

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

April 25, 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	(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	(PO)
Mr. Mark Hodges <i>absent</i>	(SH)	Ms. Lynette Lowe	(SH)
Mr. David Arnold	(SU)	Mr. Patrick Roberts	(SU)
Mr. William Sorrentino	(VB)	Mr. John Barnes	(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, Ms. Theresa Jennings (CH), Mr. Mark Popovich (IW), Mr. Harvey Howard (NO), Ms. Erin Trimyer (PO), Mr. Hart Council (SH), 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. PUBLIC HEARING FOR FEES & CHARGES SCHEDULE

Chairman Keifer (NO) opened the public hearing relating to the preliminary Schedule of Fees and Charges as adopted at the March 28, 2018 Board meeting.

To open the public hearing the following statement was read for the record by Chairman Keifer (NO).

“This public hearing is being held in accordance with Section 15.2-5136 of the Virginia Water and Waste Authorities Act. Its purpose is to take public comment on the proposed Schedule of Fees and Charges adopted in preliminary form by the Board of Directors of Southeastern Public Service Authority of Virginia on March 28, 2018.

The notice of public hearing was published in the Virginian-Pilot on April 2nd and April 10th as required by law. After conclusion of the public hearing, the Board of Directors will consider comments offered here today and will proceed to adopt a final schedule to become effective July 1, 2018, and to continue in effect until such time as modified by the Board of Directors in accordance with the procedures set forth in the Virginia Water and Waste Authority's Act. If you wish to submit a written statement, please provide a copy to Blanche Christian. I would also appreciate your registering your attendance at this public hearing with Blanche if you have not already done so.”

Chairman Keifer (NO) asked if there were any speakers. There being no individuals who wished to speak during the public hearing on the preliminary tipping fee schedule it was then closed.

2. INFORMAL ITEMS: DISCUSSION ONLY

A. MONTHLY REPORT ON WTE OPERATIONS

Mr. Johnson began his presentation on the monthly operational stats for March. There were no scheduled outages. There was 98% availability for the boilers in the month of March, which is an all-time high for the facility. Facility safety is very important to us and as of today, we are at 209 days without an incident. Wheelabrator is a major sponsor of Cradock’s 100th anniversary. This starts with improvements to its gazebo in Afton Square.

Wheelabrator Portsmouth March 2018



Operational Data

39,147 Tons	52,534 Tons	51,340 Tons	13,902 Tons	15,398 MW
Total Waste received by SPSA	Waste delivered to RDF	Total RDF processed	Ash sent to landfill	Electric power sold
81,627 K-LBS	95%	98%	0	0
Steam sold to Navy	Overall Boiler availability	Overall Generator availability	Environmental Incidents and OSHA Recordable Accidents	OSHA Recordable Accidents YTD

B. EXECUTIVE DIRECTOR UPDATES

Ms. DeVary began by stating that SPSA is operating effectively and efficiently and that staff are doing a terrific job. Historically, SPSA has been the contracting agency for the southeastern Hampton Roads region for the storm debris removal and monitoring contracts. SPSA previously would advertise a RFP to procure contracts for storm debris and storm monitoring. Whenever there was a storm, each individual community could contact SPSA to initiate one of those contracts, and then they would contact that vendor to arrange for any kind of removal and/or monitoring. The current contracts expire April 30, 2018. When I contacted emergency management with HRPDC last fall, I learned the All Hazards Advisory Committee (AHAC) was reviewing these contracts. During the review, we became aware that Virginia Department of Emergency Management (VDEM) maintains contracts that jurisdictions can utilize. Accordingly, AHAC has decided to utilize the VDEM contracts, and SPSA will no longer be the contracting agency for the storm debris

removal and monitoring contracts. We are currently reviewing the update to the regional solid waste management plan. We are working with HRPDC and will bring back some updates soon.

Ms. DeVary asked Mr. Bagley to provide an update on the landfill activities.

Mr. Bagley began by stating the landfill metrics is included in your packet. If there is any information that you would like to see on this, please let the executive director and I know and we will try to add that in as part of our monthly report. The first section deals with violations, which we did not have any during the March recording period. The second section deals with scale operations and the third section deals with filling and cover operations. The fourth section deals with leachate management.

There were no odor complaints at the regional landfill for the recording period. We received 24,766 tons of waste at the landfill during March. The average daily leachate discharge was 41,527 gallons. The SCADA system project is on schedule. Hardware has been delivered and the contractor has demonstrated the SCADA software and graphics package for the SPSA staff to review and comment. We are still on target for the August startup. We will be coming back to provide an update on the system, it will tell you everything that is happening at the landfill minute by minute once it is up and running.

HRSD has agreed to host a meeting with SPSA, HDR and representatives from the labs who performed testing from the split samples to determine why we continue having discrepancies in test results. We still do not have a reconsideration hearing scheduled because HRSD requested that this meeting take place prior to the request for reconsideration hearing. We want to make sure that the testing process is the same and we are following the same protocols. The HRSD SWIFT initiatives tentatively scheduled to begin on or about May 15, 2018. Approximately thirty days after the start-up, we expect to be required to begin pump and haul operations. They will do their testing to see what the leachate is doing to their process and then they will shut the valve off. We will keep you posted as we move forward with that.

Mr. Bagley recognized Henry Strickland, the Superintendent of the landfill. I saw the landfill 3 years ago and when I came to work here at SPSA, I could not believe the difference in the way the landfill looked and it is constantly improving. Every day I go out there, I see something new that is happening. The Regional Landfill was evaluated by DEQ and they inspected every inch of the landfill for its annual compliance with various regulations. We had no deficiencies for their solid waste and stormwater permits. It was a very thorough inspection., and we received our no deficiency letter on March 12, so I would like to congratulate Henry Strickland on the job he is doing out there.

We had a reportable incident this month. Vault II and Vault IV went down due to failed underground wiring feeding the leachate system. We knew this issue existed and included it as part of the SCADA project. DEQ was notified on March 29, 2018. A generator was connected to both vaults the same evening and DEQ was notified on March 30, 2018 that the system was back on line and operating under generator power. DEQ was notified on April 5, 2018 that repairs were complete and vaults again were operating normally on commercial power. The event resulted in no negative environmental impacts and the leachate remained at less than 12 inches on the liner during the

outage.

Mr. Bagley commented that our transfer stations are operating efficiently and I am very impressed with what the staff does. Boykins, Chesapeake, Isle of Wight, Ivor, Oceana, Norfolk and Suffolk received quarterly inspections by SPSA environmental staff. The quarterly mock inspections utilize the same criteria DEQ uses when performing compliance inspections, which enable SPSA facilities to remain compliant and ready for random DEQ inspections. One deficiency was noted at the Chesapeake transfer station for accumulation of wind-blown debris at one stormwater outfall. That deficiency was immediately corrected. Minor areas of concern were noted at Norfolk, Suffolk and Ivor due to asphalt deteriorating, storm drain washout due to heavy rain, etc.; regular items that are going to have to be taken care of as we move forward.

Ms. DeVary continued with the upcoming agenda items. At the May board meeting, we plan to bring you the various ancillary waste disposal agreements for your review and approval. These are such things as services we provide for household hazardous waste, Norfolk transfer station weekend hours, et cetera. We will be updating you on the RFP process. We will have several annual contract renewals that we will present to you. The chairman will appoint a nominating committee for the upcoming fiscal year. In May, the chairman appoints the committee, the nominating committee reports back on its recommendations in June, and then in July, which is the annual meeting, the Board will vote on those nominations.

C. CHAIRMAN'S COMMENTS

Chairman Keifer (NO) commented that today we are going to be adopting the budget and the tipping fee schedule. I will note again that the tipping fee reduced from at one time a fee of \$125 down to \$62. Thanks to the wonderful efforts of the Board and the staff, we are in good shape. We will also be dealing with the proposals for long-term disposal of waste. Things are going very well.

3. ACTION AGENDA

A. MINUTES OF BOARD MEETING

Chairman Keifer (NO) moved to the action agenda. The minutes of the March 28, 2018 Board minutes have been distributed. He asked if there were any additions or changes.

Mr. McCoy (PO) moved, seconded by Mr. Keaton (IW) that the March 28, 2018 minutes of the SPSA Board meeting be approved as presented. The vote of the motion was unanimous.

B. FINANCIAL MATTERS

1. Financial Reports

Ms. DeVary began for the month ending March 31, 2018, total revenues exceeded total expenses by approximately \$2.48 million as compared to \$2.95 million in the previous year. Tipping fees reflect a 4.7% decrease, or approximately \$1.6 million, as compared to this time last year. The decrease is due to a reduction in the municipal stream and reduction in the municipal tip fee rate. Municipal waste tonnages are down approximately 6,534 tons as compared to this time last year. For the

month ending March 31, 2018, municipal waste tonnages were 288,005 tons as compared to 294,539 a year ago. Total expenses as of March 31, 2018 were approximately \$31.2 million as compared to \$35.1 million in the previous year. If you look at the page that gives the financials by individual line item, you will see that salaries and expenses seem much higher in the month of March, and that is due to being paid biweekly and there were three pay periods in the month of March. Cash balances, were \$23.7 million and designated with the \$2.4 million in the operating fund, \$4.8 million in undesignated fund balance, and \$16.5 million for the landfill closure fund.

Mr. Broad (NO) moved, seconded by Mr. Maxwell (CH) that the financials subject to audit be approved as presented. The vote of the motion was unanimous.

C. BUDGET ADOPTION

Ms. DeVary began her presentation with a brief overview of what was proposed at the last meeting.

Southeastern Public Service Authority

PROPOSED OPERATING & CAPITAL BUDGETS
FY 2019
April 25, 2018

FY 2019 Proposed Budget

②

- Revenues = Expenses for a Total of \$41,572,189
- Represents a 7.5% decrease from FY 2018 or \$3.4 million
- Assumes current disposal costs
- Reduces the municipal tipping fee to \$62 per ton
- Municipal tonnages are projected at 416,490 which includes charging member communities for residential trips to transfer stations and delivery of residential bulk waste collections to SPSA

FY 2019 Revenues

③

- Total Tipping Fees are projected at \$37.7 million or 91% of total revenues and consist of:
 - ✓ Municipal Tip Fees ~ \$25.8 million, a decrease of 28% or \$9.8 million
 - ✓ Navy Waste ~ \$182,198 a decrease of 83% or \$905,935. Current Contract ends 8/31/18
 - ✓ Contract Waste (at transfer stations) ~ \$5.1 million an increase of \$3 million. FY 2018 was a partial year.
 - ✓ Other Waste ~ \$6.6 million
 - ✓ Includes non-contract waste, CDD, Norfolk Sludge and other waste disposed at the landfill

FY 2019 Revenues Continued

④

- Charges for Environmental Services are \$622,000 or 1.5% of total revenues
 - ✓ Tire disposal ~ \$332,000
 - ✓ Household hazardous waste ~ \$250,000
 - ✓ White goods ~ \$40,000
- Landfill Gas Royalties are \$335,000 unchanged from FY 2018
- Miscellaneous Income/Interest Earnings are projected at \$394,950

Of your revenues, total tipping fees of all types of tipping fees are projected at \$37.7 million, and they represent 91% of your total revenues and consist of municipal tip fees at \$25.8 million. It reflects a decrease of 28%, or \$9.8 million, and that is due to the reduction in the tip fee. We only have two months' worth of Navy waste revenue. Their contract actually expires August 31, 2018. I believe they will be renewing, but since we do not know that at this time, I am being conservative

and did not include that additional revenue, which would be approximately another \$900,000. Contract waste received at transfer stations is projected at \$5.1 million, and it is showing an increase of \$3 million, but it is important to note that fiscal year 2018 only represents a partial year. Miscellaneous income and interest earnings are projected at \$394,950. That includes such items as property leases, finance charges, sale of surplus equipment, things like that.

Tip Fee Schedule – Recommended Changes

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Waste Type	Current Rate	Proposed Rate
Municipal Solid Waste	\$65.00 / ton	\$62.00 / ton
Residential Solid Waste Delivered in accordance with Residential Guidelines: (Billed to SPSA Member Community)(Minimum fee does not apply)	No Charge	\$62.00 / ton

- FY 2019 Expenses ~ Summary of Changes**
- 6
- Total Expenses reflect a **net decrease** of 7.5% or \$3.4 million and is reflected in the following areas:
 - ✓ **Operating Expenses decrease** ~ \$675,483 to \$15.3 million
 - Includes a 3% COLA ~ total cost \$207,000 or approximately 50 cents on the tip fee.
 - ✓ **Debt Service decreases** \$2.6 million to \$0
 - ✓ **Waste Disposal Expenses decreases** \$2.6 million
 - ✓ **Reserves for Landfill Expansion increases** ~ \$3.4 million

- Capital Improvements/Equipment Replacement**
- 7
- Capital Improvements /Equipment Replacement decreased by \$931,183 to \$5.7 million
 - Landfill ~ \$690,000 for cleaning the leachate pond, an automated equipment wash, and a GPS system for the compactor.
 - HRSF Force Main ~ \$2.5 million
 - Transfer Stations and Equipment Replacement ~ 1.27 million
 - Transportation ~ \$1,036 million for 8 new tractors
 - Fleet Maintenance ~ \$75,000 for an electric fork lift, new shop doors and a rotary lift at the landfill shop
 - Information Technology - \$122,000 for software and hardware upgrades

- Budget Recap**
- 8
- Total Budget = \$41,572,189
 - Municipal tonnages are projected at 416,489
 - Municipal tip fee decreases to \$62 per ton
 - Assumes current disposal costs
 - Includes a 3% COLA in employee wages
 - No changes to Strategic Operating Plan at this time

There are only two recommended changes on the tip fee schedule. The municipal solid waste tip fee would go from \$65 a ton to \$62 a ton, and then we also note on the tip fee schedule that residential solid waste delivered in accordance with the residential guidelines will be billed to the member community. A minimum fee does not apply, and the rate would be at \$62 a ton. The total expenses reflect a net decrease of 7.5 percent, or 3.4 million, and it's reflected in the following areas: The operating expenses decrease \$675,483, to 15.3 million, and this does include a 3 percent cost of living adjustment to employees. The total cost of the 3% COLA, which includes any other related benefits associated with pay, is \$207,000 and it represents approximately 50 cents on the tip fee. The HRPDC sends out an e-mail requesting what everybody else in the region is doing and that ranges anywhere from zero to 3%. Waste disposal expenses also decreases \$2.6 million, and a new line item that we have in our budget from this point forward is a reserve for landfill expansion and/or closure, and right now it's projected to be around \$3.4 million per year. Capital improvements and equipment replacement decreased by \$931,000, to about \$5.7 million. It includes about \$690,000 for items at the landfill. One, we plan on cleaning the leachate pond. Second, we're looking at purchasing an automated equipment wash, and we're looking at a GPS

system for the compactor. We have also included \$2.5 million for SPSA's share of the cost of the new HRSD forcemain. Transfer stations and equipment replacement have about \$1.27 million. Transportation is a little over \$1 million and it is for 8 new tractors. Fleet maintenance has a total of \$75,000 for a couple of items: an electric forklift, new shop doors, and a rotary lift at the landfill shop. We have also budgeted \$122,000 for software and hardware upgrades. To recap, your total budget is \$41,572,189. Municipal tonnages are projected at 416,489. Municipal tip fee decreases to \$62 per ton. It assumes current disposal costs. It includes a 3% COLA in employee wages. There are no changes to the Strategic Operating Plan at this time.

Mr. McCoy (PO) asked what does cleaning the leachate ponds entail and will that have an effect on what we pump to HRSD.

Mr. Strickland commented you have two lagoons. One is the aeration lagoon, which is for your pretreatment. Then gravity flows over to the settling or clarifying lagoon, and that allows the solids to settle out before we pump it to HRSD. The last time the lagoons were cleaned was approximately 8 years ago. There is a process involved in pumping the ponds down and mucking the solids out of the bottom of the lagoons, and I think that project was around \$150,000. Initial testing shows that the solids that are built up in the lagoons could possibly be contributing to the high COD levels. We are hoping that these scheduled cleanings will help to reduce our CODs.

Mr. Arnold (SU) asked how the COLA increase compares to similarly situated enterprises within this region.

Ms. DeVary responded the HRPDC actually puts out a survey to of all of their communities, which includes the Peninsula. I do not have HRSD, but I do show the HRPDC and HRTAC both budgeted 2.5%. Chesapeake is doing a 2.5% with a minimum floor of \$1,000. From our standpoint there would be 50 people that would not hit that floor.

Mr. Arnold (SU) asked what was done the last two years and why the decision for a 3 % this year.

Ms. DeVary responded that last year we did 3% and the prior year was 2%. We have a 4% increase in our health insurance cost, and we are sharing that cost with the employees. They are taking a bit of a hit on this.

Mr. Arnold (SU) asked historically how does your projected budget match up with the actual budget at the end of the year. Is there a percentage differential you can expect, or is it just wildly inconsistent from year to year?

Ms. DeVary responded normally it is about 5%-10%, which I consider our contingency.

Ms. Raulston (FR) asked if the cost estimate of the dredging of lagoons included the disposal of the sludge.

Mr. Strickland responded the sludge would be able to be disposed of in the landfill as long as it will pass the main filter test.

Mr. Sorrentino asked if there is any option periods to the Navy waste contract that expires at the end of August. Alternatively, would we have to advertise for a new contract?

Ms. DeVary responded that the contract was actually a five-year contract, and when they issued it, they handled it as a sole source contract. This is the end of the contract, and a new contract will need to be developed. In all of the preliminary discussions I have had, they are going to extend and a sole source is what they did previously.

Mr. McCoy (PO) asked if the purchase of the eight additional tractors could utilize the previous bid.

Ms. DeVary responded this year we purchased those eight tractors off a cooperative procurement contract, which we are hoping to utilize again.

Mr. Ashby (PO) commented I'm certainly looking forward to the discussion with regard to the Navy contract and what impact that will have going forward. I did just want to register a bit of a concern as the executive director has explained many jurisdictions are not at 3% and then we are talking annually. That sets a very steep precedent, and so I just wanted to register my comment with regard to that.

Chairman Keifer (NO) commented in response, I would say those are certainly valid comments, but what I noted was we have significantly reduced the tipping fee with great savings to the communities and employees of SPSA have had a part in that. I think particularly this year, it is appropriate to share some of that with them. Otherwise, your comments are normally something to talk about, but I think we have had a very good year and we would like to share some of it.

Mr. Barnes (VB) commented the budget is certainly moving in the right direction, and there is a lot of transition, many things going on. Comparing this year's budget to last year's budget is not really a straight-up comparison because there are many things that have changed. I am good with the budget where it is, but I see the need for some significant strategic planning and presentation of where we are from an efficiency and effectiveness standpoint given all of the changes that have happened in terms of disposal, transfer stations, those types of things. I see as significant opportunity to look at those things and not simply comparing what we did last year to where we are this year. I think the budget is prudent from where we are, but from an efficiency standpoint, those are certainly things that need to be benchmarked across the board, landfill transfers, and transportation. The other item would be the landfill expansion. I am glad to see that we are setting aside money for that. I'm glad to see we've got \$16 million in reserve, but I don't have a good sense of where that puts us based on the decisions that we make moving forward on other disposal options. Being able to see those comprehensively across the board will be helpful moving forward. The budget is good where we are, but I see opportunities for dialing that in even better for next year.

Ms. DeVary commented I realize you make these comments routinely, I truly appreciate them, and I would like to ask for your help. If you could e-mail me some specific information, so I have a better idea of what you are looking for. I know you want to see these things and I do not want to be spinning my wheels if it is not exactly what you are looking to see.

Mr. Barnes (VB) responded I can certainly do that.

Mr. McCoy (PO) commented I think it is very important that our employees do get a raise. I think it is very important that we bear in mind the communities that we do serve. Many of them may not be getting it. I am taking the same position that I did last month.

Ms. DeVary responded I absolutely appreciate your concerns. I can email the information that I received from the HRPDC. It summarizes the actual salary adjustments that have been made by jurisdictions since 2014 and lists each one of them. Of our member communities, Portsmouth is continuing a living wage salary adjustment initiative, the same that was done in the previous year. Southampton County is funding a 3-year phase-in of an updated plan. Franklin is unknown at this time.

Mr. Williams (FR) responded that it will likely be zero.

Mr. Ashby (PO) commented to clarify Portsmouth is in a multiyear attempt to make a cost of living adjustment for folks under \$17,000 a year. As of last night, there is no increase expected in terms of a COLA across the board for Portsmouth.

Mr. Arnold (SU) commented I operate in the private sector. The economy in the region has been flat for a decade, and people's wages are very important to them, and I do not mean to belittle that at all, but I think we need to look at it year after year. I do not know that 3% is sustainable as a matter of course. What concerns me is that if our tip fees are going down but our labor fees are going up, that does not make sense. That is counterintuitive to what we usually see in the private sector. Usually our costs of labor go up so we have to pass that along to our customers. I do not doubt what you are saying, but I think over the long-term it is inconsistent with what we are seeing in both the public and the private sector.

Ms. DeVary responded the total salaries and benefits represent 21% of the budget which is not the largest portion of your budget, which I think it is in most other localities. We have also had a reduction in staff, we are down to 142 head count with positions. We are not trying to fix it at 3% annually and it is certainly something we will look at each year.

Mr. Arnold (SU) moved, seconded by Mr. Ashby (PO) that the SPSA Operating and Capital Budgets for fiscal year 2018-2019 be adopted as presented. The vote of the motion was unanimous.

D. ADOPTION OF FEES AND CHARGES SCHEDULE

Ms. DeVary commented there would be two changes. We will be reducing the municipal tip fee from the current \$65 per ton down to \$62 per ton, as well as adding that residential waste delivered under the residential waste guidelines will be charged back to the member communities at the rate of \$62 per ton.

Mr. McCoy (PO) moved, seconded by Mr. Jenkins (CH) that the Schedule of Fees and Charges as advertised be adopted with an date of effective July 1, 2018. The vote of the motion was unanimous.



SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
Fees and Charges for Solid Waste Management

Proposed Effective July 1, 2018

WASTE DISPOSAL - TRANSFER STATIONS	
Waste Delivered to All Disposal Points:	Rate
Municipal Solid Waste (delivered by or on behalf of any SPSA Member Community directly to a SPSA Transfer Station or directly to the WPI RDF Facility)	\$46 per ton \$62 per ton
Contract Non-Municipal Customers (minimum 50,000 tpy)	\$49 per ton
Non-Contract Non-Municipal Customers	\$75 per ton
U.S. Navy Waste under contract with SPSA	Per Contract
Residential Solid Waste Delivered in accordance with Residential Guidelines (Billed to SPSA Member Community)(Minimum fee does not apply)	No Charge \$62 per ton
Certified Weight	\$20

Regulated Medical Waste is Prohibited at all SPSA Facilities. A Penalty will be charged Per Occurrence of \$250, Plus any Costs Incurred/Revenues Lost

WASTE DISPOSAL - LANDFILL ONLY	
Waste Delivered to SPSA's Regional Landfill:	Rate
Municipal Solid Waste Unacceptable at Transfer Stations (delivered by or on behalf of any SPSA Member Community)	\$46 per ton \$62 per ton
Industrial Process Waste (accepted only with prior approval)	\$75 per ton
Solid Waste Unacceptable at Transfer Station (non-municipal customer)	\$75 per ton
Dead Animals Bagged or Unbagged (household pets only, i.e. dogs and cats)	\$20 each
Water Treatment Plant Sludge from any Member Community Transported by SPSA	\$50 per ton
Construction and Demolition Waste	\$51 per ton
Campers/trailers (minimum fee \$204 each)	\$204 per ton
Boats (minimum fee \$84 each) (All liquids must be removed prior to delivery and disposal)	\$84 per ton
Special Handling Waste (accepted only with prior approval)	Handling Cost plus 25%

TIRES - LANDFILL ONLY	
Whole Tires Accepted at SPSA's Regional Landfill Only:	Rate
Automobile and Light Truck	\$82.50 per ton
Automobile and Light Truck DIRTY LOAD	\$150 per ton
Truck and Light Industrial (up to 24.5" dia diameter)	\$145 per ton
Heavy Equipment and Off-the-Road	\$160 each
Tires with Rims	Add \$3.00 per tire

HOUSEHOLD HAZARDOUS WASTE	
User Fees:	Rate
Rate Per Resident Visit (Billed to SPSA Member Community)	\$36 per visit
Waste Accepted at SPSA's Regional Landfill (from Businesses)	
Batteries (lead & rechargeable)	Rate
Batteries	\$60 per ton
Alkaline Batteries	\$0.75 / lb.
SPSA reserves the right to reject certain quantities of batteries dependent on storage availability.	

MISCELLANEOUS	
Appliances with CFC Disposed at SPSA's Regional Landfill:	Rate
SPSA Member Community or Residents (Billed to SPSA Member Community)	\$15 each
Businesses	\$15 each
White Goods Containers (Includes rental rate plus haul cost)	\$75 - \$125 per pull

SOILS FOR USE AS ALTERNATIVE DAILY COVER (ADC)

Material Type	Disposal Rate Per Ton
ADC10	\$10.00
ADC15	\$15.00
ADC20	\$20.00
ADC25	\$25.00

General Rate Explanation: Those wishing to dispose of soils as ADC must receive prior approval from the Landfill Superintendent or his/her designee. At a minimum, SPSA requires the submission of specified analytical results prior to delivery and acceptance of any soils. No soils will be considered for use as ADC containing rebar or with debris containing rebar. Material with a higher than desirable moisture content will be charged the ADC25 rate.

- ADC10 (\$10 rate) applies to material of screen quality
- ADC15 (\$15 rate) applies to material with manageable amounts of 1" or smaller debris such as brick, concrete, or asphalt
- ADC20 (\$20 rate) applies to material that contains a manageable amount of debris such as brick, concrete, or asphalt between 1" and 2" in size
- ADC25 (\$25 rate) applies to material that contains a manageable amount of debris such as brick, concrete, or asphalt, larger than 2" or high moisture content

For any category of Waste Disposal which is based on weight, the Minimum Fee is \$20.00, unless otherwise noted above.

4. CLOSED SESSION

Warren Tisdale, General Counsel read the following closed session certification:

I move that closed session be held for discussion regarding the responses to SPSA's Request For Proposal for Municipal Solid Waste Disposal Services dated January 3, 2018, in accordance with the Virginia Code Section 2.2-3711(A)(29), and with Virginia Code Section 2.2-3711(A)(8) for the purposes of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice through counsel.

Ms. DeVary commented that we are asking that everyone in the audience to please leave the room, with the exception of Dennis Bagley.

Mr. Williams (FR) moved, seconded by Mr. Broad (NO) to approve the certification as read. The vote of the motion was unanimous.

5. ACTIONS ARISING FROM CLOSED SESSION

Immediately upon completion of the closed meeting, General Counsel, Warren Tisdale, read the following certification:

The Board of Directors hereby certify 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.

Mr. Williams (FR) moved, seconded by Mr. Sorrentino (VB) to approve the certification as read. The vote of the motion was unanimous.

6. OLD/NEW BUSINESS

Chairman Keifer (NO) stated that we have a resolution to read and called upon Warren Tisdale, General Counsel to read the following resolution:

DESIGNATION OF OFFEROR FOR NEGOTIATION PURSUANT TO REQUEST FOR PROPOSAL FOR MUNICIPAL SOLID WASTE DISPOSAL SERVICES (RFP 06-18)

WHEREAS, on January 3, 2018, SPSA issued a Request for Proposal for Municipal Solid Waste (MSW) Disposal Services (RFP 06-18) (as amended, the "RFP") to establish one or more contracts through competitive negotiation for the acceptance and processing, recycling and/or disposal of municipal solid waste ("MSW") delivered by or on behalf of SPSA, to contractor's

permitted facility and for such contractor(s) facility(ies) to serve as a Designated Disposal Mechanism (as defined in SPSA's Strategic Operating Plan (the "SOP")); and

WHEREAS, three offerors submitted proposals to SPSA in response to the RFP: Brunswick Waste Management Facility, LLC - Republic Services; Wheelabrator Portsmouth, Inc. ("Wheelabrator"); and Recycling and Disposal Solutions of Virginia, Inc.; and

WHEREAS, on February 28, 2018, SPSA's Board of Directors (the "Board") established an evaluation committee (the "Evaluation Committee") to evaluate the proposals in accordance with Paragraph 3 of Section IV of the RFP; and

WHEREAS, the Evaluation Committee evaluated all of the proposals in accordance with Section IV of the RFP relating to minimum qualifications and the evaluation criteria/scoring in a manner consistent with the procurement of services through competitive negotiation; and

WHEREAS, the Evaluation Committee submitted its recommendation regarding the offerors and their respective proposals to the Board; and

WHEREAS, the Board has considered the recommendation of the Evaluation Committee and has evaluated on its own the three proposals in accordance with the evaluation criteria/scoring in Paragraph 2 of Section IV of the RFP; and

WHEREAS, following due consideration of the three proposals, including consideration of the recommendation of the Evaluation Committee and presentations prepared and delivered by SPSA Executive Staff, the Board believes, in its sole discretion, that one offeror, Wheelabrator, is clearly more highly qualified than the others under consideration, and it is in the best interest of SPSA and its member communities to negotiate with Wheelabrator a contract for the services contemplated by the RFP in accordance with Section 2.2 4302.2(A) of the Virginia Code and Section IV of the RFP.

NOW, THEREFORE, the Board hereby:

1. Determines, as it may in its sole discretion pursuant to Section 2.2 4302.2(A)(3) of the Virginia Code and Section IV of the RFP, that Wheelabrator is clearly more highly qualified than the others under consideration, and that the Board shall document this determination in writing, separately from this resolution; and
2. Directs the Evaluation Committee, with the assistance of legal counsel, to conduct negotiations with Wheelabrator in accordance with the RFP and applicable law; and
3. Directs the Evaluation Committee to negotiate an agreement with Wheelabrator that is in the best interests of SPSA and its member communities and following such negotiation, to present such agreement to the Board for its consideration and possible award at a future Board meeting; and
4. Confirms its intention to compare (i) the proposal of Wheelabrator, as modified during negotiations and as presented in the form of the agreement ultimately to be considered by the Board, to (ii) disposal of MSW at SPSA's Regional Landfill (as defined in the SOP); and
5. Reconfirms that, in accordance with the RFP and applicable law, the Board may cancel the RFP at any time.

Adopted at the Meeting of the Board of Directors on April 25, 2018

Mr. Arnold (SU) moved, seconded by Mr. McCoy (PO) to approve the Resolution for designation of offeror for negotiation pursuant to request for proposal for municipal solid waste disposal services (RFP 06-18) as read. The vote of the motion was unanimous.

7. **ADJOURN MEETING**

There being no other business to come before the Board of Directors the regular meeting was adjourned at 11:18 a.m.



Liesl R. DeVary
Executive Director

Submitted by: Blanche Christian
Secretary, SPSA Board of Directors