

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

June 24, 2020

Due to the COVID-19 pandemic state of emergency, the Regular Meeting of the Board of Directors of the Southeastern Public Service Authority (SPSA) was held electronically at 9:30 a.m., pursuant to the 2020 Amendments to the 2019 Appropriation Act; the purpose of the meeting was to discuss or transact the business statutorily required or necessary to continue operations of SPSA and the discharge of its lawful purposes, duties, and responsibilities. Through the meeting notice, members of the public were invited to listen to and view presentations displayed at the meeting by registering for attendance using a GoTo Webinar teleconferencing platform. Members of the public were invited to speak at the SPSA Board of Directors Meeting during the designated public comment period at the beginning of the meeting by registering in advance with the Secretary through contact information published in the meeting notice. Members of the public were invited to listen to the SPSA Board Meeting via telephone.

The following members were in attendance or as noted:

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

* Indicates Attendance via GoTo Webinar Teleconference

** Indicates Attendance in Person at the Regional Board Room, 723 Woodlake Drive, Chesapeake, VA, 23320

(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 electronically via GoTo Webinar included the Alternate Ex-Officio Members, Mr. Chad Edwards (FR), Mr. Michael Etheridge (IW), Mr. Eric Martin (CH), Ms. Trista Pope (NO), and Ms. Erin Trimyer (PO).

The SPSA executives who attended in person at the Regional Board Room were, Ms. Liesl R. DeVary, Executive Director and Treasurer, Mr. Dennis Bagley, Deputy Executive Director, Ms. Tressa Preston, Secretary and Executive Administrator, and Mr. Brett Spain, General Counsel.

1. CALL MEETING TO ORDER

Mr. Keifer, Chairman of the Board, called the meeting to order at 9:32 a.m.

2. PUBLIC HEARING ON SCHEDULE OF FEES AND CHARGES

Chairman Keifer read the following statement onto the record to begin the Public Hearing on the Schedule of Fees and Charges.

“This public hearing is being held in accordance with Section 15.2-5136 of the Virginia Water and Waste Authorities Act. Its purpose is to take public comment on the proposed Schedule of Fees and Charges adopted in preliminary form by the Board of Directors of the Southeastern Public Service Authority of Virginia on May 27, 2020.

The notice of public hearing was published in The Virginian Pilot on June 2nd and June 9th as required by law. After conclusion of the public hearing, the Board of Directors will consider comments offered here today and will proceed to adopt a final schedule to become effective July 1, 2020, and to continue in effect until such time as modified by the Board of Directors in accordance with the procedures set forth in the Virginia Water and Waste Authorities Act.”

Chairman Keifer asked if anyone had registered to speak at the Public Hearing and Ms. Preston replied that she had received no requests to make a comment. Chairman Keifer closed the Public Hearing.

3. PUBLIC COMMENT – Ms. Preston reported that she received no requests to make a public comment.

4. CHAIRMAN'S COMMENTS

Chairman Keifer recognized two Board Members that will be stepping down at the end of the month: Steven Jenkins and Eric Martin, both representing Chesapeake. Mr. Martin has served as Chesapeake's alternate Ex-Officio Member since May of 2018 and previously served as Ex-Officio Member from January, 2010 to December of 2017. Mr. Jenkins served as Chesapeake's alternate Ex-Officio Member from November 2012 to December 2017 and began serving as Ex-Officio Member in January of 2018. Chairman Keifer thanked them for their service and let them know that they will be missed. Mr. Martin thanked the Board for their support of him and the City of Chesapeake, stating that everyone's efforts have built SPSA into a great organization that has seen much improvement over the years and it has been his pleasure to serve on the Board.

At the previous Board Meeting, the Nominating Committee was appointed by the Chairman. Mr. Dale Baugh will serve as Chair, along with Ms. Sheryl Raulston and Mr. Richard Broad as members. Mr. Baugh reported to the Board that as Chair of the Nominating Committee he has spoken with each member of committee and recommend the following slate of nominees for SPSA officer positions in accordance with the Bylaws. Those recommendations are: for Chair, John Keifer, for Vice Chair, Luke McCoy, for Secretary, Tressa Preston, and for Treasurer, Liesl DeVary. The Committee has contacted the candidates and they willingly volunteer for the nominated positions. These nominations will be presented for a vote at the July Board Meeting.

5. APPROVAL OF MINUTES

The minutes of the May 27, 2020 Board meeting have been distributed. Chairman Keifer asked if there were any additions or changes. The Secretary reported that in the section of the minutes

referencing the flyover, “west-bound” should be corrected to say “east-bound.” Mr. Spain requested that the beginning of the minutes should mention the COVID-19 pandemic as the reason for the electronic meeting. Ms. Preston confirmed that both of those changes will be reflected in the final version of the minutes.

Ms. Raulston moved, seconded by Mr. Sorrentino to approve the May 27, 2020 minutes of the SPSA Board of Directors as presented. The vote on the motion was unanimous.

6. ADOPTION OF THE JULY 1, 2020 – JUNE 30, 2021 BUDGET

Before a vote was taken on approving the FY 2021 budget, Ms. DeVary gave a brief review of budget highlights, including proposed changes to the tip fee schedule and a recap of the overall budget showing the total budget at \$43,687,546, which is a 0.8% increase from the previous year. Municipal tonnages are projected at 445,000 and the municipal tipping fee remains unchanged at \$57 per ton. There were no questions or comments from the Board regarding the budget.

Mr. Martin moved, seconded by Ms. Raulston to adopt the FY 2021 Operating & Capital Budgets. A roll call vote on the motion was unanimous.

As a part of the FY 2021 budget, the Strategic Operating Plan was updated. Changes include new language for the Mission, Purpose, and Vision, and Values, in keeping with the new rebranding, the HHW program was updated to include Norfolk, resident only hours at the Chesapeake Transfer Station were updated, the holiday schedule notes that SPSA follows the state holiday schedule which has removed Lee Jackson Day and added Election Day as a holiday, and the Regional Landfill Planning Horizon was updated to include the most recent Airspace Report and the updated Conceptual Master Plan.

**RESOLUTION APPROVING REVISIONS TO THE
STRATEGIC OPERATING PLAN – JUNE 24, 2020**

WHEREAS, the Southeastern Public Service Authority of Virginia (“SPSA”) was created in 1976 by concurrent resolution of the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton (the “SPSA Members”);

WHEREAS, between 1983 and 1984, the SPSA Members entered into individual Use and Support Agreements with SPSA (such agreements, as originally entered into and subsequently amended, are the “Legacy Use & Support Agreements”) which provided, among other things, that each SPSA Member would deliver to SPSA substantially all of the disposable solid waste generated or collected by or within or under the control of such member;

WHEREAS, all of the Legacy Use & Support Agreements expired on January 24, 2018;

WHEREAS, in anticipation of the expiration of the Legacy Use & Support Agreements, a series of comprehensive studies were performed and discussions conducted in order to assess regional solid waste management planning and related issues;

WHEREAS, based on such studies, discussions and other factors, the SPSA Members generally determined that a cooperative approach to the continuation of a regional system of municipal solid waste management, effected through SPSA, is in the best interests of the SPSA Members individually and the region as a whole;

WHEREAS, in light of such determination, a Use & Support Committee of the Board of Directors of SPSA was established to develop, prepare and submit to the SPSA Members a form Use & Support Agreement that would be used to create identical new agreements between SPSA and each SPSA Member to replace their respective Legacy Use & Support Agreements, with effect as of January 25, 2018, to provide for the SPSA Members continuing delivery of municipal solid waste to SPSA and for SPSA's continuing management and disposal of such waste;

WHEREAS, after many months of study and consideration by SPSA Executive Staff, legal counsel, the Use and Support Board Committee, the Board and the SPSA Members, the Cities of Chesapeake, Franklin, Norfolk, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton each approved, executed and delivered to SPSA the Use & Support Agreement, including a Strategic Operating Plan to be attached thereto as Schedule I and incorporated therein by reference (the agreements, as executed and delivered by each of the foregoing SPSA Members in identical form, are collectively the "Post-2018 Use & Support Agreements"); and

WHEREAS, the Board on May 25, 2016, authorized the execution, delivery and performance of the Post-2018 Use & Support Agreements with each of the SPSA Members, further to the continuation of a regional system of municipal solid waste management to be effected through SPSA;

WHEREAS, pursuant to the Post-2018 Use & Support Agreements, the Strategic Operating Plan attached as Schedule I to the Post-2018 Use & Support Agreements, shall be reviewed by the Board on at least an annual basis in connection with the Board's review and consideration of the annual operating budget of SPSA, and at such other times as the Board may deem necessary or appropriate;

WHEREAS, pursuant to the Post-2018 Use & Support Agreements, if deemed necessary or appropriate after review, the Strategic Operating Plan may be updated or modified by a resolution approved by at least seventy-five percent (75%) of the Board, and any such updated and/or modified Strategic Operating Plan shall be appended to the Post-2018 Use & Support Agreements as the new Schedule I thereto, in replacement of all prior Strategic Operating Plans.

WHEREAS, SPSA Executive Staff with the assistance and advice of legal counsel has reviewed the Strategic Operating Plan, and has recommended to the Board that certain updates and modifications be made to the Strategic Operating Plan;

WHEREAS, the Board after review and consideration has deemed it necessary and appropriate to make the recommended changes to the Strategic Operating Plan.

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

1. The Strategic Operating Plan shall be updated and modified as shown on the Strategic Operating Plan attached to this resolution, the updated and modified Strategic Operating Plan shall replace the version of the Strategic Operating Plan approved by the Board on April 24, 2019, and the updated and modified Strategic Operating Plan be deemed to be appended as Schedule I to the Post-2018 Use & Support Agreements, and shall duly incorporated therein.

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

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

Mr. Sorrentino moved, seconded by Ms. Raulston to adopt Resolution Approving Revisions to the Strategic Operating Plan – June 24, 2020. A roll call vote on the motion was unanimous.

An additional vote was necessary to adopt the Schedule of Fees and Charges.

Ms. Raulston moved, seconded by Ms. Lowe to adopt the Schedule of Fees and Charges effective July 1, 2020. A roll call vote on the motion was unanimous.

7. HRTPO PRESENTATION ON FLYOVER FUNDING OPPORTUNITES

Bob Crum and Mike Kimbrel of the Hampton Roads Transportation Planning Organization (HRTPO) delivered a presentation that gave an overview of the flyover project, including the project location, the project purpose to alleviate safety issues, and potential federal and regional funding sources to be explored, including SMART SCALE, INFRA Grants, BUILD Grants, and RSTP funding.



Project Purpose – Address Safety Issue



Proposed Flyover



Project Purpose – Address Safety Issue

Crashes Within 500' of the Intersection of Route 460/58/13 and the SPSA Entrance

All Crashes						Crashes Expected to be Eliminated By Proposed SPSA Flyover					
Year	K	A	B	C	O	Year	K	A	B	C	O
2013	0	0	2	1	1	2012	0	0	1	0	1
2014	0	0	5	3	2	2014	0	0	2	1	2
2015	0	0	3	3	1	2015	0	0	0	1	1
2016	0	0	0	4	1	2016	0	0	0	3	2
2017	0	0	1	3	1	2017	0	0	0	2	1
2018	0	1	3	6	1	2018	0	1	1	3	0
2019	1	0	0	4	0	2019	1	0	0	1	1
TOTAL	1	1	12	21	11	TOTAL	1	1	4	11	11

K - Fatalities
 A - Injuries or serious injury
 B - Injuries or minor/moderate/visible injury
 C - Injuries or non-visible injury
 O - Other (property damage only)



Potential Funding Opportunities

- SMART SCALE (State Program)
- INFRA (Federal Program)
- BUILD (Federal Program)
- RSTP (Regional Program)



SMART SCALE

- High Priority Projects Program (HPPP)
 - Projects compete statewide
- District Grants Program (DGP)
 - Only localities may apply
 - Projects compete within each District



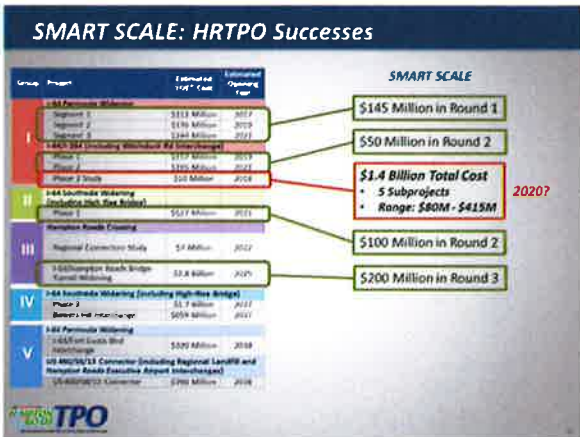
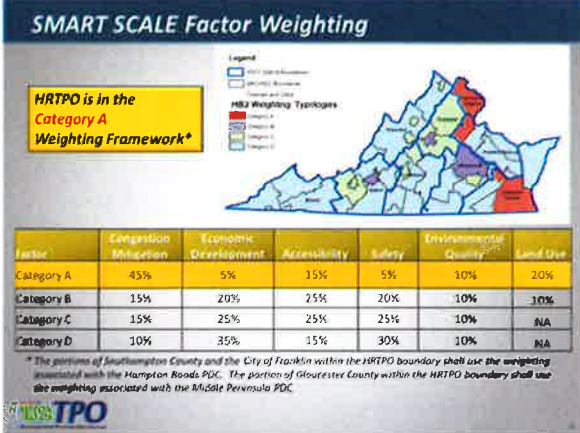
SMART SCALE Funding

- Current statewide estimates for Round 4
 - \$400 million for High Priority Projects Program
 - \$400 million for District Grants Program
 - Approximately \$80 million for Hampton Roads District



SMART SCALE Evaluation Factors & Measures

Factor Areas	Measure ID	Measures
Safety	S.1	Equivalent property damage only (LPDO) of Fatal and injury Crashes
	S.2	LPDO Rate of Fatal and Injury Crashes
Congestion Mitigation	C.1	Person Throughput
	C.2	Person Hours of Delay
Accessibility	A.1	Access to Jobs
	A.2	Access to Jobs for Disadvantaged Persons
	A.3	Access to Multimodal Choices
Environmental Quality	E.1	Air Quality and Environmental Effect
	E.2	Impact to Natural and Cultural Resources
Economic Development	ED.1	Project Support for Economic Development
	ED.2	Intermodal Access and Efficiency
	ED.3	Travel Time Reliability
Land Use	L.1	Transportation-Efficient Land Use
	L.2	Increase in Transportation Efficient Land Use



- ### INFRA Grants Program (USDOT)
- Infrastructure For Rebuilding America
- Projects compete nationwide
 - Highway & Freight projects of National or Regional significance
 - Total available nationwide: \$906 million
 - At least 25% to rural projects
 - Deadline to apply: February 25, 2020

- ### INFRA Grants Program (USDOT)
- Criteria:
 - Support for National or Regional Economic Vitality
 - Leveraging of Federal Funding
 - Potential for Innovation
 - Performance and Accountability
 - Large projects: Cost > \$100 million
 - 2019 Average Award: = \$80 million
 - Small projects: Cost > \$5 million
 - 2019 Average Award: = \$8.5 million

- ### INFRA Grants Program (USDOT)
- Past HRTPO INFRA applications:
 - 11/2017 (w/VDOT) for I-64/HRBT and Express Lanes Network
 - INFRA Request: \$20r Million
 - 3/2019 for I-64/HRBT
 - INFRA Request: \$150 Million
 - 2/2020 for I-64 Peninsula Widening Segment 4
 - INFRA Request: \$96 Million
 - Unsuccessful

BUILD Grants Program (USDOT)

Better Utilizing Investments to Leverage Development

- Projects compete nationwide
- Surface transportation infrastructure projects with significant Local or Regional impact
- 2020 Total available nationwide: \$1 Billion
 - 50/50 Urban versus Rural
- Deadline to apply: May 18, 2020
- Maximum Award: \$25 million




BUILD Grants Program (USDOT)

- **Primary Criteria:**
 - Safety
 - State of Good Repair
 - Economic Competitiveness
 - Environmental Sustainability
 - Quality of Life
- **Secondary Criteria:**
 - Innovation
 - Partnership



BUILD Grants Program (USDOT)

- Past HRTPO BUILD applications:
 - 7/2018 for I-64/HRBT
 - BUILD Request: \$25 Million
 - 7/2019 for I-64/HRBT
 - BUILD Request: \$25 Million
- **Unsuccessful**
- Current BUILD application (submitted by SPSA)
 - 5/2020 for SPSA Flyover
 - BUILD Request: \$18 Million




RSTP (Regional Surface Transportation Program)

- Federal funding passed through the State and allocated by the HRTPO
- Projects compete regionwide
- Projects evaluated and scored based on Project Selection Process approved by the HRTPO Board




Summary of Funding Sources

- **SMART SCALE:**
 - Compete Statewide (approx. \$400M available)
 - Congestion Mitigation weighted 45%
 - Flyover project unlikely to compete well
- **INFRA:**
 - Compete Nationwide (approx. \$680M available)
 - Projects of National or Regional Significance
 - Leveraging of Federal Funding
 - Flyover project unlikely to compete well
- **BUILD:**
 - Compete Nationwide (approx. \$500M available)
 - Safety and Economic Competitiveness are among Primary Criteria
 - Could be a good fit for Flyover project



Summary of Funding Sources

- **RSTP:**
 - Compete Regionwide (approx. \$37M/year available)
 - Safety and Access are among evaluation criteria
 - Could be a good fit for Flyover project



Chairman Keifer asked a question about the RSTP finding timeframe, as his understanding is that those funds are earmarked far in advance. Mr. Kimbrel confirmed that the current RSPT funding allocation is for FY 2027, but it is a common practice for near-term projects that are not ready to progress, to swap funding with projects that need a quicker start date. Chairman Keifer also commented that communities play a role in selecting RSTP funding recipients and encouraged Ex-Officio SPSA Board Members to speak to their communities' transportation staff about the importance of this funding opportunity for the region.

Ms. DeVary presented slides to clarify the timeframe in which SPSA will need funding for the flyover and potential internal funding strategies. Based on current operations, the flyover will be needed by FY 2027. If external funding is not secured and the flyover needs to be paid for through the municipal tipping fee, an additional \$6 per ton will need to be added beginning in FY 2022. This would enable SPSA to accumulate the needed funds with a construction start date of FY 2023. Ms. DeVary also presented a table illustrating a method for securing the remaining \$18 million needed for the project through a single contribution by each member community.



- Based on current operations the flyover is needed by FY 2027
- If the flyover is funded through the tip fee, we will need to add an additional \$6 per ton to the tip fee beginning in FY 2022



Single contribution from each of the 8 member communities

	FY 2019 Tonnage	%	2020 Dollars
			\$23 Million
Chesapeake	195,353	24%	\$4,235,325
Franklin	2,955	1%	\$118,795
Isle of Wight	17,265	4%	\$694,075
Norfolk	90,129	20%	\$3,623,301
Portsmouth	40,222	9%	\$1,616,076
Southampton	10,675	2%	\$429,149
Suffolk	42,325	9%	\$1,701,519
Va. Beach	138,623	31%	\$5,580,862
Total	447,747	100%	\$18,000,000
SPSA			\$5,000,000
Grand Total			\$23,000,000

Mr. Martin asked Ms. DeVary about the projected cost of creating a rear entrance to the landfill, rather than the proposed flyover. Ms. DeVary replied that the initial cost estimate for the rear entrance was \$4.5 – \$5 million. Mr. Martin replied that he would like consideration given to the comparative costs of the project in relation to the impacts and opportunities the flyover would bring for the City of Suffolk.

Ms. DeVary reminded the Board that SPSA’s Conditional Use Permit (CUP) with the City of Suffolk requires that a “VDOT funded flyover” to be completed before depositing waste in Cell VII. In order to be allowed to construct a back entrance to the landfill instead of the flyover, SPSA would need to seek an amendment to the CUP, as well as request rezoning permits and address other major community factors. Mr. Roberts added that in addition to an amendment to the CUP, a parcel of land would have to be acquired and rezoned for industry to allow a commercial entrance, making the land designation requirement a greater concern than an amended CUP. Mr. Roberts offered to explore the previous investigation into the subject of a rear entrance, but cautioned that weighing the options solely on construction costs oversimplifies the project and sets aside critical facts.

As an option to be considered, Mr. Martin stated that in the past there was discussion about purchasing the property in question to be used as a buffer or to acquire development rights in order to preserve it, and asked if there was any information on the land’s cost or value. Ms. DeVary responded that the property is largely undevelopable wetlands. She also noted that the \$4.5 - \$5 million cost estimate for a back entrance was strictly road construction and did not include purchasing land or paying for wetlands mitigation, so actual costs would be significantly higher.

Chairman Keifer asked Mr. Crum and Mr. Kimbrel for the estimated timeframe in which SPSA could expect to hear about funding awards for the BUILD Grant and RSTP funding. Mr. Crum

and Mr. Kimbrel replied that both should be awarded before the end of the year, likely around Thanksgiving. Chairman Keifer went on to tell the Board that the goal of Mr. Crum and Mr. Kimbrel's presentation was to begin to present information about funding the flyover and meeting CUP requirements. Because these are complicated subjects, they will require extensive discussion and that no action is being proposed at this time. However, this is an important issue to be well aware of, and the Chairman requested that Board Members return to their communities and discuss with their transportation counterparts with the awareness that a plan will have to be formulated in the coming months.

Mr. Barnes stated that he is aware that the back entrance was discussed some time ago, but requested further clarification on current details, asking if there would be more information provided in the future. Chairman Keifer confirmed that more information on the specific challenges of constructing a back entrance will be compiled and presented.

Mr. Crum encouraged SPSA to reach out to elected officials asking that they send letters of support for SPSA's BUILD Grant application. Ms. DeVary responded that has been done and SPSA has already received a letter from Senator Kaine and anticipate letters from Senator Warner and a co-signed letter from the congressional delegates.

8. EXECUTIVE DIRECTOR UPDATES

Ms. DeVary updated the Board on the status of the Cell VIII and IX permitting process. VHB is continuing to look at offsite alternatives, while HDR is developing onsite alternatives for reducing wetlands impact as a part of the Environmental Impact Study required by the Army Corp of Engineers. Due to the pandemic, Public Scoping, also required by the Corp, will take place virtually for 45 days on a website designed by VHB. The Board will be kept up to date on the process and will be forwarded the link to the website once it is active. SPSA also needs to submit a DEQ permit modification for landfill expansion, but that process is delayed until the Regional Solid Waste Management Plan (RSWMP) has been updated. Most likely due to personnel turnover, DEQ only has record of having approved the 2010 RSWMP. SPSA is working with HRPDC, the agency responsible for the RSWMP, to get an update that accurately reflects the region's need for landfill expansion accepted by DEQ as soon as possible, but it is likely that the permit modification will not be submitted until January.

Regarding the Norfolk Naval Shipyard and their proposed power plant, SPSA and Wheelabrator had separate teleconferences with the Navy on June 8th to discuss individual operations and impacts, particularly around landfill expansion. A follow-up meeting was scheduled with all of the stakeholders, but was postponed at the Navy's request so that they might have time to review the impacts and form answers to questions posed by Wheelabrator. The Navy has not yet proposed another meeting date. In other updates, as she mentioned before, Ms. DeVary reported that SPSA has received a letter of support from Senator Kaine for the BUILD Grant application. Also, general counsel has drafted the amendment to the Wheelabrator contract. Pete DiCecco of Wheelabrator told Ms. DeVary that the amendment was being processed by their legal department and he hoped that it would arrive yesterday, but it has not yet been received.

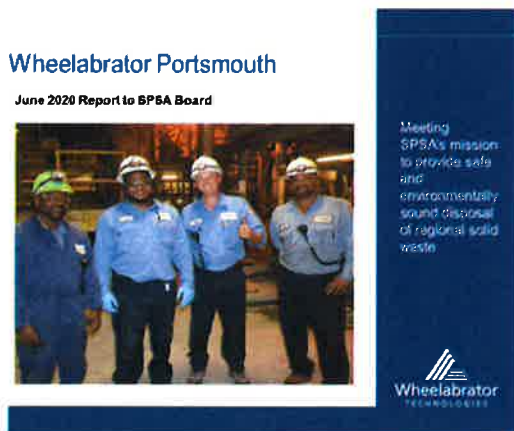
Mr. Bagley delivered the operations report, stating that 33,434 tons of material were landfilled in the month of May and that the Regional Landfill will be accepting clean top soil from the two Amazon projects in Suffolk and Chesapeake. Staff has submitted a landfill gas remediation plan to DEQ after receiving the warning letter that was reported to the Board last month. After

extensive testing, staff learned that the gas wells in question were not under vacuum, which was not allowing methane to be removed. Once the valves were opened, the wells began functioning properly and all subsequent testing has shown appropriate readings. Staff is confident that this corrective action has resolved the issue and is complying with DEQ requirements to continue testing for four weeks to ensure proper methane levels are being maintained.

Mr. Bagley delivered further updates. Regarding the landfill fire recovery, with the exception of building reconstruction, things are running smoothly. Nearly all tools and equipment have been repaired or replaced and the new maintenance facility is operational. Mr. Bagley will continue to keep the Board updated on progress. An odor complaint at the landfill was received on June 11th. SPSA was notified immediately and the issue was addressed. Work was being done on the west side of Cell XI and peanut hulls were placed on the road to absorb moisture, which was the cause of the odor, not waste from the landfill. The peanut hulls were covered with dirt the next day and the odor dissipated. Lastly, Mr. Bagley encourages the Board to take a look at the Waste360 article on the Regional Landfill. There were no questions or comments on the Executive Director Report or the Operations Report.

9. WHEELABRATOR PORTSMOUTH MONTHLY REPORT

Mr. Clint Stratton presented the report from Wheelabrator electronically, stating that waste volume has increased and operational data reflects favorably with only minor periods of diversion. 82% of ash delivered to the landfill qualified for use as alternative daily cover. The Norfolk Naval Shipyard continues to use an abnormally large steam volume for this time of year, thus affecting net megawatts sold. Grate chains continue to be replaced on boilers, which should result in less unscheduled downtime.



Wheelabrator Portsmouth
June 2020 Report to SPSA Board

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

Wheelabrator Portsmouth May 2020
Actual Operational Data

Net Refuse Received			Total Refuse Processed			Total NP Diverted			Ash Shipped		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
53,473	54,485	-964	56,762	52,634	4,128	5,224	5,054	170	15,165	14,473	1,742
<i>Equivalent of 9 tractor trailers in a straight line for 42.02 miles</i>			<i>Favorable deviation</i>			<i>Picking and grinding stopped during downtime</i>			<i>Driven by favorable tons processed</i>		

Steam Sales			Boilers Unscheduled Downtime			TQ's Unscheduled Downtime			Net MWH Sold		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
41,194	38,042	3,152	165	128	37	226	0	226	18,450	19,992	1,582
<i>INVOY continues to use</i>			<i>Driven mostly failures on 1 & 4 boiler grates due to aluminum grate chains have been repaired</i>			<i>Shoring failure on #3 TQ</i>			<i>Favorable steam sold and USD1 for 2 TQ's for heating replacement</i>		

- * Includes 2,985 tons of non-qualifying residue delivered to landfill due to screener downtime
- Waste delivered by SPSA to RDF- 49,517.50 tons
- Boiler availability - 69%
- Turbine Generator availability- 96%
- Boiler 1 scheduled outage completed this period to include grate cleaning and chain replacement pressure part repairs, flue gas repairs, baghouse replacement and metal repairs, RDF feed system screw repairs, ash removal system repairs
- 1 OSHA Recordable accidents this period 7 for the YTD

Mr. Stratton opened the floor for any questions. Chairman Keifer noted that there were no questions or comments on the Wheelabrator Report.

10. FINANCIAL REPORT

Ms. DeVary reviewed the financial information for the month ending May 31, 2020. Total revenues exceeded total expenses for the fiscal year-to-date by approximately \$5.2 million as compared to \$6.9 million in the previous fiscal year. Tipping fees reflect a decrease of -1.2% or approximately \$501,177 as compared to May of 2019. The municipal waste tons are up

approximately 4.4% or 17,873 tons from last fiscal year. The reduction in the tip fee revenue is due to the decrease in the municipal tip fee from in FY 2019.

Ms. DeVary reported that total expenses for the month ending May 31, 2020 were approximately \$37.5 million, which is unchanged from the prior fiscal year. Cash balances are at approximately \$40.5 million; currently designated as \$4.9 million in operating, \$210,820 for rolled purchase orders from landfill expansion, \$5.9 million in undesignated fund balance, \$2.5 million for the proposed HRSD Force Main, and \$27 million in the landfill expansion and closure fund.

Chairman Keifer requested a motion to approve the financial reports.

Ms. Raulston moved, seconded by Ms. Lowe to approve the SPSA financial report as presented. The vote on the motion was unanimous.

11. CONTRACTS

The first contract for consideration is for diesel fuel delivery. The bid is for mark-up costs paid to the vendor which will remain constant through the term of the 5-year contract, effective July 1, 2020. The current vendor, Dime Oil, came in with the best bid and the recommendation is to award the contract for diesel fuel delivery to Dime Oil.

Mr. Sorrentino moved, seconded by Ms. Raulston to award the contract for diesel fuel delivery to Dime Oil as presented. The vote on the motion was unanimous.

The next seven contracts were for renewals for services that have already been bid out and have further option years and, if there are no objections, will be reviewed individually, but voted on as a group.

Grounds maintenance services have been provided by Costal Lawn Service. This is option year 4 of 4 and the budgeted amount for this service is \$73,440. There is no increase in rates from the current fiscal year.

Household hazardous waste disposal services are with MXI Environmental Services. This is option year 2 of 4 with an estimated annual expense of \$55,000. There is no increase in rates from the current fiscal year.

Laboratory analysis services are with Air, Water, & Soil Laboratories. This is option year 4 of 4 with an estimated annual cost of \$100,000. There is no increase in rates from the current fiscal year.

After-hours security services at the regional landfill are provided by United American. This is option year 3 of 4 with an estimated annual cost of \$83,387, which includes a 2% increase in hourly rates.

Service and OEM Caterpillar replacement parts are provided by Carter Machinery. This is option year 3 of 4 with a projected cumulative annual cost of \$275,000 - \$300,000, which includes an 8% increase in unit prices. However, it should be noted that this is the first rate increase in 3 years.

The truck tire replacement program is with Colony Tire. This is option year 4 of 4 with a budgeted annual cost of \$150,000. There is no increase in unit prices from the current fiscal year.

Loader tire services are through Colony Tire. This is option year 3 of 4 with a fixed annual rate of \$512,582.20. There is no increase in rates from the current fiscal year.

Ms. DeVary allowed time for questions and comments. Seeing that there were none, Chairman Keifer asked if there were any objections to voting on the renewal contracts in a single motion, rather than individually. There were no objections.

Ms. Lowe moved, seconded by Ms. Raulston to approve the renewal contracts as presented. The vote on the motion was unanimous.

12. ADJOURN MEETING

Chairman Keifer thanked everyone for their patience with the electronic format and the sound quality issues that were experienced throughout the meeting. Moving forward all options will be considered and improvements will be made. There being no further business to come before the Board of Directors the regular meeting was adjourned at 11:09 a.m.



Liesl R. DeVary
Executive Director

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