is to award the contract to Tyler Technologies as presented.

**Mr. Maxwell (CH) moved, seconded by Ms. Raulston (FR) to award the contract to Tyler Technologies as presented. The vote of the motion was unanimous.**

Ms. DeVary asked Mr. Bagley to present the next several contracts.

### 3. Replacement of Overhead Garage Doors

Mr. Bagley stated this item is to replace the original overhead garage doors from 1982 at the landfill shop. IFB 06-19 was issued in early October. We had three bidders Doors on Demand, Homestead Material Handling, and A1 Doors respond. Doors on Demand were the lowest bidder. The budgeted amount was \$50,000, and staff recommends awarding that project to Doors on Demand for \$39,325.20.

**Mr. McCoy (PO) moved, seconded by Mr. Keaton (IW) to award the contract to Doors on Demand as presented. The vote of the motion was unanimous.**

### 4. Tractor – Landfill

Mr. Bagley continued the next item for you is to purchase a John Deere 5100E utility tractor for the landfill. We currently maintain 200 acres of grass cutting and have about five miles of ditch banks. The current mower that we are using has a side arm mower on it, and we can keep that mower busy 40 hours a week just cutting ditch banks and berms and other things that we have at the landfill that need the side arm mower. We tested two tractors at the landfill before deciding on the 5100E utility trailer. Quality Equipment was the John Deere dealer on the Sourcewell cooperative contract. The cost for tractor is \$59,427.92. This will improve mowing and cutting needs more effectively. Funds are available from savings on other capital equipment purchases. Staff recommends awarding this contract to Quality Equipment, LLC for the purchase of a 5100E utility tractor from the Sourcewell contract for 59,427.92 as presented.

Chairman Keifer (NO) commented this is a state contract that is awarded, and you can order individual items from it. I think it is commendable that you are continuing to look for ways to improve operations out there.

Mr. Martin (CH) asked if it included all the mowing attachments that you need within this cost.

Mr. Bagley responded no, we just purchased two bush hogs during the year and we are going to use those.

**Mr. Williams (FR) moved, seconded by Mr. Keaton (IW) to award the contract to Quality Equipment, LLC as presented. The vote of the motion was unanimous.**

## 5. Household Hazardous Waste Disposal

Mr. Bagley continued to the next contract for household hazardous waste disposal. The current contract ended in August, we extended to September, and then we have one more load so we extended another month while we reviewed proposals. RFP 04-19 was issued and we received three bids MXI Environmental Services, Clean Harbor Environmental Services, and ACV Environmental. Our current vendor decided not to bid because they were changing their business model. Staff recommends the approval of the contract to MXI Environmental Services with the amount of \$33,350, but that amount is a unit price. We based that amount on what we disposed of last year. The contract also provides us annual training for our staff, all the materials and containers needed and they retain ownership of it once it is collected. That is a critical piece for us because the less time we maintain it in our possession, the less liability we have. The contract term is from December 12, 2019 through June 30, 2019, with four option years beginning July 1 of each subsequent year.

**Ms. Raulston (FR) moved, seconded by Mr. Williams (FR) to approve the contract to MXI, Environmental Services as presented. The vote of the motion was unanimous.**

## 6. Leachate Loadout Change Order

Mr. Bagley stated the last item is for the change order to the leachate loadout project. This is what I explained to you earlier concerning pumping to HRSD at a low volume over an extended period. The original pumps that were designed to pump all at once. This system was engineered out to be a low-flow pump that monitors HRSD pressures in their line and the drives on the BFD. So that an increase or decrease, depending on what we need to do to pump a certain volume of leachate. These pumps will be tied into our SCADA system and will be controlled and monitored by our SCADA system 24 hours a day. The biggest advantage for this project is that it minimizes our liability for leachate hauling. This is what we have to do until the new pump station is built in 2022. The cost of the project is \$76,554. HRSD has agreed to pay up to \$76,554, which we have in writing. That will be billed out at the completion of the project and they will reimburse SPSA. The recommendation is to authorize the change order for \$76,554 as presented in your packet.

**Mr. Broad (NO) moved, seconded by Ms. Lowe (SH) to authorize the change order for the leachate loadout project with REW as presented. The vote of the motion was unanimous.**

## C. 2019 BOARD MEETING DATES

Ms. DeVary continued to the 2019 proposed board meeting dates. Board meeting are held on the fourth Wednesday of every month with the exception of November because of Thanksgiving and December because of Christmas. All meetings begin at 9:30 a.m.

**Mr. Roberts (SU) moved, seconded by Ms. Raulston (FR) to approve the January 23, 2019, February 27, 2019, March 27, 2019, April 24, 2019, May 22, 2019, June 26, 2019, July 24, 2019, August 28, 2019, September 25, 2019, October 23, 2019 and December 11, 2019 as presented. The vote of the motion was unanimous.**

#### **4. CHESAPEAKE TRANSFER STATION ANCILLARY SERVICE AGREEMENT**

Ms. DeVary continued the last item we have for you is the Chesapeake transfer station ancillary service agreement. The City of Chesapeake has requested that SPSA open the Chesapeake transfer station an hour early, at 7 a.m. on Wednesday, Thursday, and Friday, for exclusive use by Chesapeake trash trucks. The city will pay SPSA the associated costs for that extra hour. This is a very similar agreement that you approved for the Norfolk weekend hours for the residents. We have been doing this since July 1, 2018. Since it appears to be a longer-term situation, we felt it was important to enter into the ancillary service agreement. The City of Chesapeake has reviewed and agreed. We are approving it by resolution since that is in accordance with the Use and Support Agreements in the strategic operating plan. The following resolution has been included in your packet.

#### **RESOLUTION ANCILLARY AGREEMENT CHESAPEAKE TRANSFER STATION**

WHEREAS, the Southeastern Public Service Authority of Virginia (“SPSA”) has entered into identical Use and Support Agreements (being identical, they are referred to herein as the “U&SA”) with its eight member localities (“Member Localities”) to provide for safe and environmentally sound disposal of the Member Localities’ municipal solid waste; and

WHEREAS, pursuant to the terms of the U&SA, SPSA from time to time may provide ancillary solid waste management and disposal services to Member Localities, either by separate agreement with a Member Locality and/or pursuant to an arrangement set forth in SPSA’s Strategic Operating Plan (“SOP”);

WHEREAS, prior to entering into a separate agreement with a Member Locality or acting pursuant to a global arrangement under the SOP, (i) the providing of such ancillary services shall be approved by SPSA’s Board, and (ii) unless otherwise approved by the Board, (A) the fees charged to the Member Locality at a minimum shall be sufficient to cover the costs incurred by SPSA to provide the ancillary services, and (B) the ancillary services shall be available at identical fees to all Member Localities, subject to variations in required staffing for transfer stations;

WHEREAS, the City of Chesapeake has requested that SPSA provide ancillary services to operate the Chesapeake Transfer Station at 901 Hollowell Lane, Chesapeake on Wednesdays, Thursdays and Fridays from 7:00 AM to 8:00 AM to be available for the City to deliver municipal solid waste to the Chesapeake Transfer Station;

WHEREAS, SPSA’s management has made presentations to the Board demonstrating that (i) SPSA is capable of operating the Chesapeake Transfer Station as contemplated to provide the ancillary services, (ii) the proposed fees for such ancillary services, at a minimum, will cover the costs incurred by SPSA to provide the ancillary services, and (iii) SPSA is capable of and prepared to offer the ancillary services under similar circumstances to other Member Localities at identical fees, subject to variations in required staffing for transfer stations;

WHEREAS, after due consideration the Board has determined it is in the best interests of SPSA to provide the described ancillary services.

NOW, THEREFORE,

1. The Board hereby approves, adopts and accepts the Ancillary Services Chesapeake Transfer Station Agreement substantially in the form attached hereto as Exhibit A, to be deemed effective as of July 1, 2018.

2. The Board hereby directs the Executive Director of SPSA, pursuant to the terms of the U&SA, to include in her annual operating budget presentation to the Board a report (i) identifying the ancillary services being provided to the City of Chesapeake in accordance with the Ancillary Services Chesapeake Transfer Station Agreement, and (ii) including relevant financial data demonstrating whether the fees charged by SPSA covered the costs incurred by SPSA to provide the ancillary services.

3. The Board hereby authorizes and directs the Executive Director of SPSA in the name of, and on behalf of SPSA, to execute the Ancillary Services Chesapeake Transfer Station Agreement substantially in the form attached hereto as Exhibit A, and to deliver it to the City of Chesapeake, such execution and delivery conclusively to evidence due authorization and approval thereof by SPSA, and to perform SPSA's obligations as set forth in the Ancillary Services Chesapeake Transfer Station Agreement.

4. The Board hereby authorizes and directs the Executive Director of SPSA, in the name of, and on behalf of SPSA, to do all such acts and prepare, execute, file and deliver all such other documents, instruments, certificates and agreements, each in the name of and on behalf of SPSA, that she may deem necessary or desirable to carry out the intent and purposes of the foregoing resolutions.

5. The Board hereby authorizes and directs the Executive Director of SPSA, in the name of, and on behalf of SPSA, to take any and all steps and to do all things that she may deem necessary or advisable in order to effect the purposes of the foregoing resolutions.

6. The Board hereby ratifies, confirms and approves all actions heretofore taken by the Executive Director of SPSA, in the name of and on behalf of SPSA, in connection with the foregoing resolutions.

Adopted this 12 day of December 2018.

**Mr. Martin (CH) moved, seconded by Mr. Hodges (SH) to approve the Resolution Ancillary Agreement for the Chesapeake transfer station as presented. The vote of the motion was unanimous.**

#### **4. OLD/NEW BUSINESS**

Mr. Tisdale commented that towards the end of the month, I will send out an e-mail regarding your annual requirement to file a financial disclosure statement. I do not want to send it too early because it is supposed to be dated after December 31. Once I get it to you, I will be asking you to

fill them out and return them to Blanche. We will collect them and file them with the City of Chesapeake's clerk's office.

**5. ADJOURNMENT**

There being no other business to come before the Board of Directors the regular meeting was adjourned at 10:17 a.m.

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Liesl R. DeVary  
Executive Director

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Submitted by: Blanche Christian  
Secretary, SPSA Board of Directors

## 1. Financial Reports

**Statement of Revenue and Expenses – Budget to Actual Comparison**

For the month ending December 31, 2018, total revenues exceeded total expenses by approximately \$4.3 million as compared to \$2.9 million in the previous year.

Tipping fee revenue received FYTD reflects a decrease of 5.2% or approximately \$1.2 million as compared to fiscal year 2018. Municipal waste tons are up approximately 13% or 25,811 tons as compared to fiscal year 2018. The increase in the municipal waste stream is largely due to receiving bulk waste.

For the month ending December 31, 2018, total expenses were approximately \$20 million as compared to \$21.1 million incurred in the previous fiscal year. The decrease is due to no debt payments.

**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 2019 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 December 31, 2018, municipal waste tonnages reflect an increase of 13% or approximately 25,811 tons as compared to December 2017.

**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 December 31, 2018 operating cash balances were approximately \$29.1 million representing approximately \$5.7 million in the operating account, \$3.3 million in undesignated fund balance, \$759,313 for FY 2018 Rolled Purchase Orders, \$2.5 million reserved for FY 2019 capital projects and \$16.9 million designated for landfill expansion/closure.

**RECOMMENDED ACTION:** Approve the financial reports as presented.

**MOTION:** Do I hear a motion that the SPSA 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 December 31, 2018**

	December 2018				December 2017			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
<b>REVENUES</b>								
Tipping Fees	\$ 37,720,239	\$ 3,285,515	\$ 21,741,918	57.6%	\$ 42,407,666	\$ 3,593,316	\$ 22,927,544	54.1%
Tire program	332,000	29,002	283,182	85.3%	292,000	30,441	188,238	64.5%
Household Hazardous Waste Revenue	250,000	13,826	136,703	54.7%	225,000	13,033	137,347	61.0%
White Goods Program	40,000	1,965	10,809	27.0%	40,000	2,380	18,386	46.0%
Landfill Gas Recovery	335,000	44,030	151,303	45.2%	335,000	29,118	138,814	41.4%
Miscellaneous Income	214,950	18,569	376,291	175.1%	639,390	59,252	519,824	81.3%
Interest Earnings	180,000	19,502	186,401	103.6%	180,000	2,712	106,391	59.1%
<b>A</b> Fund Balance / Capital / Rolled PO's	2,173,044	5,068	1,413,721	65.1%	351,971	-	-	0.0%
Fund Balance / Contingency	2,500,000	12,203	12,203	0.5%	592,448	-	-	0.0%
Fund Balance / Tip Fee Stabilization Fund	-	-	-	N/A	-	-	-	N/A
<b>TOTAL REVENUES</b>	\$ 43,745,233	\$ 3,429,679	\$ 24,312,531	55.6%	\$ 45,063,475	\$ 3,730,252	\$ 24,036,543	53.3%
<b>OPERATING EXPENSES</b>								
Administration								
Salaries / Wages	\$ 882,617	\$ 49,196	\$ 323,131	36.6%	\$ 773,361	\$ 41,973	\$ 273,514	35.4%
Employee Benefits	227,468	11,585	80,265	35.3%	213,478	10,937	76,794	36.0%
<b>A</b> Professional / Contracted Services	645,915	50,387	295,102	45.7%	609,426	74,724	456,407	74.9%
Other Operating Expenses	208,900	18,804	93,460	44.7%	152,580	14,421	78,474	51.4%
Materials / Supplies	15,498	55	2,027	13.1%	16,515	522	11,014	66.7%
Total Administration	\$ 1,980,398	\$ 130,027	\$ 793,986	40.1%	\$ 1,765,360	\$ 142,578	\$ 896,203	50.8%
Environmental Management								
Salaries / Wages	\$ 284,161	\$ 21,585	\$ 131,023	46.1%	\$ 281,909	\$ 21,571	\$ 130,050	46.1%
Employee Benefits	96,980	8,327	48,940	50.5%	96,178	7,052	50,826	52.8%
Professional / Contracted Services	43,160	895	5,047	11.7%	43,100	10,037	13,153	30.5%
Other Operating Expenses	7,168	355	3,056	42.6%	6,915	358	2,271	32.8%
Materials / Supplies	20,620	339	11,008	53.4%	20,680	387	3,738	18.1%
Total Environmental Management	\$ 452,089	\$ 31,500	\$ 199,074	44.0%	\$ 448,782	\$ 39,406	\$ 200,038	44.6%
Operations								
Salaries / Wages	\$ 5,539,339	\$ 415,251	\$ 2,531,505	45.7%	\$ 5,788,014	\$ 437,124	\$ 2,616,190	45.2%
Employee Benefits	1,924,879	148,049	903,040	46.9%	2,043,058	159,449	1,046,372	51.2%
<b>A</b> Professional / Contracted Services	2,865,217	181,430	1,191,604	41.6%	2,975,818	186,585	1,281,423	43.1%
Other Operating Expenses	864,252	53,917	334,698	38.7%	1,049,253	95,055	414,290	39.5%
Materials / Supplies	1,776,064	120,479	750,353	42.2%	1,728,439	123,627	682,984	39.5%
Total Operations	\$ 12,969,751	\$ 919,126	\$ 5,711,199	44.0%	\$ 13,584,582	\$ 1,001,838	\$ 6,041,259	44.5%
<b>TOTAL OPERATING EXPENSES</b>	\$ 15,402,238	\$ 1,080,653	\$ 6,704,258	43.5%	\$ 15,798,724	\$ 1,183,822	\$ 7,137,501	45.2%
<b>CAPITAL PROJECTS / EQUIPMENT REPLACEMENT</b>								
<b>A</b> RLF - Pump House Rebuild	\$ 26,854	\$ -	\$ 26,854	100.0%				
<b>A</b> RLF - SCADA System Leachate System	378,985	-	237,585	62.7%				
<b>A</b> Leachate System Improvements	19,622	-	1,873	9.5%				
<b>A</b> NTS - Tip Floor/Drain Repairs	304,240	-	304,240	100.0%				
<b>A</b> Permanent Pump/Haul Loadout	1,102,715	10,818	558,473	50.6%				
<b>A</b> RLF - Site Maintenance	11,000	2,250	2,250	20.5%				
<b>A</b> HHW Facility Improvements	212,212	-	212,212	100.0%				
<b>A</b> HHW Trailers	8,400	-	8,400	100.0%				
HHW Relocation	115,000	-	-	0.0%				
GPS Rover Grade/Compaction	150,000	-	-	0.0%				
HRSD Force Main	2,032,760	-	-	0.0%				
Four-Post Lift (RLF Shop)	26,729	-	-	0.0%				
Shop Doors (RLF Shop)	39,325	-	-	0.0%				
Electric Forklift (OPC Shop)	28,454	-	28,454	100.0%				
MSW Tractors	976,399	-	-	0.0%				
BKNS - Compactor & 2 Boxes	75,039	-	-	0.0%				
CTS - Interior Repairs	121,000	-	-	0.0%				
CTS - Wheeled Excavator	260,904	-	-	0.0%				
CTS - Tip Floor Repairs	39,000	-	-	0.0%				
CTS - Asphalt/Concrete Repairs	28,215	-	-	0.0%				
LTS - Replace A/C Units	53,875	-	-	0.0%				
LTS - Pressure Wash/Paint	29,440	-	-	0.0%				
NTS - Replace Scale In/Outbound	205,000	-	-	0.0%				
NTS - Inbound Scale	85,000	-	-	0.0%				
STS - Wheeled Excavator	260,904	-	-	0.0%				
MUNIS Upgrade/Servers	15,999	-	15,999	100.0%				
Scalehouse Server	8,399	-	8,399	100.0%				
Computer Desktop Replacements	59,009	-	1,460	2.5%				
Scalehouse Software	158,360	-	-	0.0%				
TPF - Wheeled Loader	216,992	-	-	0.0%				
Cell 8/9 Permitting	467,240	12,203	12,203	2.6%				
FTS - Drainage Improvements	19,868	-	-	0.0%				
IT - Executime Software	56,963	-	-	0.0%				
RLF - Tractor	59,428	-	-	0.0%				

	December 2018				December 2017			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
<b>CAPITAL PROJECTS / EQUIPMENT REPLACEMENT - CONT'D</b>								
Access Control System	18,674	-	-	0.0%				
IOW - Concrete Landing Pads	30,000	-	-	0.0%				
System Domain Servers	16,600	-	-	0.0%				
MS Exchange Upgrade	15,650	-	-	0.0%				
Undesignated	90,972	-	-	0.0%				
<b>Total Capital/Equipment Replacement</b>	<b>\$ 7,825,226</b>	<b>\$ 25,270</b>	<b>\$ 1,418,402</b>	<b>18.1%</b>	<b>\$ 7,040,114</b>	<b>\$ 18,269</b>	<b>\$ 1,216,027</b>	<b>17.3%</b>
<b>DEBT SERVICE</b>								
Principal (transfers to trustee)	\$ -	\$ -	\$ -	N/A	\$ 2,473,750	\$ -	\$ 2,473,750	100.0%
Interest (transfers to trustee)	-	-	-	N/A	85,527	-	85,527	100.0%
<b>Total Debt Service</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 2,559,277</b>	<b>\$ -</b>	<b>\$ 2,559,277</b>	<b>100.0%</b>
Service Fee to Wheelabrator								
Annual Fee Paid over 12 Months	\$ -	\$ -	\$ -	N/A	\$ 14,677,421	\$ 2,166,667	\$ 13,000,000	88.6%
Less: Steam Energy Revenue	-	-	-	N/A	(592,360)	(85,014)	(471,018)	79.5%
Less: SPSA Hauling Fee	-	-	-	N/A	(1,694,381)	(247,536)	(1,520,291)	89.7%
Less: Loading Fee	-	-	-	N/A	(171,888)	(20,910)	(154,041)	89.6%
Less: Proprietary Waste Revenue	-	-	-	N/A	(55,983)	(11,597)	(67,313)	120.2%
Less: Fuel Surcharge	-	-	-	N/A	(55,611)	(15,538)	(71,912)	129.3%
Less: Overtime Per Addendum 4	-	-	-	N/A	(30,303)	(4,498)	(26,991)	89.1%
Less: Cost for Ash Disposal	-	-	-	N/A	(447,310)	(70,260)	(459,827)	102.8%
Less: Diverted Waste Disposed by SPSA	-	-	-	N/A	-	-	(10,736)	N/A
<b>Net Fee to Wheelabrator</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>	<b>\$ 11,629,585</b>	<b>\$ 1,711,313</b>	<b>\$ 10,217,872</b>	<b>87.9%</b>
Contracted Waste Disposal	\$ 17,106,830	\$ 1,568,219	\$ 10,164,723	59.4%	\$ 8,030,775	\$ -	\$ -	0.0%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Reserves for Landfill Expansion/Closure	3,405,939	283,828	1,702,968	50.0%	-	-	-	N/A
<b>Total Other Uses</b>	<b>\$ 20,517,769</b>	<b>\$ 1,852,047</b>	<b>\$ 11,867,691</b>	<b>57.8%</b>	<b>\$ 19,665,360</b>	<b>\$ 1,711,313</b>	<b>\$ 10,217,872</b>	<b>52.0%</b>
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 43,745,233</b>	<b>\$ 2,957,970</b>	<b>\$ 19,990,351</b>	<b>45.7%</b>	<b>\$ 45,063,475</b>	<b>\$ 2,913,404</b>	<b>\$ 21,130,676</b>	<b>46.9%</b>
<b>NET REVENUES / (EXPENSES)</b>	<b>\$ -</b>	<b>\$ 471,709</b>	<b>\$ 4,322,180</b>		<b>\$ -</b>	<b>\$ 816,848</b>	<b>\$ 2,905,867</b>	

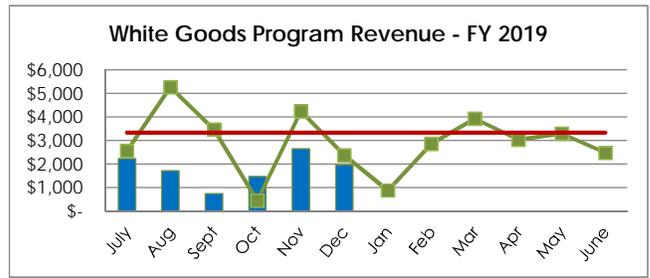
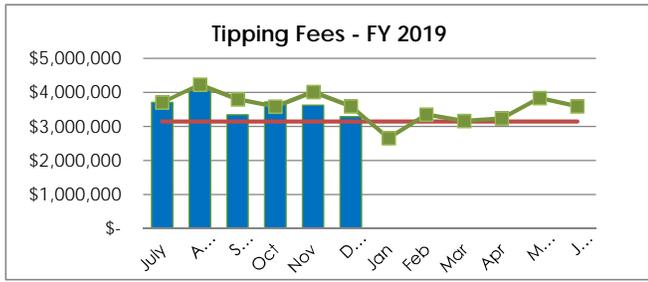
A Budget has been adjusted by \$2,173,044 for purchase orders rolled over from FY 2018.

**Southeastern Public Service Authority**  
**Monthly Expense Line Items - Preliminary**

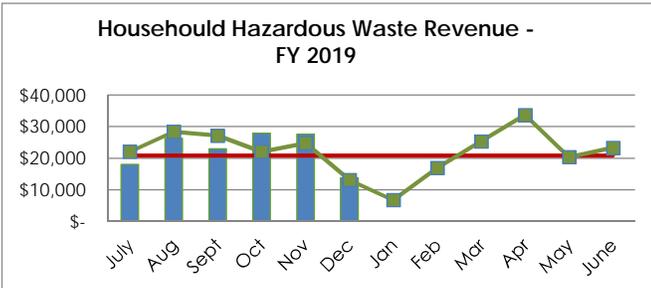
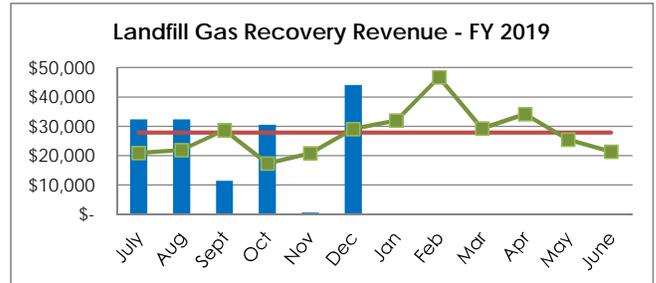
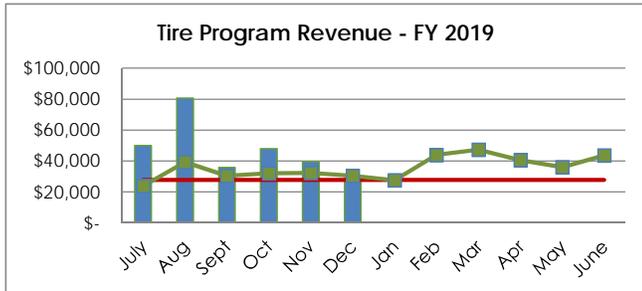
Description	FY 2019 Budget	Oct-18	Nov-18	Dec-18	FYTD	From Previous Month \$ Change	% Change
<b>Expenses</b>							
Salaries Exempt	\$ 1,971,248	\$ 137,420	\$ 135,423	\$ 131,768	\$ 840,568	\$ (3,656)	-2.7%
Salaries Non-Exempt	4,512,794	321,689	320,061	322,434	1,960,664	2,373	0.7%
Overtime	222,075	26,196	26,218	31,829	184,428	5,611	21.4%
Fica / Medicare Tax	513,017	34,576	34,336	34,681	215,364	345	1.0%
VRS Retirement	37,470	2,839	2,756	2,719	16,898	(37)	-1.3%
Health Insurance	1,403,597	113,038	110,652	109,467	672,401	(1,186)	-1.1%
Vrs Group Life Insurance	81,766	6,372	6,286	6,187	38,068	(100)	-1.6%
Unemployment Insurance	9,853	85	58	64	450	5	9.1%
Workers Compensation	203,624	14,844	14,844	14,844	89,064	-	0.0%
Medical Fees	12,200	595	195	530	2,784	335	171.8%
Security Service	81,504	2,671	5,182	6,902	32,779	1,720	33.2%
Professional Services	170,442	18,180	14,095	34,861	68,279	20,766	147.3%
Engineering Services	300,000	13,804	22,437	12,558	67,626	(9,880)	-44.0%
Landfill Survey	15,000	1,500	-	-	1,500	-	N/A
Legal Fees	325,000	52,311	16,323	12,055	169,456	(4,268)	-26.1%
Environmental Testing	103,400	21,500	525	21,826	43,886	21,301	4057.4%
Fire Protection	7,000	986	194	-	2,680	(194)	-100.0%
Uniform Rental	30,693	2,198	2,213	1,500	11,122	(713)	-32.2%
Maintenance Service Agreements	140,173	1,451	3,554.23	3,191	53,436	(363)	-10.2%
Grounds Maintenance	108,007	19,820	5,770	717	30,157	(5,053)	-87.6%
Hazardous Waste Disp/Cleanup	27,000	603	-	-	603	-	N/A
Equipment Maintenance	973,823	64,326	56,819	41,797	417,535	(15,022)	-26.4%
Building / Site Maintenance	536,589	71,491	61,987	57,738	257,167	(4,249)	-6.9%
Leachate Pumping Station Maint	50,000	11,747	1,995	25	19,463	(1,970)	-98.7%
Pump & Haul Leachate	4,999	-	-	-	4,899	-	N/A
Printing	300	-	-	-	-	-	N/A
Advertising	13,700	-	1,621	-	2,238	(1,621)	-100.0%
Permit Fees	74,462	350	-	-	56,965	-	N/A
Suffolk Host Fee	580,000	41,750	43,112	39,012	249,180	(4,100)	-9.5%
Electricity	218,275	16,757	8,800	19,155	92,192	10,355	117.7%
Heating/Gas/Propane	14,700	88	306	1,885	2,457	1,579	516.6%
Water / Sewer	48,442	2,697	7,398	4,759	20,213	(2,639)	-35.7%
Leachate Treatment	255,001	8,689	9,316	7,617	40,301	(1,698)	-18.2%
Telephone	108,000	7,854	10,275	7,778	41,760	(2,498)	-24.3%
Postage	2,460	186	174	116	812	(58)	-33.5%
Radio Communication & Repair	11,200	-	-	-	3,956	-	N/A
Insurance & Bonding	185,364	15,447	15,447	15,447	93,182	-	0.0%
Equipment Rental	39,500	849	180	1,278	27,452	1,098	611.9%
Land Lease Payment	3,500	292	292	292	1,750	-	0.0%
Tire De-Rimming Service	10,000	-	-	-	1,365	-	N/A
Travel And Training	13,270	392	1,019	705	4,754	(314)	-30.8%
Road Tolls	121,675	11,413	11,386	10,713	69,073	(674)	-5.9%
Membership & Professional Dues	3,933	693	-	-	1,846	-	N/A
Bank Fees	35,000	3,019	3,591	3,156	20,895	(435)	-12.1%
Awards Programs	9,000	45	7,320	174	8,271	(7,145)	-97.6%
EMS Support Program	1,000	935	-	-	935	-	N/A
Office Supplies	13,680	1,326	856	156	5,832	(700)	-81.7%
Dues & Subscriptions	1,750	243	-	-	445	-	N/A
Other Operating Supplies	92,210	10,814	3,232	1,629	28,633	(1,602)	-49.6%
Vehicle / Equipment Fuel	871,024	63,706	64,825	54,396	370,114	(10,429)	-16.1%
Vehicle / Equipment Tires	772,300	95,682	58,778	63,209	332,755	4,431	7.5%
Safety Apparel & Equipment	27,750	728	915	1,004	6,457	90	9.8%
Small Equipment	23,668	1,046	7,256	478	18,872	(6,778)	-93.4%
Computer Hardware	9,800	114	-	-	280	-	N/A
<b>Total Operating Expenses</b>	<b>\$ 15,402,238</b>	<b>\$ 1,225,354</b>	<b>\$ 1,098,022</b>	<b>\$ 1,080,653</b>	<b>\$ 6,704,258</b>	<b>\$ (17,369)</b>	<b>-1.6%</b>
Capital Projects/Equip Replacement	\$ 7,825,226	411,986	187,956	25,270	1,418,402	(162,685)	-86.6%
Contracted Waste Disposal	17,106,830	1,712,718	1,591,220	1,568,219	10,164,723	(23,001)	-1.4%
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	N/A
Reserves for Landfill Expansion/Closure	3,405,939	283,828	283,828	283,828	1,702,968	-	0.0%
<b>Total Expenses</b>	<b>\$ 43,745,233</b>	<b>\$ 3,633,886</b>	<b>\$ 3,161,025</b>	<b>\$ 2,957,970</b>	<b>\$ 19,990,351</b>	<b>\$ (203,055)</b>	<b>-6.4%</b>

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

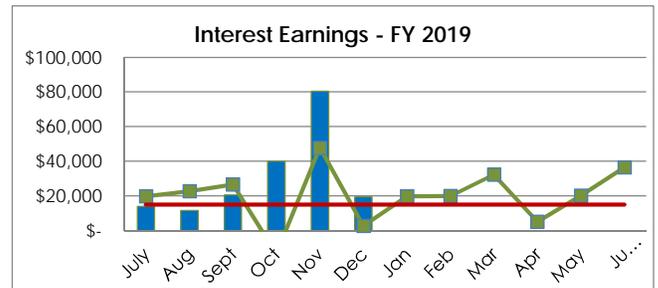
FY 2019 (bar)  
FY 2018  
FY 2019 Budget



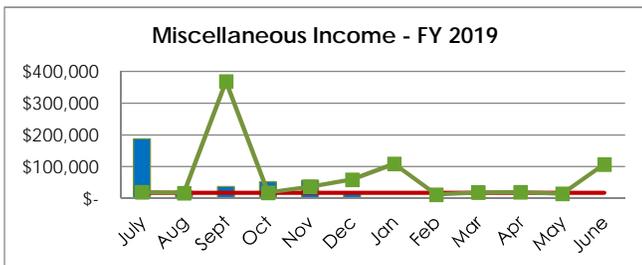
\* Monthly revenue is dependent on users.

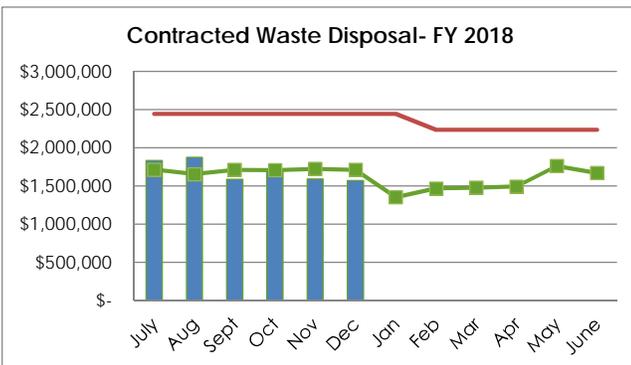
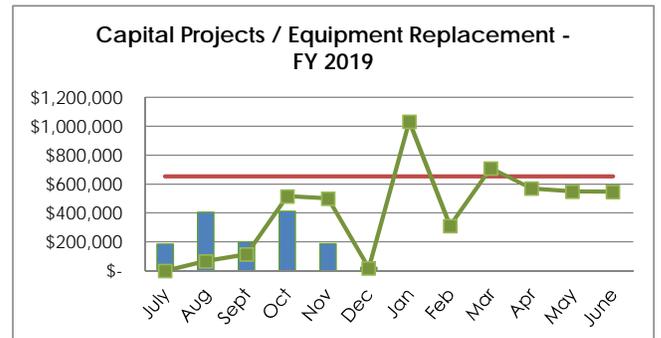
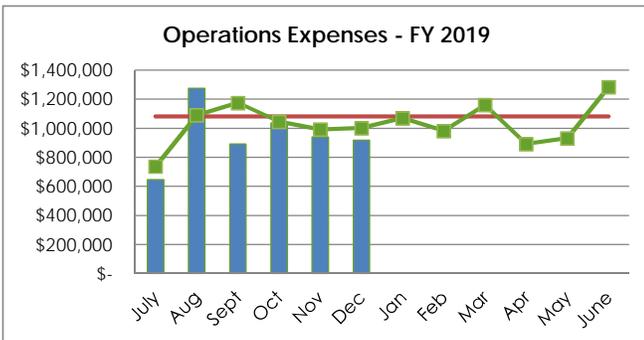
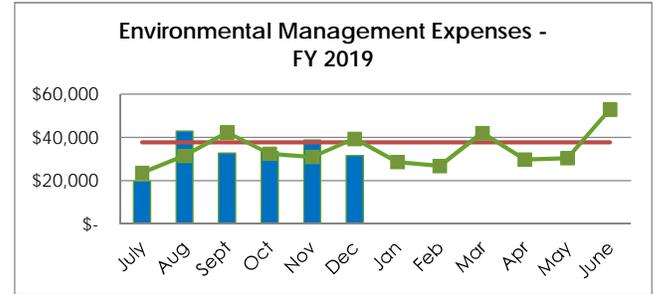
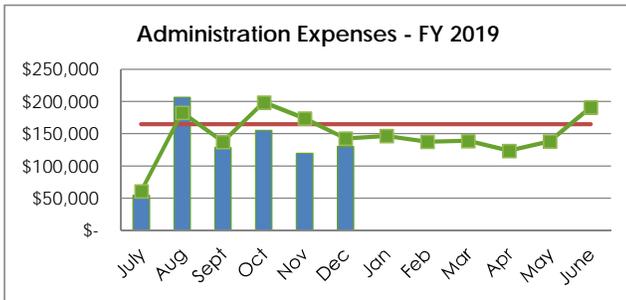
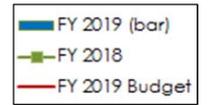


\* Monthly revenue is dependent on users.



Interest payments vary based on investment date and maturity date.

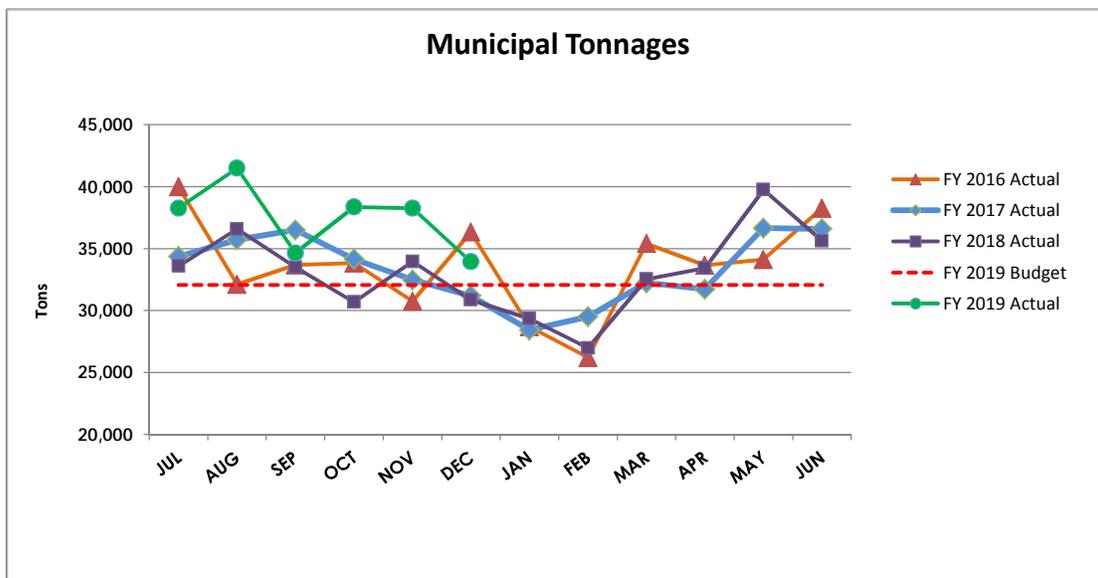




# Southeastern Public Service Authority (SPSA) Waste Stream

Waste Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2019	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 12/31/2018	% of Budget
<b>Waste Stream Budgeted under Tipping Fees</b>							
<b>Municipal Waste</b>							
Chesapeake	92,072	94,981	90,926	90,896	92,987	53,701	57.8%
Franklin	2,524	2,592	2,690	2,698	2,915	1,534	52.6%
Isle of Wight	16,070	16,513	15,180	16,883	16,331	8,756	53.6%
Norfolk	62,296	66,240	64,575	62,587	80,746	45,770	56.7%
Portsmouth	28,439	29,089	30,023	32,769	35,231	19,864	56.4%
Southampton	8,107	8,385	8,593	8,910	8,726	5,047	57.8%
Suffolk	43,337	40,068	45,645	40,847	41,571	20,385	49.0%
Virginia Beach	133,304	134,285	130,645	127,483	137,983	69,899	50.7%
Residential (Free of Charge)	9,331	10,096	11,223	13,711	-	-	N/A
<b>Total Municipal Waste</b>	<b>395,480</b>	<b>402,249</b>	<b>399,500</b>	<b>396,784</b>	<b>416,490</b>	<b>224,956</b>	<b>54.0%</b>
Sludge - Norfolk	5,866	4,611	4,782	5,586	4,900	3,262	66.6%
Navy Waste	25,357	24,725	24,500	26,653	4,083	13,150	322.1%
SPSA Contracted Waste	-	-	26,437	65,936	104,000	72,197	69.4%
Construction & Demolition Debris	10,066	11,486	14,252	14,850	15,000	5,175	34.5%
Non-Contract Waste	-	-	-	15,469	30,000	18,121	60.4%
<b>Total Other Waste</b>	<b>41,289</b>	<b>40,822</b>	<b>69,971</b>	<b>128,494</b>	<b>157,983</b>	<b>111,905</b>	<b>70.8%</b>
<b>Total Waste Stream</b>	<b>436,769</b>	<b>443,071</b>	<b>469,471</b>	<b>525,278</b>	<b>574,473</b>	<b>336,861</b>	<b>58.6%</b>

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 2015	FY 2016	FY 2017	FY 2018	July FY 2019	Aug FY 2019	Sept FY 2019	Oct FY 2019	Nov FY 2019	Dec FY 2019	FY 2019	
Construction and Demolition Debris	10,066	11,485	14,252	14,850	906	1,353	863	839	531	683	5,175	
Water Treatment Plant Sludge	7,198	5,314	4,927	5,717	649	636	391	511	613	461	3,261	
Industrial Waste	1,552	874	846	379	60	23	19	25	28	14	169	
Soils for Use as Alternate Daily Cover	34,168	66,380	18,935	9,990	670	725	716	990	774	809	4,684	
Clean Fill	56,311	92,732	25,369	26,396	-	90	-	-	-	-	90	
Peanut Residue/Hulls	2,894	3,202	5,650	9,366	223	234	194	357	350	293	1,651	
Non-Processible Municipal Solid Waste <sup>1</sup>	6,189	1,788	5,765	3,791	61	62	59	60	85	62	389	
Navy Waste <sup>2</sup>	36	88	150	154	19	10	6	60	71	1	167	
Non-Processible Commercial Waste <sup>2</sup>	4,265	5,096	4,518	2,631	40	88	58	64	46	45	341	
Fluff from BiMetals	5,708	-	-	-	-	-	-	-	-	-	-	
Concrete/Asphalt	3,832	416	3	-	-	-	-	-	133	-	133	
Shredded Tires	2,587	3,052	3,289	4,586	86	872	421	514	473	391	2,757	
Ash	192,754	177,493	174,420	179,361	14,872	17,651	13,592	14,551	13,984	11,871	86,521	
Non-Qualifying Ash	-	-	-	-	-	-	-	-	681	561	1,242	
MSW from FTS, IWTS, STS	-	-	-	46,011	9,020	9,286	7,519	8,869	8,590	7,806	51,090	
Clean Fill - Clearfield	33,899	32,400	28,226	14,496	3,345	4,328	5,802	6,180	-	11,718	31,373	
Residual Waste - Clearfield	2,973	4,857	9,771	180	38	123	38	9	-	-	-	
Diverted Processible Waste (fromTsf Stations)	22,402	1,780	11,337	201	-	-	-	-	-	120	120	
<b>Total</b>	<b>386,833</b>	<b>406,957</b>	<b>307,458</b>	<b>318,109</b>	<b>29,989</b>	<b>35,481</b>	<b>29,678</b>	<b>33,029</b>	<b>26,359</b>	<b>34,835</b>	<b>189,163</b>	

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

<sup>2</sup> 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 December 31, 2018

Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Debt Service	Payables / Transfers Out	Payroll	Ending Balance
<b>Unrestricted and Designated Funds (see footnote below):</b>							
Townebank Operating	\$ 3,935,300.79	\$ 3,356,446.67			\$ 2,301,066.43	\$ 521,291.97	\$ 4,469,389.06
Townebank Money Market	1,090,950.44		417.03				1,091,367.47
Townebank CD	6,000,000.00						6,000,000.00
Virginia Investment Pool (VIP)	7,568,391.14		15,782.09				7,584,173.23
Raymond James & Associates Investments	9,914,337.53						9,914,337.53
<b>Total Unrestricted and Designated Funds</b>	<b>\$ 28,508,979.90</b>	<b>\$ 3,356,446.67</b>	<b>\$ 16,199.12</b>	<b>\$ -</b>	<b>\$ 2,301,066.43</b>	<b>\$ 521,291.97</b>	<b>\$ 29,059,267.29</b>
<b>Trust Funds:</b>							
Environmental / Va. Beach Landfill	\$ 459,864.12		878.70				460,742.82
Environmental / Regional Landfill	444,046.19		895.12				444,941.31
<b>Total Trust Funds</b>	<b>\$ 903,910.31</b>	<b>\$ -</b>	<b>\$ 1,773.82</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 905,684.13</b>
<b>GRAND TOTAL</b>	<b>\$ 29,412,890.21</b>	<b>\$ 3,356,446.67</b>	<b>\$ 17,972.94</b>	<b>\$ -</b>	<b>\$ 2,301,066.43</b>	<b>\$ 521,291.97</b>	<b>\$ 29,964,951.42</b>

**Cash Balances Designated as follows:**

Operating Account	\$ 5,665,385.85
Undesignated (Fund Balance June 30, 2018)	3,294,353.25
Reserved for FY 2018 Rolled Purchase Orders	759,322.69
Reserved for FY 2019 Capital	\$2,487,797.50
Landfill Expansion / Closure (June 30, 2018)	16,852,408.00
<b>Total Designated Funds</b>	<b>\$ 29,059,267.29</b>

2. Contracts
  - A. Contract Awards
    1. Leachate Loadout - Change Order

<b>BID:</b>	IFB 08-18	<b>PROJECT:</b>	Leachate Loadout – Change Order
<b>ISSUED:</b>	January 24, 2018	<b>OPENED:</b>	<b>February 1, 2018</b>
<b>Budgeted:</b> \$1,276,000 (Original Contract Amount)			
<u><b>Bidder (s)</b></u>		<u><b>Days for Completion</b></u>	<u><b>Price</b></u>
REW Corporation		21 Days	\$88,771
<b>STAFF RECOMMENDS AWARD TO:</b>	<b>REW Corp.</b>		
<b>PROCEED WITH CONTRACT AWARD:</b>	<b>Signature</b> _____ <b>Date</b> _____ <b>Chairman Board of Directors</b>		
<b>HOLD UNTIL FURTHER NOTICE:</b>	<b>Signature</b> _____ <b>Date</b> _____ <b>Chairman Board of Directors</b>		

**COMMENTS:** This change order is being requested to replace 480 volt underground feeder cable which provides electrical service to four of the eight vaults that manage leachate in Cells V and VI. Several months ago a change order was initiated to replace the underground feeder cables in vaults 1, 2, 3 and 4 of Cells V and VI. The replacement of feeder wires was not included in the original scope of work because at that time we had not experienced any issues with electrical service to the vaults. After the new system came on line and was operating, we lost service to vaults 1 and 3. In troubleshooting the issue staff found that underground feeder cables were aluminum yet the connectors used to splice these cables were designed to be used with copper. This caused connections to overheat and damage the wiring and insulation. We have now lost power to vault 5 and 7 and they have been powered by emergency generator until repairs can be made. Staff recommends issuing a change order in the amount of \$88,771 to REW Corporation to replace the broken underground feeder cables to vaults 5, 6, 7 and 8 in Cells V and VI. Funding is available from savings in other capital improvements and equipment replacements in the FY 2019 budget.

**RECOMMENDED ACTION:** Award the leachate loadout change order in the amount of \$88,771 to R.E.W. Corporation to replace broken underground feeder cables.

**MOTION:** Do I hear a motion to award the change order to R.E.W. Corporation as presented.

2. NTS & LTS Scale Replacement

<b>BID:</b>	RFP 05-19	<b>PROJECT:</b>	NTS & LTS Scale Replacement
<b>ISSUED:</b>	10/13/2018	<b>OPENED:</b>	11/20/2018
<b>Budget: \$255,000</b>  <b><u>Proposals Received:</u></b> <b>Fairbanks Scales Inc.</b> <b>Apple Valley</b> <b>Carlton Scales</b> <b>Contracting Solutions</b>			
<b>STAFF RECOMMENDS AWARD TO:</b>		<b>Fairbanks Scales</b>	
<b>PROCEED WITH CONTRACT AWARD:</b>		<b>Signature _____ Date _____</b> <b>Chairman Board of Directors</b>	
<b>HOLD UNTIL FURTHER NOTICE:</b>		<b>Signature _____ Date _____</b> <b>Chairman Board of Directors</b>	

**COMMENTS:** The inbound scale at NTS and the inbound and outbound scales at LTS are underground scales that range in age from 10-25 years. They are in need of replacement to ensure the reliability and accuracy of the captured weights.

A RFP was issued to replace the three underground scales with three above ground scales. SPSA received four proposals. All four proposals were evaluated and the proposal from Fairbanks Scales, Inc. was the most advantageous proposal to SPSA. They met the minimum requirements required by SPSA and will provide SPSA with 3 new above ground scales utilizing the latest in technology and equipment. They currently provide repairs and maintenance to our scales at STS and NTS. They have a proven track record in terms of technical support, maintenance and repairs.

The original proposal price of \$336,579.74 was negotiated and reduced to \$276,323.40. Staff recommendation is to award the contract to Fairbanks Scales, Inc in the amount of \$276,323.40. The amount of funds needed in excess of the budget (\$21,323.40) is available from savings in other capital projects.

**RECOMMENDED ACTION:** Award the contract to Fairbanks Scales, Inc. in the amount of \$276,323.40.

**MOTION:** Do I hear a motion to award the contract to Fairbanks Scales as presented.

**3. CLOSED SESSION**

[Closed Session per (i) Virginia Code Section 2.2-3711 (A)(3), Virginia Code Section 2.2-3711 (A)(8), (iii) Virginia Code Section 2.2-3711 (A)(1)]

*I move that a closed session be held for discussion regarding (i) a proposed temporary access agreement between Atlantic Coast Pipeline, LLC and SPSA that would provide road access to ACP across SPSA's property for purposes of installing a gas pipeline on adjacent property not owned by SPSA, in accordance with Virginia Code Section 2.2-3711(A)(3) relating to the disposition of publicly held real property, and 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, (ii) the delivery of ash by Wheelabrator Portsmouth, Inc. to SPSA under the current Services Agreement between Wheelabrator and SPSA, and under the Waste Disposal and Services Agreement between Wheelabrator and SPSA with commencement date February 1, 2019, 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 (iii) the annual performance review of the Executive Director, in accordance with Virginia Code Section 2.2-3711(A)(1) relating to the performance of a specific public officer.*

**4. ACTIONS ARISING FROM CLOSED SESSION**

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

**5. OLD/NEW BUSINESS**

**6. ADJOURN MEETING**

LUNCH **WILL NOT** BE SERVED WITH THIS MEETING