

SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting
Regional Board Room
723 Woodlake Drive, Chesapeake, Virginia



Wednesday, October 23, 2019 at 9:30 a.m.

| | |
|--|----|
| 1. Call Meeting to Order | 1 |
| Pledge of Allegiance | 1 |
| Roll Call..... | 1 |
| 2. Public Comment Period | 1 |
| 3. Chairman’s Comments | 1 |
| 4. Approval of Minutes | 1 |
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| Facilities Assessment and Development of a Capital Replacement Schedule... | 39 |
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| Willcox & Savage Engagement Letter | 41 |
| 9. Other Business | 49 |
| 10. Adjourn Meeting | 49 |

1. Call Meeting to Order

Pledge of Allegiance
Roll Call

2. Public Comment Period

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

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

The minutes of the September 25, 2019 Board meeting are included below for your review and approval.

RECOMMENDED ACTION: Approve the minutes as presented.

MOTION: Do I hear a motion that the September 25, 2019 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**

September 25, 2019

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) | Ms. Amanda Jarratt <i>(absent)</i> | (FR) |
| Mr. Dale Baugh <i>(absent)</i> | (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 <i>(absent)</i> | (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, Mr. Eric Martin (CH), Mr. Michael Etheridge (IW), Ms. Trista Pope (NO), Mr. Scott Mills (SU), and the following SPSA executives, Ms. Liesl R. DeVary, Executive Director and Treasurer, Mr. Dennis Bagley, Deputy Executive Director, Ms. Sandy Schreiber, Accounting Manager and Secretary, Ms. Tressa Preston, Executive Administrator, Mr. Warren Tisdale, General Counsel, and Mr. Brett Spain, Attorney with Willcox & Savage.

1. CALL MEETING TO ORDER

Chairman Keifer, Chairman of the Board, called the meeting to order at 9:30 AM.

2. PUBLIC COMMENT – No public comments received.

3. CHAIRMAN'S COMMENTS

Chairman Keifer had no comments, but ceded the floor to Ms. DeVary for some introductions. Ms. DeVary introduced Tressa Preston, newly hired Executive Administrator. Ms. Preston comes to SPSA with over 7 years of experience working with executives and over 5 years of experience as a legal assistant. Chairman Keifer welcomed Ms. Preston.

Ms. DeVary went on to say that there will be a change in SPSA's General Council. Mr. Tisdale explained that he will be retiring on December 31, 2019 and has given careful

consideration as to who might be the person to take his place. He introduced Brett Spain, an attorney from Willcox & Savage, who Mr. Tisdale describes as an extraordinary attorney who is very smart, has good attention to detail, good judgment, and most importantly has an unflappable demeanor and is very diplomatic. Mr. Tisdale thinks Mr. Spain will work very well with the Board. As a formality, a new engagement letter for legal services will be brought to the Board at the October Board Meeting.

4. APPROVAL OF MINUTES

The minutes of the August 28, 2019 Board meeting have been distributed. Chairman Keifer asked if there were any additions or changes.

Mr. Maxwell moved, seconded by Mr. McCoy to approve the August 28, 2019 minutes of the SPSA board as presented. The vote of the motion was unanimous.

5. EXECUTIVE DIRECTOR UPDATES

Ms. DeVary began by stating that she is very excited for this presentation. The SPSA Leadership Team has spent the last several months working with the communications and marketing arm of HDR to create a rebranding for SPSA. While most businesses do a rebranding ahead of their restructuring efforts, SPSA has done it the other way around. Ms. DeVary went on to say that SPSA has completed a major restructuring over the last ten years and that restructuring has necessitated a rebranding, which SPSA staff is very excited about.

Ms. DeVary goes on to address the question of why SPSA is undertaking a rebranding. As she mentioned earlier, in 2010 the SPSA Board was transformed, which ushered in a new era of financial responsibility, environmentally-conscious decisions, accountability and transparency. SPSA wants its member communities to be proud of partnering with SPSA and they believe that there needs to be a visual reminder of SPSA 2.0, not just for the communities, but also for the employees that have contributed to the new SPSA along the way. Another main reason for the timing of this rebranding is that it is the first step in changing any biased perception of SPSA as preparations for the public campaign for the permitting process begin. While the hope is that any negative thoughts about SPSA have diminished, it is the time to present a new SPSA.

Ms. DeVary presented the renewed philosophy and values, which will be carried down through the ranks and become a part of employee evaluations. She reminded the Board that this process was taken very seriously by the entire Leadership Team and these changes were developed by the entire group. The purpose of the Authority has not changed, as it was defined by House Bill 1872, also known as the Cosgrove Bill. The mission remains largely unchanged, as well. However, the new vision is to be the gold standard leader in innovative waste management and landfill operations. The new values: Environmental Stewardship, Community Stewardship, Pride, Dependability, Convenience, and Fiscal Responsibility, have been thoroughly defined in a way that is easy to understand.

Ms. DeVary unveiled the new logo and distributed a handout to the Board so they could see the true colors of the badge and lettering. There is also an additional image that shows trash being transformed into a beautiful landfill. The logo also features the words “Waste Solutions” so that people can better understand what SPSA does and give it a clearer definition. Moving forward, whenever someone sees “SPSA” they will also see “Waste Solutions.” The logo is developed in the shape of a shield and it represents both protecting the environment and the community SPSA serves, as well as the Authority’s sense of responsibility to be a steward of Hampton Roads.

Ms. DeVary presented the Board with images of what the new website, facility signage, and potential new clothing options would look like with the new branding. She also showed the image of a possible trailer design, but stated that due to the regular repair work needed on the trailers, that idea may not be viable. Ms. DeVary went on to assure the Board that the initial installation will be limited to items that are within the current budget means. This will involve new stickers for SPSA tractors and vehicles, as well as business cards and letterhead. Ms. DeVary also informed the Board that SPSA, HDR, and the attorneys are looking into a tag line to be used, but proper trademarking would have to be obtained before that would take place.

SOUTHEASTERN PUBLIC SERVICE AUTHORITY

SPSA ~ Re-Branding

SPSA has transformed its operations over the last several years and this has necessitated a re-branding.

SPSA

Current Brand ~ Since 1985




SPSA

Current Values, Goals

Strategic Operating Plan:

Core Purpose: Management of safe and environmentally sound disposal of regional waste.

Philosophy: SPSA will be a service-oriented, quality-focused organization that continually seeks improvement and cost effectiveness.

Cores Values: Integrity, excellence, accountability, cooperation, teamwork.


SPSA Website:

SPSA's shared goals are:

- Maintain and enhance a customer service focus
- Operate efficiently and effectively
- Maintain a culture where employees are motivated and productive
- Continue to be fiscally responsible
- Maintain and enhance trust and confidence in the organization

SPSA

Current Signage



SPSA

Why?

- In 2010, the SPSA Board was transformed which ushered in a new era of financial responsibility, environmentally conscious decisions, accountability and transparency.
- We want our communities to be proud in partnering with SPSA.
- There needs to be a visual reminder of SPSA 2.0, not just for our communities but also for the employees that have contributed along the way.
- The first step in changing any biased perception of SPSA as we prepare for a public campaign for the permitting process.

SPSA 5

Renewed Philosophy

We pride ourselves on being stewards of the environment. From treating your solid waste as a resource for converting trash to green energy and preventing waste and litter from entering our waterways, to transforming tons of solid waste into beautiful outdoor spaces full of natural life, our environmental impact is something that should make our community proud.

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Purpose, Mission, Vision

Our Purpose: The management of the safe and environmentally sound disposal of regional waste.

Our Mission: To provide an efficient and responsible waste management system for our member communities.

Our Vision: To be the gold standard leader in innovative waste management and landfill operations.

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Our Values

Environmental Stewardship
Community Stewardship
Pride
Dependability
Convenience
Fiscal Responsibility

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Our Values Defined

Environmental Stewardship:
We care about making environmentally responsible choices. We know you do, too. Our commitment to environmentally-conscious practices is one that we take seriously and it shows in the work that we do.

Community Stewardship:
Our relationship with the communities we serve is our highest priority. We strive every day to bring you a high-quality service that you can trust at a reasonable price.

Pride:
Nothing shows our pride in our work more than how we keep and maintain our equipment and facilities. We encourage our community members to come check out our facilities. We have a lot to show off.

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Our Values Defined

Dependability:
We understand our vital role in this community and will push ourselves to ensure dependable disposal options to our member communities for years to come.

Convenience:
A system that is complicated or overwhelming won't work. We are dedicated to listening to our customers and ensuring the most convenient service possible.

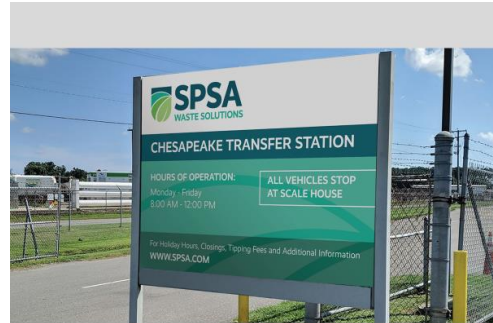
Fiscal Responsibility:
We are practically tackling today's realities and preparing for tomorrow's challenges. Running a fiscally responsible and efficient waste system requires in-depth analysis and meticulous practices. We're on it.

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The logo is developed on the shape of a shield, representing protecting both the environment and the communities SPSA serves, as well as the authority's sense of responsibility to be a steward of Hampton Roads.

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Mr. McCoy thanked the staff for their efforts stating that in both the private sector and the public sector, organizations are constantly trying to identify themselves to the community and it is not uncommon for organizations to change their logos to be more clearly identifiable and that the most important thing SPSA can do is to identify itself and what the Authority does for the community. Mr. McCoy referred to the picture of the trash being transformed into the beautiful representation of Mother Earth as truly telling the story of what SPSA does. He again thanked the staff for their efforts, Ms. DeVary for involving the Leadership Team, and the Leadership Team for including the thoughts of the rest of the staff.

Mr. McCoy went on to talk about the new branding speaking to what SPSA has become. Look at the landfill SCADA system and the drones SPSA uses, along with the data on compaction per cubic yard, it really says a lot about what SPSA does. Mr. McCoy went on to say that even the state Department of Environmental Quality has stated that SPSA is one of the leaders, if not the leader, in landfill presentation in the state of Virginia. Mr. McCoy extended his compliments to Ms. DeVary and the staff for their fine work.

Ms. DeVary stated that while initially it was staff that was more interested in the rebranding process than she was, she is now very proud of what has been put together and is glad that the Authority is making the change. Ms. DeVary reiterated that they are not asking for any money at this time and that many things can be done within the current budget. The changes will roll out slowly and management will be mindful about the cost involved.

Mr. Barnes added his appreciation for the time and effort put into the rebranding process. He went on to say that the most compelling part of the idea is making sure that the public understands that SPSA is a different organization than the previous 30 years. Mr. Barnes went on to say that the change is fairly dramatic and it simplifies a lot of concepts that need to be pursued. He applauds the efforts taken in the process.

Ms. DeVary and Chairman Keifer thanked Mr. Barnes for his comments.

Mr. Martin added that, as a long-time Board member, he thinks that SPSA is right on target having moved the organization from a bureaucracy more to an efficient business whose mission is taking precedence. SPSA is delivering great services at a great price and the branding is timely. He commends the staff for making the mission statement and values outwardly focused speaking directly to SPSA's customers creating an important external focus to engage the public.

Ms. DeVary continued with the Executive Director's Report stating that SPSA staff continue to work hard and are going a great job. The annual audit is under way and this is the first time in ten years that Ms. DeVary has not been the sole person coordinating the audit. Ms. DeVary commends and thanks Ms. Sandy Schreiber for all of the work she has been doing to coordinate the audit.

Ms. DeVary went on to provide an update on the permitting process for landfill Cells VIII and IX. A preliminary draft Purpose and Need Statement has been completed and reviewed by the Executive Committee. SPSA plans to submit both the draft Purpose and Need Statement, as well as the proposed RFP for the third-party consultant to prepare the Environmental Impact Statement to the Army Corps of Engineers early next week, so that the Corps can review and suggest changes, if necessary. Ms. DeVary will send the Purpose and Need Statement and the RFP to the Board and keep them updated as any comments are received.

Mr. Bagley presented the Operations Report stating that during the most recent reporting period, SPSA brought 34,977 tons of waste into the landfill, which is a 11,253 ton decrease from the last reporting period. Wheelabrator delivered 13,743 tons of residue to the landfill, roughly 50% of which was nonqualifying and the amount of nonqualifying ash continues to increase. Wheelabrator has had quite a few issues this month with the equipment failures for the screener, but they are working on it and anticipate improved numbers if they can keep the machine operating.

Total leachate hauled for the reporting period is 698,421 gallons. The amount that HRSD accepted through the force main is 681,000 gallons. Mr. Bagley reported that this is likely to be a steady number until the new pump station is operational. The total leachate sent to HRSD was 1,379,933 gallons, which was a decrease of 143,319 gallons from the last reporting period. Mr. Bagley commented that this fluctuation in numbers is likely due to the previous month's additional pumping to lower the levels of the leachate settling ponds in anticipation of beginning the cleaning process. There were no odor complaints this reporting period.

Mr. Bagley went on to report on the diversion of waste that occurred during the reporting period and that has been in discussion over the last several months. Beginning on August 30th and continuing through the Labor Day weekend, the ash conveyor at Wheelabrator had difficulties, which resulted in delays due to the amount of waste on the floor. Sometimes SPSA trucks were waiting up to two and a half hours to unload. On the 5th of September, the plant actually shut down and did not accept any waste, resulting in SPSA diverting waste to the regional landfill. This diversion of waste continued from September 5th through September 10th, at which point Wheelabrator was able to accept waste at the RDF plant. Mr. Bagley's understanding is that the majority of the problems were caused by the ash system not working properly which shut the boilers down. The determination to divert was made each day during September 5th – 10th based on the amount of waste Wheelabrator had in the pit, which reached as much as 4,500 tons, along with as much as 2,500 tons on the floor.

The total amount of waste that was diverted to the landfill during that timeframe was 1,428 tons, which is considerable. Although there is an agreement that SPSA can move waste back to the RDF plant, due to expenses incurred by SPSA, it was decided not to move the waste back in an attempt to cover costs. A previous diversion from July was moved back to the RDF with 240 remaining tons that still need to be moved. Mr. Bagley went on to say that Wheelabrator has been operating well in the last few days and he believes that many issues have been worked out and that improvements that are in progress will have a positive impact on operations.

Mr. Barnes asked if the two and a half hour delays at Wheelabrator impacted the transfer stations. Mr. Bagley responded that the two and a half hour delays happened after the transfer stations were closed. It was only Oceana and Landstown trucks that were hauling at night, some of which were backed up as late as 11:00 p.m. Mr. Barnes responded that diverting to the landfill would not have been an option at that hour. Mr. Bagley confirmed that was the case. He went on to say that one of the factors that is always at the front of his mind when making decisions is the SPSA core value of "Dependability." A great deal of work goes on behind the scenes to ensure that member communities are not impacted at all when situations like this occur. The first priority from a transportation and transfer station perspective is to make sure that the community is not delayed and that they see none of the issues going on behind the scenes even if that means that SPSA incurs extra costs for drivers and overtime.

At this point, Chairman Keifer elected to have Wheelabrator present their report before continuing with the Executive Director's Report.

6. WHEELABRATOR PORTSMOUTH MONTHLY REPORT

Mr. Clint Stratton of Wheelabrator responded to Mr. Bagley's statements, confirming that Wheelabrator's primary ash conveyor went down on August 30th. While making repairs on that conveyor their secondary conveyor broke several times, making the system inoperable. This caused their boilers to go down and resulted in the maximum pit volumes of 4,500 tons to which Mr. Bagley referred. Wheelabrator had 24 hour around the clock maintenance support to get back online. Mr. Stratton thanked SPSA and Mr. Bagley for working with Wheelabrator during that process. SPSA is Wheelabrator's biggest customer and they

apologize for the extended wait times. Mr. Stratton told the Board that there are improvement projects budgeted for the first quarter of 2020 to replace the entire ash conveyor. The Director of Maintenance for the facility and the VP of Maintenance for Wheelabrator is assisting the facility to ensure that proper actions are being taken to correct the long-term issues they have been experiencing.

Chairman Keifer requested that in future reports Mr. Stratton include the status of these rehabilitation plans so that the Board can be made aware of progress. Mr. Stratton agreed.

Mr. Stratton presented the August 2019 operational report for Wheelabrator Portsmouth:

Wheelabrator Portsmouth August 2019 Operational Data



| | | | | |
|------------------------------|-----------------------------|--------------------------------|---------------------------|-------------------------------|
| 51,074 Tons | 62,623 Tons | 51,305 Tons | 18,743* Tons | 16,517 MW |
| Total waste received by SPSA | Waste delivered to RDF | Total RDF processed | Ash sent to landfill | Electric power sold |
| 30,034 K-LBS | 87% | 98% | 1 | 2 |
| Steam sold to U.S. Navy | Overall boiler availability | Overall generator availability | OSHA recordable accidents | OSHA recordable accidents YTD |

*Includes 6,803 tons of non-qualifying residue delivered to landfill

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After reviewing the operational data, Mr. Stratton continued by sharing some facility updates with the Board. During the reporting period Wheelabrator experienced four boiler outages. Major work included the grate overhaul, chair and bar replacement, flue gas repairs, and pressure part ash removal work to ensure boiler reliability. The shredder motor on the B line has tested satisfactory and will be in service tomorrow. The third line should be in service by early next week. The closure mechanism was installed and tested so SPSA can tip trailers at the RFP plant. Mr. Stratton congratulated a driver for being one of only two people who he has ever seen back up correctly on the first try. Mr. Tim Strickland is working with SPSA's drivers to get everyone trained for tipping trailers.

Mr. Stratton also let the Board know that Wheelabrator is having a driver appreciation event on October 8th from 11:00 a.m. to 1:00 p.m. and encourages SPSA drivers to participate. He also invited anyone who wants to take a tour of the facility to come out.

Mr. McCoy asked about the speed of tipping versus walking. Mr. Stratton responded that, while it has been a long time since he timed SPSA trucks, he averages that its 18 to 19 minutes for a walker and 5 to 6 minutes to tip. Mr. McCoy and Mr. Stratton agreed that this

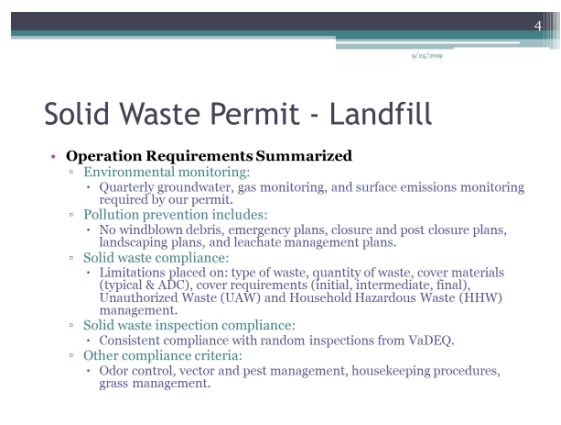
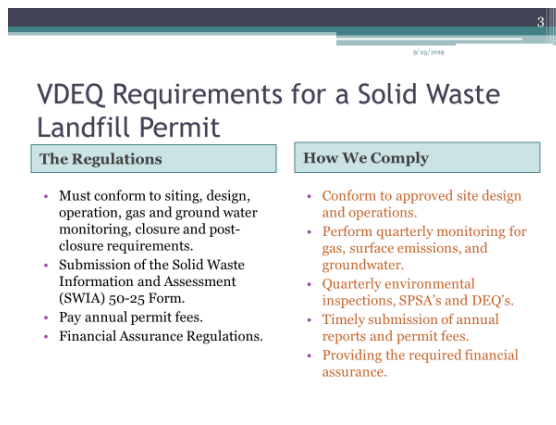
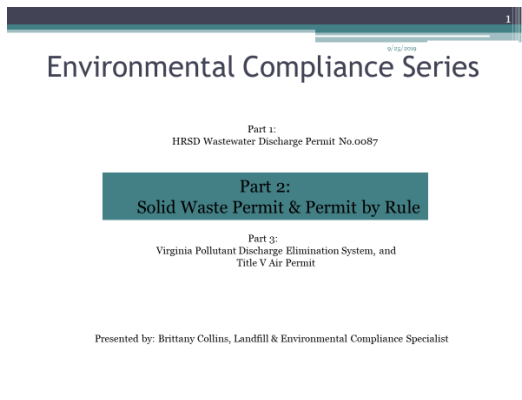
was a positive development for both SPSA and Wheelabrator. Mr. Stratton thanked the Board and staff for their support though these issues.

Chairman Keifer turned the meeting back over to Mr. Bagley to pick up where he left off in the Operating Report portion of the Executive Director’s Updates.

5. EXECUTIVE DIRECTOR UPDATES, CONT.

Mr. Bagley reminded the Board that SPSA began a series of environmental presentations at the last Board Meeting. Before beginning on Part 2 of that series, which focuses on Solid Waste Permits, he explained that the purpose of the series is to illustrate SPSA’s commitment to the core value of “Environmental Stewardship.” SPSA takes its responsibility very seriously and these presentations will help show in simple terms the complexity of issues that SPSA addresses from an environmental standpoint. Additionally, Ms. Brittany Collins, SPSA’s Environmental Compliance Specialist is very knowledgeable on the technical issues and regulations that must be followed and SPSA is fortunate to have her expertise. By being proactive, SPSA has been able to eliminate most problem areas and Ms. Collins will be able to explain to you exactly how we are able to do that.

Ms. Collins presented the second part of the Environmental Compliance Series – Part 2: Solid Waste Permit & Permit by Rule.





5

Solid Waste Permit con't

Gas Monitoring and Surface Emissions Monitoring

- We perform gas and surface emissions monitoring quarterly. Very seldom do either of these monitoring events have exceedances.

Groundwater Monitoring

- We perform groundwater monitoring on a quarterly basis.
- We are currently under a Corrective Action Monitoring Program (CAMP) for re-occurring metals which are consistent with the area.



7

Solid Waste Compliance and Pollution Prevention Regulations

- **Landfills shall not:**
 - Allow leachate to drain into stormwater.
 - Cause a discharge of pollutants or violate any requirements of the Clean Water Act.
 - Cause the discharge of a nonpoint source of pollution to waters that violates any requirement of water quality management plan that has been approved under of the Clean Water Act.
 - Allow solid waste to be deposited in or to enter any surface waters or groundwaters.
- **Fencing or other suitable control means shall be used to control litter migration.**
- **All litter blown from the landfill operations shall be collected on a weekly basis.**
- **Comply with compaction and cover requirements.**
- **Sanitary landfills shall not dispose of the following wastes:**
 - White goods
 - Hazardous waste



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Sampling

Gas Monitoring and Surface Emissions Monitoring

- Gas monitoring is performed by physically checking surrounding wells for underground gas concentrations with the use of specialized monitoring equipment.
- Surface emissions monitoring checks for methane concentrations on the surface of the landfill with the use of specialized monitoring equipment.

Groundwater Monitoring

- Groundwater monitoring is performed using technical monitoring equipment to read a variety of parameters in real time. Ground water is tested from the surrounding wells at the landfill. Once the water has reached a specific baseline, bottles are filled with the flowing groundwater and sent to our contracted laboratory for analysis.



8

Solid Waste Compliance and Other Compliance Matters

- **Odors shall be effectively controlled so they do not constitute nuisances or hazards.**
 - Odors are controlled with regular cover activities on the Landfill
 - Transfer stations limit odor by containerizing wastes quickly for transfer.
- **Disease vectors shall be controlled using techniques for the protection of human health and the environment.**
 - Disease vectors are seldom because of the natural wildlife in the area, however humane traps are utilized at tipping floors for rodents.
- **Fugitive dust and mud deposits on main offsite roads and access roads shall be minimized at all times to limit nuisances.**
 - We use the water truck during dry weather to keep trucks from lifting dust off the roads.
 - Mud deposits are limited with regular grading and compaction of our service roads.



9

Inspection Criteria and How We Are Always Prepared:

Random inspections by VaDEQ inspector.

- Inspections cover paperwork, physical inspection of the landfill, working face practices, leachate monitoring, and any changes that have occurred since the previous inspection.

Ways we stay prepared for these inspections.

- Keeping up with final cover and seeding as we move from one working face to a new working face.
- Daily inspections are performed by the environmental staff to ensure compliance with DEQ standards.
- Paperwork is kept up to date and available if DEQ requests anything for their records.
- The SCADA system keeps real time observations of the Leachate levels within the landfill and ponds.
- All monitoring data is completed at the time of sampling to ensure no errors are made within the deadline of the sampling event.



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Permit by Rules

- We have Permit by Rules or PBR's for our transfer stations.
- **Differences between SWPs and PBRs include:**
 - PBR holders do NOT store uncontainerized waste.
 - PBR's do not have monitoring requirements, such as the surface emissions, groundwater, and gas monitoring.
 - Lower annual fees.
- **Similarities to the SWP**
 - Pollution prevention requirements.
 - Must provide control of odors, windblown debris.
 - Must provide stormwater plans, closure and post-closure plans, UAW plans.
 - Random inspections are performed by VaDEQ.
- **Transfer Station Supervisors perform daily inspections and the SPSA Environmental Team performs quarterly inspections to ensure compliance with all VaDEQ standards as well as our own.**

PBR-Environmental Inspections

- SPSA Environmental Department performs quarterly environmental inspections at all of our locations. We review based on inspection regulation requirements:
 - Operator certification and operations manuals.
 - UAW received and UAW controls.
 - Physical condition of the areas.
 - Specifically the tipping floor, roads, scales, storage areas, etc.
 - Household Hazardous Wastes storage, if applicable.
 - Aboveground or Underground Storage Tanks and their condition.
 - Incident reports, if applicable.
 - Stormwater management.
 - Odor, and wind blown debris management.
 - Leachate management.

After the presentation, Ms. Collins asked for questions from the Board. Ms. Raulston stated that while her experience with industrial landfills makes her quite familiar with the subject of the presentation, she has a few questions, including wanting to know about the permit requirements for surface emissions. Ms. Collins responded that a quarterly monitoring of the surface of the landfill takes place, checking roughly every one hundred feet for methane emissions that go over 25 percent of the limits of explosive for methane. Ms. Raulston then asked about vector and pest management, inquiring as to what the main problems are and how they are addressed. Ms. Collins responded that the biggest vector issue is seagulls picking trash off of the working base and that the best course of action is to make sure that trash is covered at an effective rate to keep them from being able to access the trash in general. Ms. Raulston's final question was to ask what types of alternative daily coverage are allowed under the permit. Ms. Collins stated that the landfill currently uses clean ash as daily cover. They also use clean fill or regular cover. There are other types that the DEQ recognizes, but SPSA would have to go through the process of getting them accepted by the DEQ, so currently ash is the primary source of alternative daily cover. Ms. Raulson complimented Ms. Collins on her presentation.

Mr. McCoy asked if the clean fill that Ms. Collins was referring to was taken out of cell VII. Ms. Collins responded that yes, that was correct.

Mr. Barnes complimented Ms. Collins on a job well done. He then commented that, for Board members, the importance of the subjects being covered is that they speak to the modern-day landfill, rather than "the dump" that many people think of, which has no environmental controls, no regulatory requirements, and no activities that are beneficial to the community. Today's landfills are highly regulated with at least four different permits that regulate all of the landfill's activities. Particularly with moving into the permit process that SPSA is pursuing, as well as with the rebranding, it is important that people recognize that SPSA is running a modern, highly regulated landfill.

Chairman Keifer thanked Mr. Barnes for his comment. He went on to say that after the leachate issue a few years ago people were concerned that SPSA was staying on top of all of the environmental regulations. There is a great deal of complex work that goes into making

sure that SPSA never has a situation where they are not compliant or causing harm in any way. Chairman Keifer applauds the efforts that staff are taking to make those assurances.

Ms. DeVary mentioned that the initial idea for the series was to make sure that the Board was aware of SPSA's compliance efforts, but it also leads into the new campaign of public awareness that SPSA will be providing to educate people on landfills and regulations. Ms. DeVary went on to say that HDR will be giving a presentation on a strategic communications plan later in the meeting and that this type of awareness really does change perceptions. She also thanked Ms. Collins for a job well done.

7. **FINANCIAL REPORT**

Ms. DeVary reviewed the financial information for the month ending August 31, 2019. Total revenues exceeded total expenses for the fiscal year-to-date by approximately \$1.8 million as compared to \$1.7 million in the previous fiscal year. Tipping fees reflect an increase of 1.7% or \$134,000 as compared to August of 2018. The municipal waste tons are up approximately 1.1% or 871 tons from what was received last August. The total municipal waste received fiscal year-to-date was 80,624 compared to 79,753.

Ms. DeVary went on to say that total expenses for the month ending August 31, 2019 were approximately \$6.7 million as compared to \$7.1 million in the prior fiscal year. She continued that expenses are in line with the budget with the exception of overtime, which is due to the diversions from the RDF plant. Fiscal year-to-date, the transportation overtime budget through August was at \$83,000 out of a budget of \$173,000. The Regional Landfill overtime is \$9,116 through August out of the \$15,000 budget. September numbers are showing that transportation overtime is now at \$124,000 out of \$173,000 for three months and that through September the landfill has exceeded their budget of \$15,000. Ms. DeVary reports that this level of overtime cannot be maintained and that management is working with operations to find solutions.

Cash balances are at \$34.14 million; currently designated as \$1.3 million in operating, \$613,547 still outstanding in FY2019 purchase records, \$5.9 million in undesignated fund balance, \$2.5 million for the proposed HRSD Force Main, and \$23.8 million in the landfill expansion and closure fund.

Mr. Arnold moved, seconded by Mr. Roberts to approve the SPSA financial report as presented. The vote of the motion was unanimous.



8. **Contracts**

Ms. DeVary introduced a contract for the purchase of a replacement compactor for the Ivor Convenience Center. This request is to replace a 2008 compactor and related compactor boxes. The purchase is from Mid-Atlantic Waste Systems utilizing a Sourcewell Cooperative contract. The total budget was \$75,000 and the total cost is \$59,830.

Mr. McCoy moved, seconded by Ms. Raulston to award the contract for a compactor and compactor boxes to Mid-Atlantic Waste Systems as presented. The vote of the motion was unanimous.

9. PRESENTATION ON STRATEGIC COMMUNICATIONS

Ms. DeVary introduced Mr. Jeff Murray of HDR and invited him to introduce his team so that they can present an overview of the strategic communications plan that they have prepared. Mr. Murray introduced Ms. Carita Parks and Ms. Jessica Snead of HDR's Virginia communications team. Ms. Parks delivered the Strategic Communications Presentation.

CELLS VIII & IX STRATEGIC COMMUNICATIONS PLAN UPDATE
SPSA Board Meeting | September 25, 2019
HDR

- 01 Target Audience Analysis
- 02 Social Media
- 03 Website
- 04 Public Meeting
- 05 Virtual Educational Sessions
- 06 Citizen Advisory Committee
- 07 Content Management
- 08 Stakeholder Distribution List

PURPOSE

- Complete a series of public outreach efforts to support the organization's solid waste and wetland permitting for proposed Cells VIII and IX at the Regional Landfill in Suffolk, Virginia
- Keep audiences informed and engaged
- Change public perception around the vital services SPSA provides to the community
- Support SPSA's commitment to be a good steward of the community

01 TARGET AUDIENCE ANALYSIS

TARGET AUDIENCE ANALYSIS

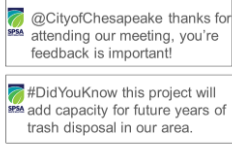
- Understand the SPSA customer and constituent lifestyle choices.



02 SOCIAL MEDIA

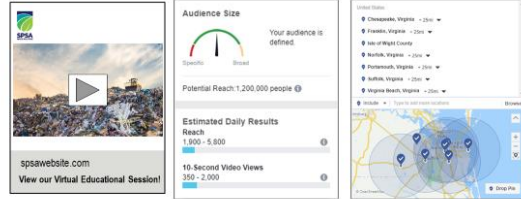
SOCIAL MEDIA

- Facebook account
- Promote the project and educate the public and stakeholders on SPSA and its initiatives
- Engaging two-way conversations



FACEBOOK ADVERTISEMENTS

- Targeted social media content
- Comprehensive report of users reached



03 WEBSITE

WEBSITE

- An updated project website that will include graphics and display project information
- Monthly content will be sent to SPSA for approval before pushing live to the public



04 PUBLIC MEETING

PUBLIC MEETING

- Open house format to allow the public to drop-in at a time that is convenient to them



05 VIRTUAL EDUCATIONAL SESSION

VIRTUAL EDUCATIONAL SESSION

- Educational animated video to reach stakeholders and the public
- Accessible 24/7 from phone, tablet, or desktop



Traditional Public Meeting Times

ONLINE CONTENT ACCESSIBLE 24/7

06 CITIZEN ADVISORY COMMITTEE

CITIZEN ADVISORY COMMITTEE

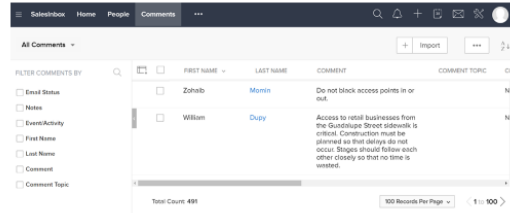
- Key dates are outlined below:

| Date | Topic |
|-------------------|--|
| October 29, 2019 | Regulatory Siting Criteria and Previous Siting Alternatives Analyses |
| Various | Tour of Suffolk Transfer Station and Regional Landfill |
| November 19, 2019 | Review of Available Private Disposal Facilities and Alternative Sites |
| January 14, 2020 | Formulation and Finalization of Recommendations to SPSA Board of Directors |
| February 11, 2020 | Additional Time if Needed |

07 COMMENT MANAGEMENT

COMMENT MANAGEMENT

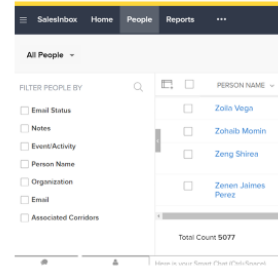
- Online database hosted in Zoho, a comment management platform
- Track-able data from the public and key stakeholders



08 STAKEHOLDER DISTRIBUTION LIST

STAKEHOLDER DISTRIBUTION LIST

- A living document will be hosted in Zoho and updated based on contacts received
- Includes name, email, and organization for all members of the public and key stakeholders



STAKEHOLDER TIERS

| | |
|---|--|
| TIER 1 COLLABORATE: The Citizen Advisory Committee will meet between October 2019 and February 2020. Specific dates that have been identified include October 29 and November 19, 2019. This group will provide an alternative recommendation or consensus with CLEP, SRP and SR at the Regional Landfill in Suffolk, Virginia. | TIER 2 CONSULT: Support federal SPSA work during the construction of the preferred solution. |
| TIER 3 INFORM: Share timely updates on project schedule and decision points. | TIER 4 INFORM: Provide objective information to assist in understanding the process. |

| OUTREACH MATERIALS | | | | MEETINGS | | | TARGET GROUPS |
|--------------------|--------------|-------------------|-------------------|----------------------------|----------------|---------------------------|--|
| POSTERS | SOCIAL MEDIA | ENGAGEMENT REPORT | TARGETED OUTREACH | CITIZEN ADVISORY COMMITTEE | PUBLIC MEETING | ONE-ON-ONE PUBLIC MEETING | |
| ● | ● | ● | ● | ● | ● | ● | CAC |
| ● | ● | ● | ● | ● | ● | ● | USACE |
| ● | ● | ● | ● | ● | ● | ● | VADWQ |
| ● | ● | ● | ● | ● | ● | ● | SRP |
| ● | ● | ● | ● | ● | ● | ● | SPSA LEADERSHIP TEAM |
| ● | ● | ● | ● | ● | ● | ● | SPSA BOARD MEMBERS |
| ● | ● | ● | ● | ● | ● | ● | CITY/COUNTY MANAGERS: HAMPTON, HAMPSHIRE, ROSS, SUFFOLK, YORK, WASHINGTON, WEST HAMPTON, SPSA, JAMES RIVER |
| ● | ● | ● | ● | ● | ● | ● | ROANOKE RIVER PRESERVATION ALLIANCE |
| ● | ● | ● | ● | ● | ● | ● | CITIES OF: HAMPSHIRE, ROSS, SUFFOLK, YORK, WASHINGTON, WEST HAMPTON, SPSA, JAMES RIVER |
| ● | ● | ● | ● | ● | ● | ● | SPSA DISTRIBUTION LIST |
| ● | ● | ● | ● | ● | ● | ● | BLUESHORE OFFICIALS |
| ● | ● | ● | ● | ● | ● | ● | HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION |
| ● | ● | ● | ● | ● | ● | ● | HAMPTON ROADS PLANNING DISTRICT COMMISSION |
| ● | ● | ● | ● | ● | ● | ● | JAMES RIVER ASSOCIATION |
| ● | ● | ● | ● | ● | ● | ● | NATURE CONSERVANCY OF VIRGINIA |
| ● | ● | ● | ● | ● | ● | ● | SERRA CLUB |
| ● | ● | ● | ● | ● | ● | ● | CITIZEN GROUPS |
| ● | ● | ● | ● | ● | ● | ● | HRSA |
| ● | ● | ● | ● | ● | ● | ● | LARGE EMPLOYERS |
| ● | ● | ● | ● | ● | ● | ● | ENVIRONMENTAL GROUPS |
| ● | ● | ● | ● | ● | ● | ● | SCHOOL AND RELIGIOUS |

At the conclusion of the presentation Mr. Martin requested that HDR be sure to stay in touch with each individual community's public information office so that they can echo and amplify SPSA's messaging. Ms. Parks responded that they will be sure to engage those offices and use their tools throughout the process, as well.

Chairman Keifer asked Ms. DeVary to speak to the progress on the Citizens Advisory Committee (CAC). Ms. DeVary informed the Board that she has received information on appointed members from the City of Chesapeake, the City of Norfolk, and Southampton County and encourages other communities to respond before the first meeting on October 29, 2019. Mr. Keaton responded that he will send in the information for someone appointed for Isle of Wight. Mr. McCoy encouraged the Board to report their appointed members in a timely fashion so that they can participate in all scheduled meetings and be present for all critical information.

Ms. DeVary informed the Board that as SPSA moves forward with the strategic communications plan, she intends to send any mass communication to the Board beforehand so that they are made aware. The CAC meetings will have public notices sent out ahead of time and the Board is welcome to attend for informational purposes.

10. OTHER BUSINESS

No other business was presented to the board.

11. ADJOURN MEETING

There being no further business to come before the Board of Directors the regular meeting was adjourned at 10:55 a.m.

Liesl R. DeVary
Executive Director

Submitted by: Sandy Schreiber, Secretary, SPSA Board of Directors

5. Executive Director Updates

Permit Compliance Presentation – Series 3 of 3

Attachments:

- Landfill Operational Summary
- Executive Committee Minutes – July & August 2019

Landfill Operational Summary

| SPSA Regional Landfill Operational Summary | | | KEY: | | |
|--|--|--|--|-------------|--|
| Period | September 1st, 2019 to September 30th, 2019 | | Change Since Last Report | | |
| | | | All Is Well | | |
| | | | Working On | | |
| | | | Noted Issue | | |
| Item | Metric Item | Metric | Performance/Comment | Status Code | Comments/Corrective Actions |
| 1 | Regulatory Compliance | | | | |
| 1.1 | Notice of Violations | None | In Compliance | | |
| 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 | | Permit submitted on time. Extension given for some samples that required waiting for qualifying rain events. Awaiting response from DEQ for further action or acceptance. |
| 1.2.4 | Financial Assurance | Compliance | In compliance | | |
| 1.2.5 | Wetlands | Compliance | In Compliance | | |
| 1.2.6 | Groundwater | Compliance | In Compliance | | 3rd quarter sampling event completed 7/31. Two resamples conducted. Groundwater report submitted with exceedances within CAMP limits. 4th quarter to start October 14th. |
| 1.2.7 | Storm water system operating and in compliance with VPDES permit | Systems operational and in good order | In Compliance | | In compliance. |
| 2 | Landfilling Operations | | | | |
| 2.1 | Tonnage Landfilled | Actual Tons | 43,544 | | |
| 2.2 | No. staff | 16.5 | 14.5 | | 2 - Vacancies (1-HEO SR, 1-HEO) |
| 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. |
| 3 | Cover Operations | | | | |
| 3.1 | Total Cover Material Received | Actual Tons | 15,743 | | |
| 3.2 | Date of last aerial survey | 12/17/2018 | | | |
| 3.3 | December 2018 Operational In-Place Density (lbs./cy) | 1,600-1,800lbs/cy | 1,788 lbs./cy or AUF =0.894 | | AUF within range of expected operational airspace consumption. Changing waste stream with MSW from western communities will impact Operational AUF. Need to continue to monitor to ensure we stay within range to maintain life expectancy of Cell VI |
| 3.4 | December 2018 Effective In-Place Density (lbs./cy) | 1,600 lbs./cy | 2005 lbs./cy or AUF = 1.00 | | Still well above targeted long term airspace utilization. |

| 4 | Leachate Management | | | | |
|----------|--|----------------------|---|--|--|
| 4.1 | Pump stations operational during period | 100 % Operational | All pump stations are operational, pump performance is being monitored, and repairs/replacements made as necessary. | | All vaults are operational. |
| 4.2 | SCADA system operational during period | 100 % Operational | Fully operational | | SCADA is fully operational. |
| 4.3 | Flow meter system functional during period | 100 % Operational | All 8 Cell V/VI Pump Stations are now operational | | Flow Meters can now be logged to history in Scada system and reviewed as needed. |
| 4.4 | Leachate Levels | In compliance | In compliance. | | 1. In compliance at all 8 pump station locations. 2. Flow generation remain < 40,000 GPD typically. |
| 4.5 | Leachate Disposal | In compliance | | | 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. April 15th, SPSA began discharging through the force main to HRSD at a low flow rate for 24-hr intervals. This has been successful for both SPSA and HRSD's SWIFT Program thus far. SPSA will continue to utilize this method until further notice. SPSA continues to utilize pump and haul operations at smaller rates, as well. |
| 4.5.1 | Quantity of leachate pumped to HRSD during period | x gallons | 864,695 | | From 9/1 to 9/30 |
| 4.5.1.1 | Cell V, Sumps 1-4 | x gallons | 365,781 | | From 9/1 to 9/30 |
| 4.5.1.2 | Cell VI, Sumps 5-8 | x gallons | 408,069 | | From 9/1 to 9/30 |
| 4.5.2 | Quantity of leachate hauled for disposal during period | x gallons | 501,031 | | From 9/1 to 9/30 |
| 4.5.3 | Disposal costs in period: \$ | | \$ 23,576 | | From 9/1 to 9/30 |
| 4.5.4 | Any issues relative to leachate quality and acceptance at WWTPs? | No constraints | No constraints | | |
| 5 | Landfill Gas Management | Compliance | In compliance | | 3rd quarter surface emissions monitoring and gas monitoring completed. No exceedances to report. 4th quarter to start in November. Working with HDR and SEP to increase gas extraction in an effort to boost revenue for landfill gas and further improve odor control while maintaining temperatures within each gas well. |
| 6 | Odor Complaints | No complaints | No complaints | | From 9/1 to 9/30 |
| 7 | HRSD Force Main | Contract Schedule | None provided to date. | | Still only have (unofficial) tentative date of completion to be in 2022 |

Executive Committee Minutes

Executive Committee Minutes
Southeastern Public Service Authority of Virginia
July 18, 2019

A meeting of the Executive Committee was held at 9:00 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman John Keifer. The other Committee Members present at this meeting were Mr. Luke McCoy and Mr. Randy Keaton. Also, in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley and General Counsel, Mr. Warren Tisdale. Mr. Keaton left the meeting at 10:40 a.m.

Items for Discussion:

1. Review and approve Executive Committee Minutes of June 20, 2019

Mr. McCoy (PO) moved, seconded by Mr. Keaton to approve the minutes of the May 16, 2019 Executive Committee. All were in favor.

2. Executive Directors Report / July Board Meeting Agenda

- A. Ms. Liesl DeVary updated the Executive Committee on the meeting with the Hampton Roads Integrated BioEnergy Complex held on July 2, 2019 with SPSA staff regarding the construction and operation of their proposed facility in Chesapeake VA. Ms. DeVary advised the Executive Committee that the preliminary meetings with company representatives have been positive and that SPSA staff will continue to stay engaged with the representatives as the project progresses. The Executive Director also noted that SPSA was under contract with Wheelabrator through June 30, 2027.
- B. Ms. DeVary then updated the Executive Committee on the meeting held with VDOT regarding the Regional Landfill flyover. Ms. DeVary gave the Executive Committee a handout that was provided by VDOT's consultant at the meeting. The handout consisted of the slide presentation used at the meeting and contained crash data, both long-term and short-term options for safety improvements along the corridor, and a matrix showing pros and cons of each option. Ms. DeVary reported that the process was moving forward at this point and that she would continue to provide updates as things change.
- C. The Executive Committee was then informed of the process that should be followed to elect Officers at the July Board Meeting. Discussions took place regarding both the Chairman and Vice Chairman being elected for a third term and Mr. Tisdale informed the Executive Committee that a favorable vote of Mr. Keifer and/or Mr. McCoy was all that would be needed to allow either or both to serve a third term in their respective positions.

- D. The Chairman was also advised that he would need to appoint his committees at the July Board Meeting. Mr. Tisdale recommended to the Executive Committee that they may want to add one more member to the Audit Committee in order to increase the quorum necessary to hold a meeting to three members. He advised that with the current three members assigned the committee, if one member was absent, the business of the committee could not be acted upon by a quorum of only two members.
 - E. Ms. DeVary reviewed the preliminary FY 2019 year-end financial statement with the Executive Committee. Ms. DeVary advised the Committee that she anticipates SPSA will end the year with three million dollars more than she had projected due to in large part to a substantial increase in waste above her original projections. She also advised that she would be recommending to the SPSA Board of Directors that the surplus be placed in the Reserve for Landfill Expansion & Closure.
 - F. Ms. DeVary reviewed the recommendation to purchase a new D8T Caterpillar Bulldozer from Carter Machinery at a cost of \$899,000. This item will be on the agenda of the July 24, 2019 SPSA Board Meeting.
 - G. Ms. DeVary reviewed the Legal Services Engagement Letter from Wilcox and Savage for the upcoming year. She advised that both parties still retained the right to terminate the agreement at any time without cause. The hourly rate for staff attorneys range from \$215.00 per hour for new associates to \$525.00 per hour for senior partners. Mr. Tisdale's rate for fiscal year 2020 is unchanged at \$400.00 per hour.
 - H. Ms. DeVary provided the Executive Committee with the information that SPSA staff plan to address with Wheelabrator at the meeting that is scheduled to take place on July 24, 2019 immediately following the SPSA Board Meeting. Chairman Keifer and Mr. Sorrentino will be in attendance at the meeting.
3. Future Board Meeting Items
- a. Investments and Investment Committee – Ms. DeVary advised the Executive Committee that she was working on roles and responsibilities and that she would be calling a meeting of the Committee in the near future.
 - b. Update on Landfill Expansion and Permitting process- Ms. DeVary advised the Executive Committee that staff would be providing a monthly update on project status.
4. Meeting Adjourned at 11:30 a.m.

Executive Committee Minutes
Southeastern Public Service Authority of Virginia
August 28, 2019

A meeting of the Executive Committee was held at 11:00 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman John Keifer. The other Committee Members present at this meeting were Mr. Luke McCoy and Mr. Randy Keaton. Also in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley and General Counsel, Mr. Warren Tisdale.

Items for Discussion:

5. Review of the Purpose and Need Statement required by the ACOE to initiate the permitting and review process of jurisdictional wetland disturbance for the proposed construction of Cells VIII and IX at the SPSA Regional Landfill in Suffolk.

Ms. DeVary opened the meeting by explaining the purpose of the meeting was to receive input from the Executive Committee on the proposed Purpose and Need Statement required by the ACOE to initiate the required permitting and review process when jurisdictional wetlands will be disturbed as a result of a proposed project. As previously discussed, the Executive Committee has direct oversight of the review process and any issues that the Executive Committee felt required comments from the full Board of Directors would be brought to the full Board of Directors at their next scheduled meeting.

Chairman Keifer thanked Ms. DeVary for providing the Purpose and Need Statement in advance of the meeting to provide the Executive Committee an opportunity to fully review the document. He began by outlining several questions he had regarding content and wording in an effort to make sure that the content of the Purpose and Need Statement was clear. Mr. Keifer asked that US Census Data be checked and made certain was correct. He asked that total tons of waste disposed of be checked and re-stated in a way that better reflects total commercial tonnages.

Mr. Keaton and Mr. McCoy indicated that Mr. Keifer had already mentioned the concerns they had regarding the document. At the conclusion of the meeting the Executive Committee directed Ms. DeVary to have SPSA and HDR staff review the comments made by the Executive Committee and make the needed changes. Ms. DeVary stated the revised document would be sent by e-mail to the full SPSA Board of Directors notifying them that the final copy of the document would be filed with the ACOE for their review. Ms. DeVary also mentioned that she would be contacting Patrick Roberts prior to him receiving the Purpose and Need Statement via e-mail.

With no further business before the Executive Committee, the meeting was adjourned at 1:05 p.m.

6. Wheelabrator Portsmouth Monthly Report

October 14, 2019

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

Dear Ms. DeVary:

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

Sincerely,

Clint Stratton
Plant Manager, Wheelabrator Portsmouth

enclosure

**WHEELABRATOR PORTSMOUTH INC
TONNAGES REPORT
CALENDAR YEAR 2019**

| MONTH | SPSA 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) FORMULA | | ASH DELIVERED TO LANDFILL (TONS) | | MW SOLD TO THE GRID (MWHr) | | |
|-----------|------------------------------|--------------|--------------|-----------------------------|--------------|---------------------------|--------------|---------------|--------------|------------------------------|--------------|----------------------------------|--------------|----------------------------|--------------|------------------|--------------|--|--------------|--------------------------------|--------------|----------------------------------|--------------|----------------------------|--------------|--------------|
| | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) | WASTE (TONS) |
| JAN | 43,639.86 | 8,796.40 | 671.02 | - | 53,107.28 | 83,072 | 53,107.28 | 4,342.25 | - | 1,023.16 | 48,765.03 | 50,095.33 | 14,823.46 | 15,841 | | | | | | | | | | | | |
| FEB | 35,824.65 | 9,937.79 | 825.26 | - | 46,587.70 | 69,621 | 46,587.70 | 4,075.29 | - | 42,512.41 | 39,891.88 | 9,649.18 | 12,567 | | | | | | | | | | | | | |
| MAR | 41,971.42 | 6,163.44 | 909.63 | - | 49,044.49 | 74,327 | 49,044.49 | 4,067.70 | - | 228.28 | 44,976.79 | 47,129.38 | 11,545.49 | 15,084 | | | | | | | | | | | | |
| APR | 48,293.43 | 8,246.30 | 853.98 | - | 57,393.71 | 48,052 | 57,393.71 | 4,485.86 | - | 1,074.83 | 52,907.85 | 50,643.08 | 14,102.74 | 17,654 | | | | | | | | | | | | |
| MAY | 51,531.79 | 7,850.32 | 794.43 | - | 60,176.54 | 32,175 | 60,176.54 | 4,138.34 | - | 3,275.50 | 56,038.20 | 55,457.50 | 14,714.38 | 20,809 | | | | | | | | | | | | |
| JUN | 45,159.95 | 6,450.03 | 1,014.33 | - | 52,624.31 | 29,459 | 52,624.31 | 4,614.81 | - | 4,505.09 | 48,009.50 | 51,305.24 | 14,377.54 | 18,570 | | | | | | | | | | | | |
| JUL | 49,698.24 | 4,543.49 | 593.89 | - | 54,835.62 | 30,350 | 54,835.62 | 5,136.59 | - | 3,247.16 | 49,699.03 | 45,250.62 | 11,673.06 | 14,290 | | | | | | | | | | | | |
| AUG | 51,074.19 | 10,310.81 | 1,237.92 | - | 62,622.92 | 30,034 | 62,622.92 | 7,879.65 | - | 443.74 | 54,743.27 | 51,082.59 | 13,742.59 | 16,517 | | | | | | | | | | | | |
| SEP | 44,093.91 | 5,051.94 | 1,111.69 | - | 50,257.54 | 30,002 | 50,257.54 | 5,664.22 | - | 2,873.85 | 44,593.32 | 49,367.69 | 12,922.71 | 17,603 | | | | | | | | | | | | |
| OCT | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NOV | | | | | | | | | | | | | | | | | | | | | | | | | | |
| DEC | | | | | | | | | | | | | | | | | | | | | | | | | | |
| YTD TOTAL | 411,287.44 | 67,350.52 | 8,012.15 | - | 486,650.11 | 427,091.60 | 486,650.11 | 44,404.71 | - | 16,671.61 | 442,245.40 | 440,223.31 | 117,551.15 | 148,935.00 | | | | | | | | | | | | |

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

**WHEELABRATOR PORTSMOUTH INC
AVAILABILITY
CALENDAR YEAR 2019**

| MONTH | BOILER AVAILABILITY (%) | BOILER PLANNED OUTAGES (HRS) | BOILER UNPLANNED OUTAGES (HRS) | TURBINE AVAILABILITY | TURBINE PLANNED OUTAGES (HRS) | TURBINE UNPLANNED OUTAGES (HRS) |
|-----------|----------------------------|---------------------------------|-----------------------------------|-------------------------|----------------------------------|------------------------------------|
| JAN | 92% | 166.90 | 67.40 | 90% | 81.00 | 241.40 |
| FEB | 94% | 149.00 | 10.00 | 93% | 148.00 | 1.00 |
| MAR | 92% | 192.00 | 42.00 | 96% | 71.00 | 10.00 |
| APR | 86% | 291.00 | 108.00 | 98% | - | 50.00 |
| MAY | 96% | - | 126.00 | 99% | - | 14.00 |
| JUN | 90% | 144.00 | 145.00 | 100% | - | - |
| JUL | 91% | 176.00 | 87.00 | 99% | - | 13.00 |
| AUG | 87% | 167.00 | 224.00 | 98% | 12.00 | 41.00 |
| SEP | 94% | 23.00 | 397.00 | 99% | - | 3.00 |
| OCT | | | | | | |
| NOV | | | | | | |
| DEC | | | | | | |
| YTD TOTAL | 91% | 1,308.90 | 1,206.40 | 97% | 312.00 | 373.40 |

WHEELABRATOR PORTSMOUTH INC

SUPPLEMENTAL INFORMATION

September 2019

| | |
|---------------------------------|--------------|
| Total Waste received by SPSA: | 44,094 tons |
| Waste delivered to RDF: | 50,258 tons |
| Total RDF processed: | 49,368 tons |
| Ash sent to landfill: | 12,923 tons* |
| Electric power sold: | 17,603 MW |
| Steam sold to Navy: | 30,002 K-LBS |
| Overall Boiler availability: | 94% |
| Overall Generator availability: | 99% |
| Environmental Incidents | 0 |

OSHA Recordable Accidents this period: 0

OSHA Recordable Accidents YTD: 2

General Notes:

* This total includes 9,746.35 tons of non-qualifying residue delivered to the landfill this period.

This was driven by downtime on rental screen unit, new unit has been rented from another supplier and we began screening on this unit on 10-11-19

Completed outage on #1 boiler this period, major work included grate cleaning, flue gas repairs, pressure part and ash removal work to ensure boiler reliability.

B line shredder motor installed and test ran on 9-28-19. Facility back to three line capabilities.

Wheelabrator Portsmouth Inc.

Monthly Report for the Month of September 2019

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

Environmental Issues:

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

Tests Completed:

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

Tests Planned:

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

Inspections:

Air Quality Violations:

None

Safety Issues:

| | |
|--|---|
| OSHA Recordable Accidents this period: | 0 |
| OSHA Recordable Accidents YTD: | 2 |
| Lost Time Accidents this period: | 0 |
| Lost Time Accidents YTD: | 1 |

Op Stats: see attached spreadsheet

Upcoming Planned Outages:

2019 Outages

| | |
|----------------|-----------|
| Jan 20-25 | Boiler 2 |
| Feb 17-24 | Boiler 3 |
| March 17-24 | Boiler 4 |
| April 14-21 | Boiler 1 |
| May | No outage |
| June 9-14 | Boiler 2 |
| July 14-19 | Boiler 3 |
| August 11-16 | Boiler 4 |
| October | Boiler 1 |
| November 10-16 | Boiler 2 |
| December 15-20 | Boiler 3 |

7. Financial Report

Statement of Revenue and Expenses – Budget to Actual Comparison

For the month ending September 30, 2019, total revenues exceeded total expenses by approximately \$2.4 million as compared to \$2.3 million in the previous year.

Tipping fee revenue received reflects an increase of 3.6% or approximately \$403,000 as compared to fiscal year 2019. Municipal waste tons are up approximately 2.8% or 3,236 tons as compared to fiscal year 2019.

For the month ending September 30, 2019, total expenses were approximately \$9.9 million as compared to \$10.2 million incurred in the previous fiscal year.

Monthly Expense Line Items

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

Monthly Comparison of Revenues and Expenses

This report illustrates the monthly revenues and expenses. An explanation is included under each graph if there is a sizeable variance. The straight line in each graph represents the fiscal year 2020 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 September 30, 2019, municipal waste tonnages reflect an increase of 2.8% or approximately 3,236 tons as compared to September 2018.

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 September 30, 2019, operating cash balances were approximately \$35 million representing approximately \$1.87 million in the operating account, \$5.9 million in undesignated fund balance, \$611,398 for FY 2019 Rolled Purchase Orders, \$2.5 million reserved for the HRSD Force Main and \$24.1 million designated for landfill expansion/closure.

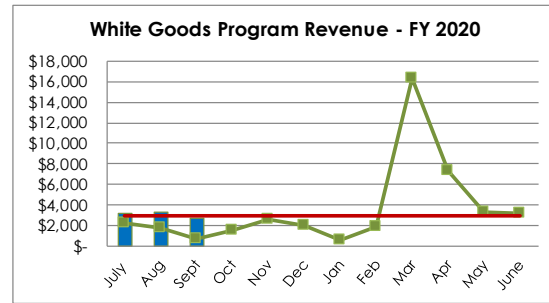
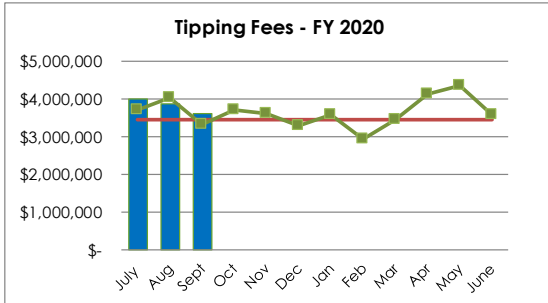
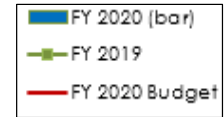
Motion: Do I hear a motion that the SPSA Monthly Financial Reports, subject to audit, be approved as presented?

| Southeastern Public Service Authority | | | | | | | | |
|--|------------------------|---------------------|----------------------|--------------------|------------------------|---------------------|----------------------|--------------------|
| Statement of Revenue and Expenses - Budget to Actual Comparison | | | | | | | | |
| For the Period Ending September 30, 2019 | | | | | | | | |
| | September 2019 | | | | September 2018 | | | |
| | Adjusted Budget | Month | FYTD | % of Budget | Adjusted Budget | Month | FYTD | % of Budget |
| REVENUES | | | | | | | | |
| Tipping Fees | \$ 41,631,237 | \$ 3,614,903 | \$ 11,512,346 | 27.7% | \$ 37,720,239 | \$ 3,345,490 | \$ 11,109,103 | 29.5% |
| Tire program | 515,200 | 45,341 | 163,596 | 31.8% | 332,000 | 35,838 | 166,637 | 50.2% |
| Household Hazardous Waste Revenue | 305,000 | 36,360 | 99,896 | 32.8% | 250,000 | 22,961 | 67,287 | 26.9% |
| White Goods Program | 35,000 | 2,706 | 9,253 | 26.4% | 40,000 | 755 | 4,704 | 11.8% |
| Landfill Gas Recovery | 312,000 | 26,959 | 66,256 | 21.2% | 335,000 | 11,476 | 76,223 | 22.8% |
| Miscellaneous Income | 333,775 | 18,396 | 82,762 | 24.8% | 214,950 | 20,686 | 231,508 | 107.7% |
| Interest Earnings | 350,000 | 57,331 | 154,167 | 44.0% | 180,000 | 36,933 | 62,621 | 34.8% |
| A Fund Balance / Capital / Rolled PO's | 799,255 | 2,149 | 187,857 | 23.5% | 2,173,044 | 200,055 | 791,730 | 36.4% |
| Fund Balance / Landfill Expansion | - | - | - | N/A | 2,500,000 | - | - | 0.0% |
| TOTAL REVENUES | \$ 44,281,467 | \$ 3,804,146 | \$ 12,276,134 | 27.7% | \$ 43,745,233 | \$ 3,674,194 | \$ 12,509,813 | 28.6% |
| OPERATING EXPENSES | | | | | | | | |
| Administration | | | | | | | | |
| Salaries / Wages | \$ 892,877 | \$ 58,984 | \$ 174,768 | 19.6% | \$ 882,617 | \$ 53,020 | \$ 170,190 | 19.3% |
| Employee Benefits | 231,231 | 12,485 | 40,471 | 17.5% | 227,468 | 13,441 | 43,773 | 19.2% |
| A Professional / Contracted Services | 733,969 | 49,522 | 90,223 | 12.3% | 645,915 | 46,130 | 137,289 | 21.3% |
| Other Operating Expenses | 231,521 | 17,048 | 43,597 | 18.8% | 208,900 | 15,658 | 37,292 | 17.9% |
| Materials / Supplies | 15,586 | 1,815 | 2,730 | 17.5% | 15,498 | 403 | 945 | 6.1% |
| Total Administration | \$ 2,105,184 | \$ 139,854 | \$ 351,788 | 16.7% | \$ 1,980,398 | \$ 128,652 | \$ 389,489 | 19.7% |
| Environmental Management | | | | | | | | |
| Salaries / Wages | \$ 291,479 | \$ 22,430 | \$ 67,941 | 23.3% | \$ 284,161 | \$ 21,584 | \$ 66,317 | 23.3% |
| Employee Benefits | 101,641 | 8,245 | 24,784 | 24.4% | 96,980 | 8,327 | 23,963 | 24.7% |
| Professional / Contracted Services | 74,200 | 2,967 | 13,437 | 18.1% | 43,160 | 1,994 | 2,441 | 5.7% |
| Other Operating Expenses | 10,174 | 473 | 1,181 | 11.6% | 7,168 | 341 | 934 | 13.0% |
| A Materials / Supplies | 22,368 | 810 | 1,847 | 8.3% | 20,620 | 457 | 1,756 | 8.5% |
| Total Environmental Management | \$ 499,862 | \$ 34,924 | \$ 109,190 | 21.8% | \$ 452,089 | \$ 32,703 | \$ 95,411 | 21.1% |
| Operations | | | | | | | | |
| Salaries / Wages | \$ 5,841,183 | \$ 445,807 | \$ 1,317,354 | 22.6% | \$ 5,539,339 | \$ 410,296 | \$ 1,296,114 | 23.4% |
| Employee Benefits | 1,940,329 | 147,665 | 437,759 | 22.6% | 1,924,879 | 149,084 | 455,861 | 23.7% |
| A Professional / Contracted Services | 2,920,331 | 222,948 | 558,227 | 19.1% | 2,868,719 | 177,954 | 558,008 | 19.5% |
| Other Operating Expenses | 1,066,852 | 50,637 | 165,548 | 15.5% | 864,252 | 80,786 | 175,053 | 20.3% |
| Materials / Supplies | 1,883,733 | 116,693 | 343,094 | 18.2% | 1,776,064 | 73,649 | 330,294 | 18.6% |
| Total Operations | \$ 13,652,428 | \$ 983,751 | \$ 2,821,982 | 20.7% | \$ 12,973,253 | \$ 891,770 | \$ 2,815,330 | 21.7% |
| TOTAL OPERATING EXPENSES | \$ 16,257,474 | \$ 1,158,528 | \$ 3,282,960 | 20.2% | \$ 15,405,740 | \$ 1,053,125 | \$ 3,300,229 | 21.4% |
| CAPITAL PROJECTS / EQUIPMENT REPLACEMENT | | | | | | | | |
| A RLF - SCADA System Leachate System | 11,770 | - | - | 0.0% | - | - | - | - |
| A HHW Relocation | 65,928 | - | 37,615 | 57.1% | - | - | - | - |
| A CTS - Roof Repairs | 72,283 | - | 68,643 | 95.0% | - | - | - | - |
| A Cell 8/9 Permitting | 544,834 | - | 7,618 | 1.4% | - | - | - | - |
| A IT - Executime Software | 40,439 | - | 22,365 | 55.3% | - | - | - | - |
| A HHW - Gator | 14,792 | - | 14,792 | 100.0% | - | - | - | - |
| RLF - Asphalt Overlay | 736,000 | - | - | 0.0% | - | - | - | - |
| RLF - Leachate Pond Cleaning | 75,000 | - | - | 0.0% | - | - | - | - |
| RLF - Hydro Seeder | 66,636 | 65,870 | 65,870 | 98.9% | - | - | - | - |
| Safety - SUV Replacement | 22,500 | - | 22,482 | 99.9% | - | - | - | - |
| FLT - Field Service Truck | 160,000 | 118,097 | 118,097 | 73.8% | - | - | - | - |
| TSP - Road Tractors | 1,184,464 | - | - | 0.0% | - | - | - | - |
| TSP - SUV Replacement | 22,500 | - | 22,482 | 99.9% | - | - | - | - |
| Ivor - Compactor & Boxes | 75,000 | - | - | 0.0% | - | - | - | - |
| STS - Inbound Scales | 225,000 | - | - | 0.0% | - | - | - | - |
| ROB - Parking Lot Repairs/Sealcoat | 50,000 | - | - | 0.0% | - | - | - | - |
| FLT - SUV Replacement | 22,500 | - | 22,482 | 99.9% | - | - | - | - |
| RLF - Dozier | 899,000 | - | - | 0.0% | - | - | - | - |
| Undesignated | 96,400 | - | - | 0.0% | - | - | - | - |
| TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT | \$ 4,385,046 | \$ 183,967 | \$ 402,447 | 9.2% | \$ 7,821,724 | \$ 201,515 | \$ 793,190 | 10.1% |
| OTHER USES | | | | | | | | |
| Contracted Waste Disposal | \$ 19,295,197 | \$ 1,540,028 | \$ 5,127,697 | 26.6% | \$ 17,106,830 | \$ 1,585,192 | \$ 5,292,567 | 30.9% |
| Suffolk Environmental Trust Fund | 5,000 | - | - | 0.0% | 5,000 | - | - | 0.0% |
| Reserves for Landfill Expansion/Closure | 4,338,750 | 361,563 | 1,084,688 | 25.0% | 3,405,939 | 283,828 | 851,484 | 25.0% |
| TOTAL OTHER USES | \$ 23,638,947 | \$ 1,901,591 | \$ 6,212,384 | 26.3% | \$ 20,517,769 | \$ 1,869,020 | \$ 6,144,051 | 29.9% |
| GRAND TOTAL EXPENSES | \$ 44,281,467 | \$ 3,244,086 | \$ 9,897,791 | 22.4% | \$ 43,745,233 | \$ 3,123,659 | \$ 10,237,470 | 23.4% |
| NET REVENUES / (EXPENSES) | \$ - | \$ 560,061 | \$ 2,378,343 | | \$ - | \$ 550,535 | \$ 2,272,343 | |

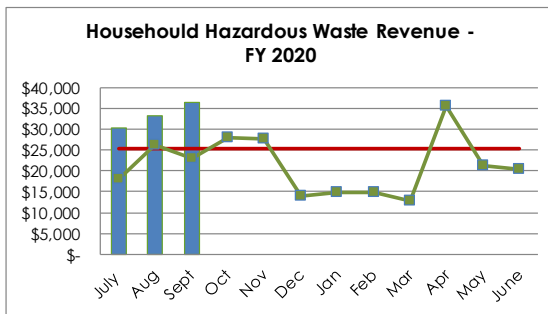
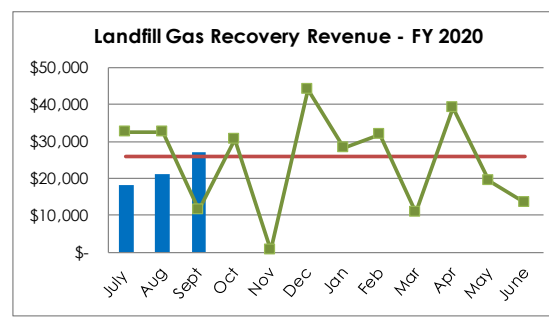
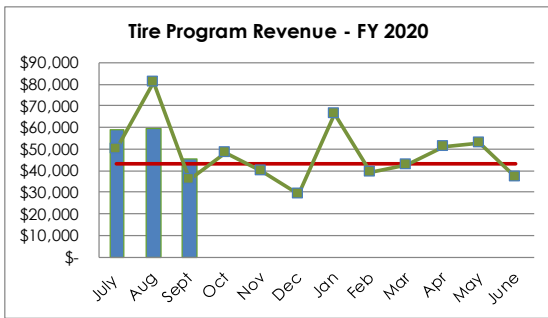
A Budget has been adjusted by \$799,255 for purchase orders rolled over from FY 2019.

| Southeastern Public Service Authority | | | | | | | |
|--|-----------------------|---------------------|---------------------|---------------------|---------------------|--------------------------------------|-----------------|
| Monthly Expense Line Items | | | | | | | |
| Description | FY 2020 Budget | Jul-19 | Aug-19 | Sep-19 | FYTD | From Previous Month \$ Change | % Change |
| Salaries Exempt | \$ 1,969,492 | \$ 71,245 | \$ 219,931 | \$ 148,704 | \$ 439,880 | \$ (71,227) | -32.4% |
| Salaries Non-Exempt | 4,755,955 | 156,831 | 472,498 | 321,101 | 950,429 | (151,397) | -32.0% |
| Overtime | 300,092 | 32,856 | 79,482 | 57,416 | 169,754 | (22,066) | -27.8% |
| Fica / Medicare Tax | 537,452 | 19,002 | 57,535 | 38,260 | 114,796 | (19,275) | -33.5% |
| VRS Retirement | 41,653 | 2,923 | 2,961 | 2,966 | 8,850 | 4 | 0.1% |
| Health Insurance | 1,408,744 | 103,638 | 105,821 | 105,702 | 315,161 | (119) | -0.1% |
| Vrs Group Life Insurance | 84,794 | 6,270 | 6,355 | 6,396 | 19,021 | 41 | 0.6% |
| Unemployment Insurance | 5,604 | 56 | 122 | 102 | 279 | (20) | -16.4% |
| Workers Compensation | 194,954 | 14,969 | 14,969 | 14,969 | 44,907 | - | 0.0% |
| Medical Fees | 12,200 | - | 856 | 590 | 1,446 | (266) | -31.1% |
| Security Service | 81,728 | 1,588 | 10,997 | 3,279 | 15,865 | (7,718) | -70.2% |
| Professional Services | 201,980 | 3,611 | 18,769 | 10,003 | 32,382 | (8,766) | -46.7% |
| Engineering Services | 285,433 | - | 16,357 | 19,213 | 35,570 | 2,856 | 17.5% |
| Landfill Survey | 15,000 | - | - | - | - | - | N/A |
| Legal Fees | 325,000 | - | 6,937 | 4,852 | 11,789 | (2,085) | -30.1% |
| Environmental Testing | 103,400 | 212 | 21,247 | 11,757 | 33,216 | (9,490) | -44.7% |
| Fire Protection | 7,000 | 276 | 1,529 | 357 | 2,162 | (1,172) | -76.7% |
| Temporary Employment Services | 0 | 2,128 | 2,088 | 1,280 | 5,496 | (808) | -38.7% |
| Uniform Rental | 50,394 | 1,505 | 1,762 | 1,294 | 4,562 | (468) | -26.5% |
| Maintenance Service Agreements | 155,529 | 2,475 | 1,803 | 29,043 | 33,321 | 27,240 | 1510.7% |
| Grounds Maintenance | 112,667 | 604 | 16,838 | 4,064 | 21,506 | (12,774) | -75.9% |
| Hazardous Waste Disp/Cleanup | 57,000 | - | 9,968 | - | 9,968 | (9,968) | -100.0% |
| Equipment Maintenance | 1,042,185 | 19,829 | 58,672 | 65,418 | 143,920 | 6,747 | 11.5% |
| Building / Site Maintenance | 591,954 | 12,149 | 16,625 | 28,682 | 57,457 | 12,057 | 72.5% |
| Leachate Pumping Station Maint | 37,500 | - | 3,177 | - | 3,177 | (3,177) | -100.0% |
| Printing | 300 | - | - | - | - | - | N/A |
| Advertising | 13,700 | - | 263 | 778 | 1,041 | 515 | 195.8% |
| Permit Fees | 75,530 | - | 3,942 | 9,680 | 13,622 | 5,738 | 145.6% |
| Suffolk Host Fee | 560,000 | 87,615 | 62,626 | 85,146 | 235,387 | 22,521 | 36.0% |
| Electricity | 222,700 | 3,413 | 27,173 | 15,473 | 46,059 | (11,701) | -43.1% |
| Heating/Gas/Propane | 14,000 | - | 60 | 81 | 141 | 21 | 35.7% |
| Water / Sewer | 50,200 | - | 1,588 | 1,532 | 3,120 | (56) | -3.5% |
| Leachate Treatment | 398,000 | - | 26,380 | - | 26,380 | (26,380) | -100.0% |
| Telephone | 121,000 | 6,059 | 5,834 | 9,774 | 21,668 | 3,940 | 67.5% |
| Postage | 2,760 | - | 118 | 68 | 186 | (50) | -42.4% |
| Radio Communication & Repair | 10,900 | - | - | - | - | - | N/A |
| Insurance & Bonding | 194,492 | 16,489 | 15,989 | 15,989 | 48,467 | - | 0.0% |
| Equipment Rental | 35,000 | - | 328 | 7,549 | 7,877 | 7,220 | 2199.6% |
| Land Lease Payment | 3,500 | 292 | 292 | 292 | 875 | - | 0.0% |
| Tire De-Rimming Service | 10,000 | - | - | - | - | - | N/A |
| Travel And Training | 28,145 | 143 | 143 | 315 | 601 | 172 | 119.9% |
| Road Tolls | 159,375 | 14,463 | 15,694 | 13,300 | 43,457 | (2,394) | -15.3% |
| Membership & Professional Dues | 4,558 | - | 433 | 369 | 802 | (64) | -14.8% |
| Bank Fees | 42,917 | 3,393 | 3,560 | 3,415 | 10,368 | (144) | -4.1% |
| Awards Programs | 10,000 | 325 | - | - | 325 | - | N/A |
| EMS Support Program | 1,000 | - | - | - | - | - | N/A |
| Office Supplies | 13,620 | 156 | 841 | 1,217 | 2,214 | 376 | 44.8% |
| Dues & Subscriptions | 15,750 | 202 | 79 | 79 | 360 | - | 0.0% |
| Other Operating Supplies | 105,710 | 619 | 6,157 | 3,916 | 10,692 | (2,241) | -36.4% |
| Vehicle / Equipment Fuel | 958,899 | 53,623 | 51,172 | 52,898 | 157,694 | 1,726 | 3.4% |
| Vehicle / Equipment Tires | 772,300 | 51,413 | 55,189 | 54,759 | 161,361 | (431) | -0.8% |
| Safety Apparel & Equipment | 26,740 | 343 | 2,027 | 1,356 | 3,725 | (671) | -33.1% |
| Small Equipment | 18,668 | 201 | 6,331 | 3,357 | 9,888 | (2,974) | -47.0% |
| Computer Hardware | 10,000 | - | - | 1,737 | 1,737 | 1,737 | N/A |
| Total Operating Expenses | \$ 16,257,474 | \$ 690,914 | \$ 1,433,518 | \$ 1,158,528 | \$ 3,282,960 | \$ (274,990) | -19.2% |
| Capital Projects/Equip Replacement | \$ 4,385,046 | 104,604 | 113,876 | 183,967 | 402,447 | 70,091 | 61.6% |
| Contracted Waste Disposal | 19,295,197 | 1,745,574 | 1,842,095 | 1,540,028 | 5,127,697 | (302,067) | -16.4% |
| Suffolk Environmental Trust Fund | 5,000 | - | - | - | - | - | N/A |
| Reserves for Landfill Expansion/Closure | 4,338,750 | 361,563 | 361,563 | 361,563 | 1,084,688 | - | 0.0% |
| Total Expenses | \$ 44,281,467 | \$ 2,902,654 | \$ 3,751,051 | \$ 3,244,086 | \$ 9,897,791 | \$ (506,966) | -13.5% |

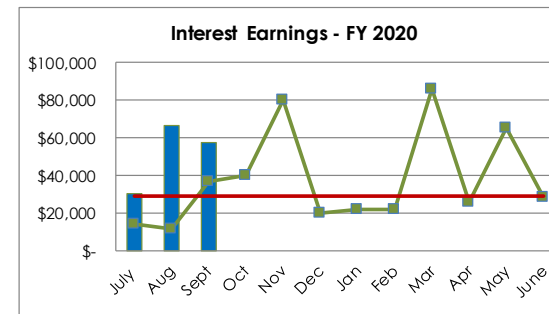
**Southeastern Public Service Authority
Monthly Comparison of Revenues and Expenses**



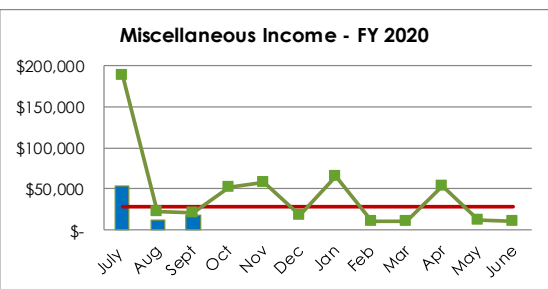
* Monthly revenue is dependent on users.

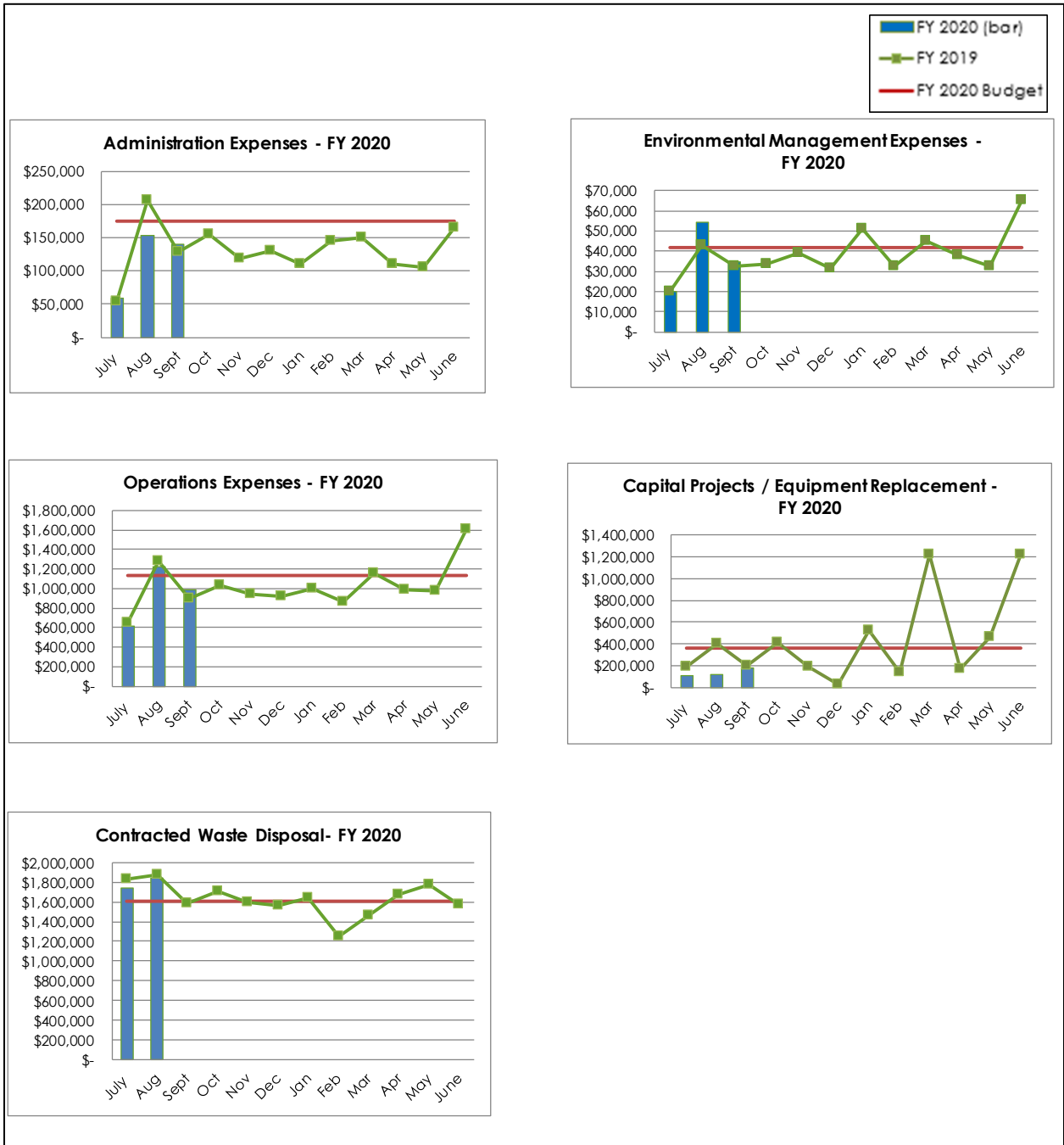


* Monthly revenue is dependent on users.



Interest payments vary based on investment date and maturity date.

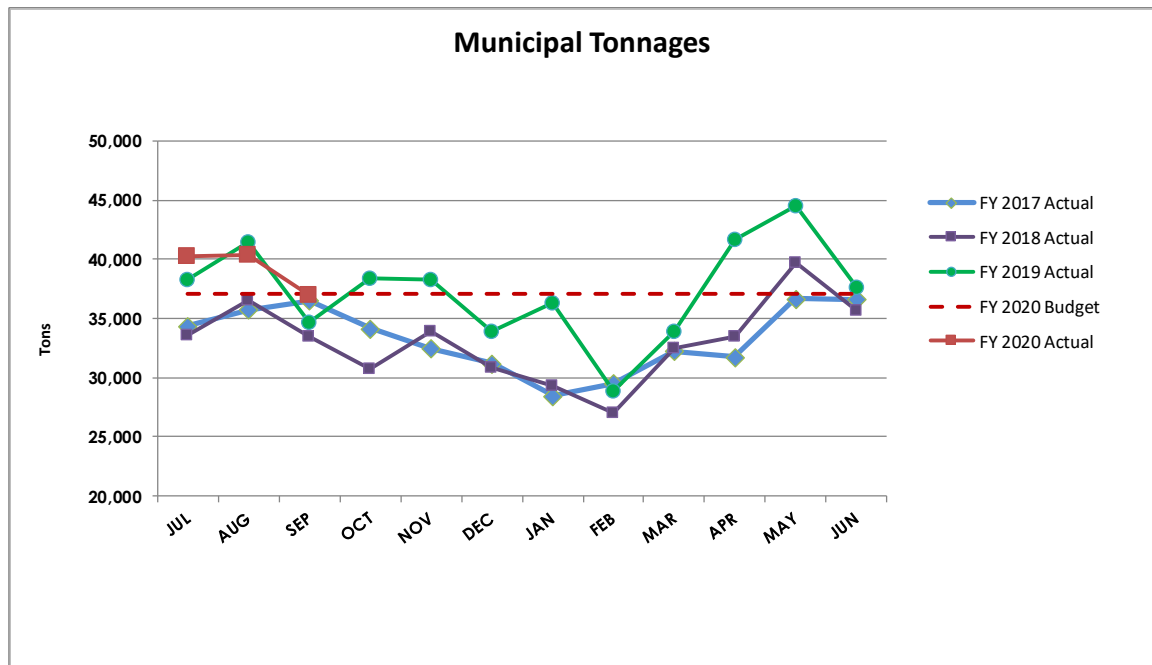




Southeastern Public Service Authority (SPSA) Waste Stream

| Waste Category | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2020 | |
|---|----------------|----------------|----------------|----------------|----------------|-------------------------------|--------------|
| | Actual (Tons) | Actual (Tons) | Actual (Tons) | Actual (Tons) | Budget | Actual (Tons) as of 9/30/2019 | % of Budget |
| Waste Stream Budgeted under Tipping Fees | | | | | | | |
| Municipal Waste | | | | | | | |
| Chesapeake | 94,981 | 90,926 | 90,896 | 105,353 | 105,100 | 28,283 | 26.9% |
| Franklin | 2,592 | 2,690 | 2,698 | 2,955 | 3,000 | 768 | 25.6% |
| Isle of Wight | 16,513 | 15,180 | 16,883 | 17,265 | 17,200 | 4,349 | 25.3% |
| Norfolk | 66,240 | 64,575 | 62,587 | 90,129 | 90,600 | 23,525 | 26.0% |
| Portsmouth | 29,089 | 30,023 | 32,769 | 40,222 | 39,800 | 10,599 | 26.6% |
| Southampton | 8,385 | 8,593 | 8,910 | 10,675 | 10,800 | 2,309 | 21.4% |
| Suffolk | 40,068 | 45,645 | 40,847 | 42,325 | 38,900 | 11,411 | 29.3% |
| Virginia Beach | 134,285 | 130,645 | 127,483 | 138,823 | 139,600 | 36,391 | 26.1% |
| Residential (Free of Charge) | 10,096 | 11,223 | 13,711 | - | - | - | N/A |
| Total Municipal Waste | 402,249 | 399,500 | 396,784 | 447,747 | 445,000 | 117,635 | 26.4% |
| Sludge - Norfolk | 4,611 | 4,782 | 5,586 | 6,040 | 5,500 | 1,531 | 27.8% |
| Navy Waste | 24,725 | 24,500 | 26,653 | 26,265 | 25,500 | 6,726 | 26.4% |
| SPSA Contracted Waste | - | 26,437 | 65,936 | 146,442 | 138,500 | 43,600 | 31.5% |
| Construction & Demolition Debris | 11,486 | 14,252 | 14,850 | 9,808 | 15,000 | 2,882 | 19.2% |
| Non-Contract Waste | - | - | 15,469 | 36,682 | 32,000 | 9,695 | 30.3% |
| Total Other Waste | 40,822 | 69,971 | 128,494 | 225,237 | 216,500 | 64,434 | 29.8% |
| Total Waste Stream | 443,071 | 469,471 | 525,278 | 672,984 | 661,500 | 182,069 | 27.5% |

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 2016 | FY 2017 | FY 2018 | FY 2019 | July | Aug | Sept | FYTD |
|---|----------------|----------------|----------------|----------------|---------------|---------------|---------------|----------------|
| | | | | | FY 2020 | FY 2020 | FY 2020 | FY 2020 |
| Construction and Demolition Debris | 11,485 | 14,252 | 14,850 | 9,807 | 1,138 | 870 | 873 | 2,881 |
| Water Treatment Plant Sludge | 5,314 | 4,927 | 5,717 | 6,039 | 845 | 386 | 300 | 1,531 |
| Industrial Waste | 874 | 846 | 379 | 295 | 7 | 37 | 5 | 49 |
| Soils for Use as Alternate Daily Cover | 66,380 | 18,935 | 9,990 | 8,630 | 399 | 609 | 635 | 1,643 |
| Clean Fill | 92,732 | 25,369 | 26,396 | 5,940 | 15,174 | 6,048 | 11,466 | 32,688 |
| Peanut Residue/Hulls | 3,202 | 5,650 | 9,366 | 4,023 | 399 | 247 | 308 | 954 |
| Non-Processible Municipal Solid Waste | 1,788 | 5,765 | 3,791 | 867 | 105 | 116 | 126 | 347 |
| Navy Waste ² | 88 | 150 | 154 | 359 | 19 | 51 | 11 | 81 |
| Non-Processible Commercial Waste ² | 5,096 | 4,518 | 2,631 | 598 | 46 | 40 | 46 | 132 |
| Concrete/Asphalt | 416 | 3 | - | 133 | 83 | - | - | 83 |
| Shredded Tires | 3,052 | 3,289 | 4,586 | 5,394 | 513 | 766 | 466 | 1,745 |
| Ash - Qualifying | 177,493 | 174,420 | 179,361 | 113,979 | 2,231 | 6,912 | 3,176 | 12,319 |
| Non-Qualifying Ash | - | - | - | 52,998 | 9,442 | 6,831 | 9,746 | 26,019 |
| MSW from FTS, IWTS, STS | - | - | 46,011 | 102,702 | 9,196 | 7,094 | 8,361 | 24,651 |
| Clean Fill - Clearfield | 32,400 | 28,226 | 31,709 | 51,540 | 5,935 | 4,971 | 6,521 | 17,427 |
| Residual Waste - Clearfield | 4,857 | 9,771 | 5,585 | 436 | - | - | 76 | 76 |
| Diverted Processible Waste (fromTsf Station) | 1,780 | 11,337 | 201 | 2,518 | 699 | - | 1,428 | 2,127 |
| Total | 406,957 | 307,458 | 340,727 | 366,258 | 46,231 | 34,978 | 43,544 | 124,753 |

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

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

| Southeastern Public Service Authority Treasurer's Report of Cash Balances For the Month Ending September 30, 2019 | | | | | | |
|---|-------------------------|-------------------------|---------------------|--------------------------|----------------------|---|
| Fund Type | Beginning Balance | Deposits / Transfers In | Interest Earnings | Payables / Transfers Out | Payroll | Ending Balance |
| Unrestricted and Designated Funds (see footnote below): | | | | | | |
| Townebank Operating | \$ 2,485,234.28 | \$ 3,598,972.24 | | \$ 3,068,180.92 | \$ 619,955.43 | \$ 2,396,070.17 |
| Townebank Money Market | 461,507.80 | | 84.98 | | | 461,592.78 |
| Townebank CD | 6,107,216.22 | | | | | 6,107,216.22 |
| Virginia Investment Pool (VIP) | 14,908,783.76 | 1,000,000.00 | 28,067.93 | | | 15,936,851.69 |
| Raymond James & Associates Investments | 10,137,487.59 | | 27,665.99 | 27,665.99 | | 10,137,487.59 |
| Total Unrestricted and Designated Funds | \$ 34,100,229.65 | \$ 4,598,972.24 | \$ 55,818.90 | \$ 3,095,846.91 | \$ 619,955.43 | \$ 35,039,218.45 |
| Trust Funds: | | | | | | |
| Environmental / Va. Beach Landfill | \$ 466,657.32 | | 763.70 | | | 467,421.02 |
| Environmental / Regional Landfill | 457,115.38 | | 748.40 | | | 457,863.78 |
| Total Trust Funds | \$ 923,772.70 | \$ - | \$ 1,512.10 | \$ - | \$ - | \$ 925,284.80 |
| GRAND TOTAL | \$ 35,024,002.35 | \$ 4,598,972.24 | \$ 57,331.00 | \$ 3,095,846.91 | \$ 619,955.43 | \$ 35,964,503.25 |
| Cash Balances Designated as follows: | | | | | | |
| Operating Funds | \$ 1,862,272.75 | | | | | |
| Undesignated (Fund Balance June 30, 2019) | 5,918,077.00 | | | | | |
| Reserved for FY 2019 Rollover Purchase Order | \$611,398.20 | | | | | (equivalent to 2 months operating expenses) |
| Reserved for HRSD Forcemain | \$2,500,000.00 | | | | | |
| Landfill Expansion / Closure | 24,147,470.50 | | | | | |
| Total Designated Funds | \$ 35,039,218.45 | | | | | |

**Southeastern Public Service Authority
Budget Transfer Activity
For the Month Ending September 30, 2019**

| Department | Object | Description | Transfer In | Transfer Out |
|---|---------------|--------------------------------|--------------------|---------------------|
| Landfill | 56410 | Small Equipment | \$ 3,113.75 | |
| Landfill | 53410 | Building/Site Maintenance | | \$ 3,113.75 |
| Operations | 53410 | Building/Site Maintenance | \$ 2,341.52 | |
| Operations | 53310 | Maintenance Service Agreements | | \$ 2,341.52 |
| IT | 56120 | Computer Software | \$ 129.00 | |
| IT | 58200 | Computer Hardware | | \$ 129.00 |
| Total Budget Transfers, September 2019 | | | \$ 5,584.27 | \$ 5,584.27 |

8. Contracts

Trailer Mounted Portable Tire Shredder

This contract would provide for the necessary purchase of a portable tire shredder to ensure that staff is able to maintain tire volume within permit limits during extended down times due to tire shredder maintenance and repair.

SPSA's current tire shredder is at the end of its useful life and is scheduled to be replaced in FY-2021. With the increase in tire volumes over the past five years, staff has been working to balance the need for regular maintenance on the aging tire shredder with the number of tires allowed to be stored under our operating permit, but despite their best efforts, the current working conditions are not sustainable due to lack of back-up equipment.

Purchasing a portable industrial shredder will allow SPSA to continue accepting and processing tires during required maintenance on the current shredder, as well as during the installation of the proposed replacement machine and its frequent routine maintenance. The portable shredder would ensure that permit levels are maintained and customers see no disruption in service.

After extensive research, staff has determined that BCA Industries is the only manufacturer of a portable trailer mounted tire shredder, with a capacity of at least 4 tons per hour and capable of being moved using a standard pick-up truck. These units are being used exclusively by multiple federal, state, and local government organizations. Staff recommends awarding a contract to BCA Industries of Milwaukee Wisconsin for the purchase of one (1) trailer mounted industrial shredder model # PD 1000 in the amount of \$ 165,000.

Bid: Sole Source

Budget: A portion of the capital project for asphalt replacement at the Regional Landfill will be deferred to FY2021 to cover the cost of this project.

Total Price: \$165,000

RECOMMENDATION: Award the contract for a trailer mounted tire shredder to BCA Industries in the amount of \$165,000.00 as presented.

MOTION: Do I hear a motion to award the contract for a trailer mounted portable tire shredder to BCA Industries as presented?

Contracts Continued**Facilities Assessment and Development of a Capital Replacement Schedule**

This contract provides for an independent and comprehensive evaluation of all SPSA Facilities and the subsequent development of a twenty-year Capital Replacement Plan. The replacement plan will be used to quantify and prioritize needed repairs in order to guide future capital budget requests as they relate to SPSA facilities. We received three proposals to perform this work.

Bid: RFP 02-20
Issued: 8/5/2019
Opened 9/10/2019

Bidders:

Facility Engineering Associates, P.C.
Hanscomb Consulting, Inc.
ECS Mid-Atlantic, LLC

Estimated Cost: \$50,000
Total Price: \$38,000

The bid received from ECS Mid-Atlantic was ranked as the most advantageous to SPSA. Staff recommends awarding a contract to ECS Mid-Atlantic in the amount of \$38,000 to perform the identified services. Funding is available in the capital project budget.

RECOMMENDATION: Award the contract for a facilities assessment and capital replacement schedule to ECS Mid-Atlantic in the amount of \$38,000.00 as presented.

MOTION: Do I hear a motion to award the contract for a facilities assessment and capital replacement schedule to ECS Mid-Atlantic as presented?

Contracts Continued**Telecommunications**

This RFP was issued to provide network and telecommunication service to nine (9) SPSA locations. Five service providers attended the Pre-Proposal Conference held on October 1, 2019. Cox Virginia Telecom L.L.C. was the only response received by SPSA. Negotiations took place between SPSA and Cox Virginia Telecom L.L.C. on October 11, 2019. The proposer addressed several questions and submitted a revised pricing schedule that staff requested. Staff recommends award of a five (5) year contract in the approximate amount of \$84,000 per year with the option to renew the contract for five (5) 1-year periods.

Bid: RFP 05-20
Issued: 9/25/2019
Opened: 10/9/2019

Budget: \$84,000 per year
Total Price: approximately \$84,000 per year

Staff recommends awarding a contract to Cox Virginia Telecom, L.L.C. in the amount of approximately \$84,000 per year to perform the identified services.

RECOMMENDATION: Award the contract for network and telecommunications services to Cox Virginia Telecom L.L.C. in the amount of approximately \$84,000 per year as presented.

MOTION: Do I hear a motion to award the contract network and telecommunications services to Cox Virginia Telecom L.L.C. as presented?

Contracts Continued**Willcox & Savage Engagement Letter**

The following engagement letter will supersede any and all previous engagement letters with Willcox & Savage. Mr. Warren Tisdale will continue to be the primary point of contact with Willcox & Savage, until his retirement on December 31, 2019, at which time Mr. Brett Spain will take over as primary point of contact. SPSA is billed based on an hourly rate. Mr. Spain's proposed hourly rate for calendar year 2020 is \$350 per hour. Hourly rates for other lawyers at the firm range from \$220 - \$535 per hour for very senior partners. A copy of the engagement letter is attached.

FY 2020 Budget for legal services: \$325,000

RECOMMENDATION: Authorize the Executive Director to execute the engagement letter with Willcox & Savage.

MOTION: Do I hear a motion to authorize the Executive Director to execute the engagement letter with Willcox & Savage as presented?

Warren L. Tisdale
(757) 628-5556
wtisdale@wilsav.com

83720.000

October 4, 2019

Ms. Liesl DeVary
Executive Director
Southeastern Public Service Authority of
Virginia
723 Woodlake Drive
Chesapeake, Virginia 23320

Re: Engagement Terms

Dear Liesl:

This engagement letter supersedes the engagement letter between the parties dated July 9, 2019.

Willcox & Savage, P.C. has been pleased to serve as general outside counsel to the Southeastern Public Service Authority of Virginia (“SPSA”) since its inception. At your request, we are providing this letter and the Standard Terms of Representation attached as Exhibit A to memorialize the terms on which our firm will continue to provide legal services to SPSA.

SPSA will be our client. You, or any successor Executive Director, will be the primary point of contact at SPSA, and I will be the primary contact at my firm until December 31, 2019, at which time Brett Spain will become the primary point of contact. Any successor to Mr. Spain must be mutually agreeable to SPSA and our firm.

We will represent SPSA with respect to matters referred to us. To date, this has included, among other things, advising SPSA on environmental laws and regulations, assisting with appointment of board members by the Governor, interpretation of enabling legislation and applicable statutes, assistance with bylaws and governance matters, preparation for and participation in public meetings of committees and the SPSA Board, drafting and negotiating contracts with vendors, service providers and member localities, advice on public procurement and Conflict of Interest Act issues, responding to Freedom of Information Act requests, assisting with the drafting of requests for proposals and subsequent negotiations, and advice on employment matters.

Reply to Norfolk Office

440 MONTICELLO AVENUE SUITE 2200 NORFOLK, VA 23510 757.628.5500 FACSIMILE 757.628.5566
222 CENTRAL PARK AVENUE SUITE 1500 VIRGINIA BEACH, VIRGINIA 23462 757.628.5600 FACSIMILE 757.628.5659

WWW.WILCOXANDSAVAGE.COM

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I-1626770.1


Ms. Liesl DeVary
October 4, 2019
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Under our engagement, SPSA is responsible to pay our fees for services and to reimburse us for all costs and expenses incurred in connection with our representation. The basis for computing our fees will be the amount of time spent on the matter by various lawyers and legal assistants multiplied by their individual hourly billing rates. Currently, our hourly billing rates for lawyers range from \$220 per hour for new associates to \$535 per hour for very senior partners. My rate for the 2019 calendar year for services to SPSA is \$400. Mr. Spain's rate through December 31, 2020 will be \$350. We endeavor to perform the work in an efficient and cost-effective manner. Additional information regarding fees, costs and expenses, conflicts of interest, and other important matters appears in the attached Standard Terms of Representation.

This engagement is terminable at will by SPSA, and also is terminable at will by us, although our right is limited by applicable rules of professional conduct, all as described under Termination in the attached Standard Terms of Representation. In addition to and not in derogation of its right to terminate, SPSA may evaluate formally the services we provide once each year, producing a written report to be presented to the Board at its annual meeting, so that the Board can review the report and decide what, if any, action it desires to take with regard to continuation of this engagement. Prior to preparing the written report, SPSA may schedule up to two meetings with the Executive Committee of the Board (or another designated committee) and us to discuss any concerns or problems. We will be entitled to review the written report at least one week prior to its presentation to the Board so that we can be prepared to address any concerns or questions raised by the Board. Either party may waive its rights with regard to an annual evaluation and the associated written report, without waiving its rights regarding the evaluation and report in the future.

Please countersign this letter and return a copy to me to confirm that the terms of our engagement, set forth herein and in the Standard Terms of Representation, continue to be acceptable. With best regards, I remain

Very truly yours,



Warren L. Tisdale

WLT:cas

Ms. Liesl DeVary
October 4, 2019
Page 3

AGREED AND ACCEPTED:

SOUTHEASTERN PUBLIC SERVICE
AUTHORITY OF VIRGINIA

By: _____
Liesl DeVary,
Executive Director

Date: _____

Exhibit A

Willcox & Savage, P.C.

Standard Terms of Representation

This document sets forth the standard terms related to the engagement of Willcox & Savage, P.C. (the "Firm") by the Southeastern Public Service Authority of Virginia ("Client"). Unless modified in writing by mutual agreement, these terms will be an integral part of our agreement. Therefore, we ask that this document be reviewed carefully and that we be contacted promptly if there are any questions.

The Scope of Our Work

We will provide legal services with respect to matters that Client refers to us. Our representation does not include representation of Client in any other matter. We are providing strictly legal services in connection with this engagement. Client is not relying on us for, and we are not providing, any business, investment, insurance, or accounting advice.

The entity that we represent is the entity that is identified as the Client in our engagement letter and does not include any affiliates of such entity (*i.e.*, the engagement would not be with any employees, officers, directors, or member localities of the Client, or the member localities' employees, officers or directors). Accordingly, for conflict of interest purposes, it is agreed that we may represent another client with interests adverse to any such affiliate without obtaining consent from Client. Similarly, we may freely represent such affiliate in connection with matters not involving SPSA, without the consent of SPSA.

Who Will Provide the Legal Services

Customarily, each client of the firm is served by a principal lawyer contact. Subject to the supervisory role of the principal lawyer, Client's work or parts of it may be performed by other lawyers and legal assistants in the firm. Such delegation will be with the approval of the Client, and will be for the purpose of involving lawyers or legal assistants with special expertise in a given area or for the purpose of providing services on the most efficient and timely basis.

Client Responsibilities

Client agrees to pay our statements for services and expenses as provided below. In addition, Client agrees to be candid and cooperative with us and will keep us informed with complete and accurate factual information, documents and other communications relevant to the subject matter of our representation or otherwise reasonably requested by us. If Client affiliates with, acquires, is acquired by, or merges with another entity, we will be provided with sufficient notice to permit us to withdraw as Client's lawyer if we determine that such affiliation, acquisition, or merger creates a conflict of interest between any of our Clients and the other party to such affiliation, acquisition, or merger.

Advice About Possible Outcomes

Either at the commencement or during the course of our representation, we may express opinions or beliefs concerning various courses of action that might be taken and/or the results that might be anticipated. Any such statement made by any lawyer of our firm is intended to be an expression of opinion only, based on information available to us at the time, and should not be construed as a promise or guarantee.

How Fees Will Be Set

The basis for computing our fees for the legal services we provide will be the amount of time spent on the matter by various lawyers and legal assistants multiplied by their individual hourly billing rates for this engagement.

The hourly rates of our lawyers and legal assistants are adjusted annually to reflect current levels of legal experience, changes in overhead costs, and other factors. We will keep records of the time we devote to Client's work, including conferences (both in person and over the telephone), negotiations, factual and legal research and analysis, document preparation and revision, travel on Client's behalf, and other related matters. We record our time in units of tenths of an hour.

The fees and costs necessary to perform the work referred to us are not predictable. Any estimate of fees and costs that we may provide you from time to time, including, without limitation, any estimate that we provide Client to facilitate Client's creation of a fiscal year budget, is only an estimate and not a commitment to a fixed price or cap.

Additional Charges

In addition to our legal fees, we will charge for costs and expenses that we incur in the course of representation. Examples include such matters as long-distance telephone charges, special postage, delivery charges, photocopy charges and related expenses, travel expenses, and use of other service providers, such as printers or experts. In litigation matters, such expenses also may include filing fees, deposition costs, process servers, court reporters, and witness fees. We separately bill for computerized legal research and related expenses. Except for specialized word processing services, we normally do not make a separate charge for secretarial work unless there is a situation that requires overtime staff work.

While our charges for these services are measured by use, they may not, in all instances, reflect our exact out-of-pocket costs. For many of these items, the precise cost of providing the service is difficult to establish. We would be pleased to discuss the specific schedule of charges for these additional services and to answer any questions that may arise.

Billing Arrangements and Terms of Payment

We will bill on a monthly basis, for both fees and disbursements recorded on our books during the previous month. Client agrees to make payments within 30 days of receiving our statement.

If there is a delinquency and satisfactory payment terms are not arranged, we also may withdraw from the representation and pursue collection of the account. Client agrees to pay the costs of collecting the debt, including court costs, filing fees, and actual attorney's fees, plus a late charge of 5% of the delinquent balance. We also reserve the right to charge interest on delinquent accounts at the rate of 12% per annum. (For clarification, no interest will be charged on amounts outstanding as of the date of our engagement letter.)

Responses to Auditors' Inquiries

We are frequently asked to provide information to auditing firms regarding legal matters of our clients. We respond to those inquiries with the same level of care and professionalism that we use to handle Client's other legal work and will charge for these services at our customary hourly rates. When an auditing firm requests information on Client's behalf, that request will be deemed to be Client's request for us to disclose that information to that firm.

Termination

Client may terminate our services and representation at any time upon written notice to us. Such termination shall not, however, relieve Client of the obligation to pay for all services already rendered, including work in progress and remaining incomplete at the time of termination, and to pay for all expenses incurred on Client's behalf through the date of termination.

We reserve the right to withdraw from our representation as required or permitted by the applicable rules of professional conduct upon written notice to Client. In the event that we terminate the engagement, we will take such steps as are reasonably practicable to protect Client's interests in the specified matter, and Client agrees to take all steps necessary to free us of any obligation to perform further, including the execution of any documents necessary to perfect our withdrawal. Client agrees to pay us for all services rendered and costs or expenses incurred on Client's behalf through the date of withdrawal.

Unless previously terminated, our representation in the specified matters will terminate upon our sending our final statement for services rendered.

Conclusion of Representation; Retention and Disposition of Documents

Following termination of our services, if Client so requests, all original, Client-furnished documents, legal instruments, official documents (corporate minutes, etc.), and copies of other documents prepared or collected for Client during the course of the representation will be returned to Client within a reasonable time. Otherwise, the Firm will retain those documents.

The Firm will retain its own records pertaining to the matter. All materials retained by the Firm will be transferred to the person responsible for administering our records retention program. For various reasons, including the minimization of storage expenses, we reserve the right to destroy or otherwise dispose of any materials retained by us within a reasonable time after the termination of the engagement.

After the conclusion of our representation, changes may occur in the applicable laws or regulations that could have an impact upon Client's future rights and liabilities. The Firm has no continuing obligation to advise Client with respect to future legal developments.

9. Other Business

10. Adjourn Meeting