

# SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting\*

Regional Board Room

723 Woodlake Drive, Chesapeake, Virginia



Wednesday, August 26, 2020 at 9:30 a.m.

\*To encourage social distancing, members of the public may listen to and view presentations displayed at the meeting by registering at <https://attendee.gotowebinar.com/register/197793754681161999> Members of the public may also listen to the SPSA Board Meeting via telephone by dialing toll-free to 1-877-309-2071 and entering access code 251-265-525. Additionally, members of the public are invited to speak electronically at the SPSA Board of Directors Meeting during the designated public comment period at the beginning of the meeting by registering in advance with the meeting organizer. All requests for registration to make an electronic public comment must be received by 3:00 p.m. on August 25, 2020.

**Meeting Organizer: Tressa Preston ~ [tpreston@spsa.com](mailto:tpreston@spsa.com) ~ 757.961.3486**

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**1. Call Meeting to Order**

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 July 22, 2020 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 July 22, 2020 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

July 22, 2020

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

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

(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 Member, Mr. Michael Etheridge (IW), and the following SPSA executives, Ms. Liesl R. DeVary, Executive Director and Treasurer, Mr. Dennis Bagley, Deputy Executive Director, Ms. Tressa Preston, Secretary and Executive Administrator, and Mr. Brett Spain, General Counsel.

\* Indicates Attendance via GoTo Webinar Teleconference after the adoption of the Policy on Individual Electronic Participation. See below for stated location and reason for electronic attendance.

Ms. Amanda Jarratt (FR) participated from her office at Franklin City Hall for medical reasons. Mr. William Sorrentino (VB) participated from his home in Virginia Beach for medical reasons. Mr. John Barnes (VB) participated from his home in Virginia Beach for medical reasons.

Also present at the meeting electronically via GoTo Webinar after the policy vote were Alternate Ex-Officio Members, Mr. Chad Edwards (FR) who participated from his office at the Franklin Public Works building for medical reasons and Ms. Trista Pope (NO) who participated from her home in Norfolk for medical reasons.

There were no objections to anyone's electronic attendance.

To encourage social distancing during the COVID-19 pandemic state of emergency, through the meeting notice, members of the public were also invited to listen to and view presentations displayed at the meeting by registering for attendance using a GoTo Webinar teleconferencing platform. Members of the public were also invited to speak at the SPSA Board of Directors Meeting during the designated public comment period at the beginning of the meeting by registering in advance with the Secretary though contact information published in the meeting notice. Members of the public were also invited to listen to the SPSA Board Meeting via toll-free telephone.

1. **CALL MEETING TO ORDER**

Mr. Keifer, Chairman of the Board, called the meeting to order at 9:30 a.m.

2. **PROPOSED POLICY ON INDIVIDUAL PARTICIPATION BY ELECTRONIC MEANS**

Chairman Keifer referenced the following proposed policy located in the July 22, 2020 Board Agenda:

**Policy on Individual Participation in SPSA Board of Directors Meetings by Electronic Means under § 2.2-3708.2**

It is the policy of the Board of Directors of the Southeastern Public Service Authority of Virginia (the "Board of Directors") that individual members of the Board of Directors may participate in meetings of the Board of Directors by electronic means as permitted by Virginia Code § 2.2-3708.2. This policy shall apply to the entire membership and without regard to the identity of the member requesting remote participation or the matters that will be considered or voted on at the meeting.

Whenever an individual member wishes to participate from a remote location, the law requires a quorum of the Board of Directors to be physically assembled at the primary or central meeting location, and arrangements will be made for the voice of the remote participant to be heard by all persons at the primary or central meeting location. The reason that the member is unable to attend the meeting and the remote location from which the member participates will be recorded in the meeting minutes.

A member may participate remotely by notifying the Chair and Secretary of the Board of Directors on or before the day of a meeting that such member is unable to attend the meeting due to a temporary or permanent disability or other medical condition that prevents the member's physical attendance, or due to a personal matter. When remote participation is due to a personal matter, the nature of the personal matter must be identified with specificity and such participation is limited by law to two meetings of the public body per member each calendar year.

Individual participation from a remote location shall be approved unless such participation would violate this policy or the provisions of the Virginia Freedom of Information Act. If a member's participation from a remote location is challenged, then the Board of Directors shall vote whether to allow such participation. If the Board of Directors votes to disapprove of the member's participation because such participation would violate this policy, such disapproval will be recorded in the minutes with specificity.

Chairman Keifer asked Mr. Spain to speak about the proposed policy. Mr. Spain informed the Board that the proposed policy is based on existing state law in keeping with the Freedom of Information Act (FOIA), and has always been an option for SPSA to adopt, but has not been proposed until now. There has been legislation during the pandemic to allow

public meetings to be conducted electronically during the state of emergency. The previous two meetings were conducted under that legislation. SPSA is moving forward and proposing policy under existing legislation at the suggestion of the FOIA Advisory Council so that Board Members can begin to meet in public again and those who have issues around attending in person may participate remotely without the entirety of the meeting being conducted electronically, as the emergency statute requires.

Mr. Ashby requested that Mr. Spain clarify the legal obligation of a Board Member to disclose information in this setting. Mr. Spain reiterated the statements in the policy which have been communicated to the Board, reminding members that according to the FOIA Advisory Council, when citing a medical reason for the need to participate electronically, Board Members do not need to give a further explanation. If a Board Member is participating electronically due to a personal reason, they are obligated to give a further explanation and may only attend remotely for personal reasons twice per calendar year.

**Mr. McCoy moved, seconded by Mr. Ashby to approve the Policy on Individual Participation in SPSA Board of Directors Meetings by Electronic Means. The vote on the motion was unanimous.**

Following the vote, Ms. Jarratt, Mr. Edwards, Ms. Pope, Mr. Sorrentino, and Mr. Barnes joined the meeting electronically. Ms. Preston recorded their location and reason for attending electronically, as recorded in the attendance above. There were no objections to anyone's electronic participation.

**3. PUBLIC COMMENT**

Ms. Preston reported that she received a phone call requesting to register to make a public comment by electronic means, but the citizen did not join the meeting to make their comment.

**4. ANNUAL MEETING**

A matter of order for the Annual Meeting is the Election of Officers and the Appointment of Committees. Chairman Keifer read the slate of officers presented at the June 24, 2020 Board Meeting by Mr. Baugh, Chair of the Nominating Committee, and asked if there were any additional nominations. Noting that there were none, Chairman Keifer offered the following slate of officers for the fiscal year beginning July 1, 2020:

<b>John Keifer</b>	<b>Chair</b>
<b>Luke McCoy</b>	<b>Vice Chair</b>
<b>Liesl DeVary</b>	<b>Treasurer</b>
<b>Tressa Preston</b>	<b>Secretary</b>

Chairman Keifer also noted that a vote on this matter would be deemed as approval for himself and Mr. McCoy to serve a fourth consecutive term as Chair and Vice Chair in accordance with Article IV, Section 3 of the SPSA Bylaws.

**Ms. Raulston moved, seconded by Mr. Ashby to approve the slate of officers as presented. Electronic participants were polled individually. The vote on the motion was unanimous.**

Chairman Keifer went on to appoint the following members of the following committees:

**Executive Committee**

**Luke McCoy  
Sheryl Raulston  
Randy Keaton**

**Audit Committee**

**Dale Baugh  
Lynette Lowe  
John Maxwell**

**5. CHAIRMAN'S COMMENTS**

Chairman Keifer thanked the Board for their confidence in him to continue as Board Chair and for the excellent work that they do, stating that it is a pleasure to work with them all.

Mr. McCoy also thanked the Board and added that he would like to personally thank Mr. Sorrentino for his commitment to serving on the Executive Committee for the past several years. Chairman Keifer added his thanks to Mr. Sorrentino, adding that Mr. Sorrentino will continue to be involved on matters regarding the Corp of Engineers and regulatory matters, stating that his contributions, including the negotiation of the Wheelabrator contract, have been very valuable and will continue to be so.

Mr. McCoy went on to welcome Ms. Raulston to the Executive Committee, along with welcoming Mr. Sorey, the new Ex-Officio Board Member representing the City of Chesapeake. Mr. Sorey addressed the Board, telling them it was an honor and privilege to be serving alongside the Board, many of whom he has worked with previously. Chairman Keifer welcomed Mr. Sorey and thanked him for his contribution, as well.

**6. APPROVAL OF MINUTES**

The minutes of the June 24, 2020 Board meeting have been distributed. Chairman Keifer asked if there were any additions or changes and there were none.

**Ms. Raulston moved, seconded by Ms. Lowe to approve the June 24, 2020 minutes of the SPSA Board of Directors as presented. Electronic participants were polled individually. The vote on the motion was unanimous.**

**7. MAS ENERGY LANDFILL GAS PRESENTATION**

Ms. DeVary informed the Board that Mr. Richard Crowther, the Managing Director of Onsite Power and Central Utilities, and Mr. Michael Hall, Principal and Chief Development Officer, of Mas Energy are participating remotely. Mas Energy purchased Suffolk Energy Partners and Suffolk Transmission Partners who are the operators of the landfill gas system at the Regional Landfill.

Mr. Crowther presented the slides below, going over Mas Energy as a company, their proposed plans for converting landfill gas to renewable natural gas, and next steps moving forward.



## SPSA Landfill Gas to Energy Project Redevelopment

Successful project development. Exceptional project execution.



## Agenda

- Who is MAS Energy?
- What has Transpired to Date
- Our Move Forward Plan -> RNG
- Next Steps



## Who is MAS Energy?



## Our Team

- Executed, or had key roles in delivering over 26,000 MW of power projects around the globe
- We have grown from an initial team of just three to a group of 20 highly experienced professionals
- Leadership has backgrounds in engineering, development, power markets and finance
- The management team at MAS has worked closely together for the past 10+ years

### MAS Energy Senior Leadership Team

<b>Peter Gibson</b> Chairman Experience: 34+ Years Years at MAS: 22 Years Working with MAS: Professionals: 22 Years	<b>Michael Huff</b> Managing Partner Experience: 36 Years Years at MAS: 22 Years Working with MAS: Professionals: 22 Years	<b>Stephen Anderson</b> Partner Experience: 30+ Years Years at MAS: 2 Years Working with MAS: Professionals: 22 Years	<b>Gregory Green</b> Partner Experience: 22 Years Years at MAS: 2 Years Working with MAS: Professionals: 12 Years
<b>Jason Dyars</b> Managing Director Experience: 23 Years Years at MAS: 8 Years Working with MAS: Professionals: 8 Years	<b>Edward M. Fye, Jr.</b> Managing Director Experience: 27 Years Years at MAS: 8 Years Working with MAS: Professionals: 8 Years	<b>Danielle Quan Milman</b> Managing Director Experience: 22 Years Years at MAS: 4 Years Working with MAS: Professionals: 4 Years	<b>Richard Crowther</b> Managing Director Experience: 23 Years Years at MAS: 2 Years Working with MAS: Professionals: 3 Years

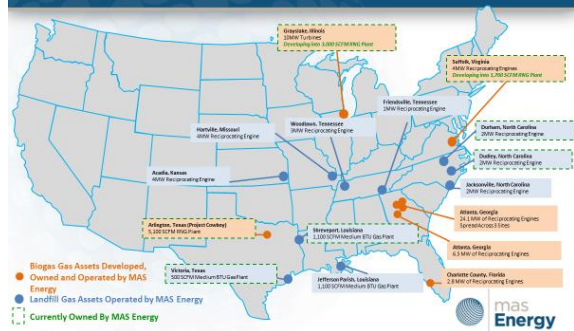


## Our Expertise

- **Capital structuring**
  - Successfully funded multiple biogas to energy projects
  - Total Capital Deployed: Greater Than \$300 MM
- **Risk mitigation**
  - Multiple projects received investment-grade rating from independent rating agencies
- **Project development & delivery**
  - Self-performance capabilities nearly unmatched in industry
- **Operations & maintenance**
  - Conservative, risk-mitigated approach, with proven partners and comprehensive insurance coverage




## Our Project Experience





## Project Example



### Landfill Gas to RNG

- Arlington, TX
- Processes biogas from City of Arlington, TX Landfill and City of Ft. Worth WWTP
- Produces pipeline quality natural gas sold to CNG dispenser
- 5,100 scfm total capacity (top 10 producer)
- Construction started June 2018
- Commercial operation May 2019





## What has Transpired to Date?



## What Has Transpired to Date

- April 1<sup>st</sup> MAS Energy Purchased a Portfolio of Assets from Biogas Energy Solutions (BES)
  - This includes 100% Interest in both Suffolk Energy Partners, LLC & Suffolk Transmission Partners, LLC operating at the SPSA landfill
  - All existing agreements & obligations remain unchanged
- Short-Term Plan
  - Continue to sell gas to Solenis & Power to Dominion @ existing royalty rates
  - Work to improve off-take agreements (both price & volume)
  - Optimize power generation equipment to increase output & reliability
  - Work w/ landfill personnel to improve gas collection performance
- Development of Long-Term Plan
  - Invest ~\$20 million of capital to convert operation to RNG production
  - Timeline: 18 to 24 months
  - Operate existing assets as long as possible during construction





## Our Move Forward Plan -> RNG



## What is Renewable Natural Gas (RNG) ?

### Sources

- Landfills (LFG – Largest & Least Expensive RNG Source by Far)
- Anaerobic Wastewater Treatment (WWT Biogas)
- Organic Waste Digesters (Agricultural or Food Waste Biogas)




### Processing

- Sources produce gas with 40%-70% of the BTU content of natural gas -> **Raw Gas**
- Medium-BTU gas is created through basic moisture/particulate removal & can be used directly in boilers/generators but requires close-proximity -> **LFG or Biogas**
- Pipeline Quality gas is created through further processing that removes additional non-methane constituents to yield a natural gas equivalent -> **RNG**

### Delivery

- RNG can be **purchased and delivered just like natural gas**



## Current Market for RNG

### US Federal Renewable Fuel Standard (RFS) Program for Vehicles

- The EPA requires all refiners and importers of gasoline & diesel fuel to blend into their volumes a minimum amount of renewable content -> **Renewable Fuel Standard (RFS)**
- The renewable requirement **must be met using a variety of fuel types**, with RNG satisfying one of the stipulated categories
- When RNG is dispensed into a fuel tank in the form of compressed natural gas (CNG), a tradable **Renewable Identification Number (RIN)** is produced that can be used to demonstrate compliance with the RFS (similar in functionality to RECs for electricity)

### RFS Market Economics

- The RFS volume requirements support a lucrative market for RNG, yielding a total revenue potential of **\$20 to 25+/MMBtu**
- The long-term wholesale price for the sale of RNG production to the CNG retailers **is anticipated to be \$12 to \$16/MMBtu** with some future upside (this price applies to sales from the RNG plant)




## Predicted Supply & Demand

### Supply

Per the American Gas Foundation, if **ALL** commercially viable sources of raw biogas were developed into RNG plants, the total available supply would still only be **5%-15%** of the total US Natural Gas Consumption by 2040:

- Current RNG supply is less than 0.25% of the natural gas consumption
- Less than 20% of future RNG supply will be from lower cost landfill sourced gas
- Other current RNG sources, including wastewater, animal waste, ag waste, etc., cost 2-6 times more than landfill sourced RNG due to the need to build complex anaerobic digesters & manage supply chains for feedstock

### Demand

The EPA's RFS program supports the current RNG market pricing by setting aggressive volume requirements for producers to meet & by statute these volume requirements will increase as RNG supplies expand:

- Majority of current RNG supply is delivered to the RFS market
- Many cities & states are introducing new carbon laws
- Companies are signing on to Science Based Targets
- 13 • Non-RFS consumption of RNG is set to increase substantially



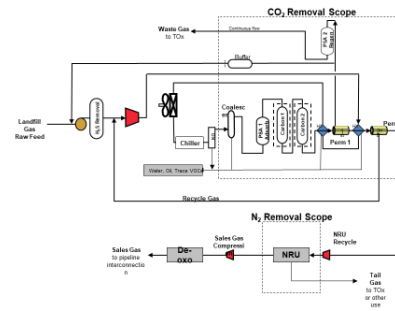
## Our Redevelopment Strategy

- Maximize Landfill Gas Collection
  - Revised gas curve shows the potential for **500k to 700k MMBTU/yr** of RNG
  - This could increase by 30% or more depending on future waste acceptance
- Salvage Existing Assets & Construct a RNG Processing System
  - Current annual revenue for SPSA is estimated at **\$200k to \$300k/yr**
  - We will maintain and possibly increase that value in the coming months
  - There will be 6 to 8 months in 2021 of no revenue during construction
- Sell RNG & its Environmental Attributes to the Wholesale Market
  - Once the RNG system is up and producing, SPSA's revenue will increase to between **\$600k - \$1MM+/yr** depending on gas volumes & RNG pricing

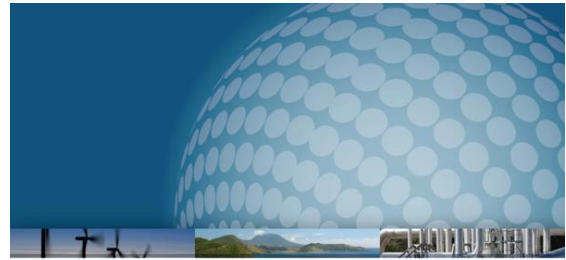


## Our Technical Solution

The planned RNG plant leverages proven technology from well known suppliers



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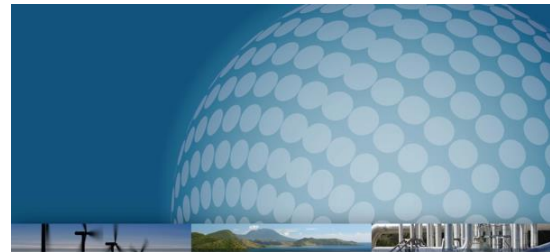


### Next Steps



## Development Checklist

- Obtain Construction & Revised Air Permits
  - Underway & on schedule
- Develop Preliminary Designs, Budgets & Schedules
  - Underway & on schedule
  - All activities to be coordinated with SPSA staff
- Amend & Restate Gas Rights Agreement
  - Update agreement to reflect change to RNG production
  - Create a new royalty category for RNG
  - Include RNG specific environmental attributes
  - Extend the term and allow access to new cells



**We develop, own and operate energy systems around the world.**

Successful project development. Exceptional risk-adjusted returns.



Mr. Crowther allowed time for questions. Chairman Keifer asked Ms. DeVary if the changes being proposed by Mas Energy will lead to a change in contract. Ms. DeVary said yes and, seeing that there were no questions at the moment, commented that the landfill gas agreement went into place in January of 2011. Ms. DeVary went on to say that since that time SPSA has been told that new projects were on the horizon to maximize the use of landfill gas, but that none of those projects ever came to fruition. SPSA staff is very pleased and excited about Mas Energy's new leadership and their plans for better use and increased sales. Ms. DeVary reminded the Board that since receiving the new contract proposal from Mas Energy, SPSA has been doing their due diligence, including consultation with special counsel, and will continue discussions about the contract with the Executive Committee at their August meeting with the intention of bringing an additional update to the Board. Mr.

Crowther added that Mas Energy intends to build a system to take advantage of predicted flow for the next 20 years. Chairman Keifer asked Ms. DeVary for clarification on the terms of the current contract and she responded that the initial term is 20 years beginning in 2011, but there are two additional five-year options that are at the sole discretion of Suffolk Energy Partners and Suffolk Transmission Partners. Mas Energy is requesting a longer agreement because of the capital investment changes they will be making, so SPSA will be discussing those terms.

Mr. Chairman asked if there were other questions or comments. Seeing that there were none from those participating in person or electronically, he thanked Mr. Crowther for his informative presentation, noting that SPSA is looking forward to working further with Mas Energy on this project.

## **8. EXECUTIVE DIRECTOR UPDATES**

Ms. DeVary informed the Board that the Wheelabrator contract amendment has been signed and completed. Regarding the proposed Norfolk Naval Shipyard Power Plant, the Navy has suggested an extension of their contract with Wheelabrator for an additional year with two additional 6-month options. If Wheelabrator agrees, this would mean that their contract with the Navy will expire in January of 2024, rather than January 2023, with a possible 6 months to another year extension. Wheelabrator has informed Ms. DeVary that they are speaking with the Navy and also preparing for discussions with SPSA staff on future mutually beneficial strategies for waste disposal.

As a follow-up to last month's discussion on the VDOT proposed flyover, Chairman Keifer, Ms. DeVary, and her staff participated in a conference call with Mr. Roberts and his staff to discuss alternatives, including revisiting the idea of a back entrance. Chairman Keifer mentioned that in addition to economic factors, obligations to the host community, and operational preferences are all part of the discussions taking place. SPSA staff and consultants will continue to be in contact with staff from the City of Suffolk, along with continuing discussions with VDOT. Ms. DeVary will bring an update to the Board at the August meeting.

Ms. DeVary updated the Board on the Cells VIII and IX permitting process, stating that the Corp and VHB are still working on the Environmental Impact Statement (EIS). A large component of the EIS is the public scoping comment period. As she mentioned last month, because of the pandemic, the Corp has elected to have the public scoping take place virtually via website for 45 days to allow ample time for comments. The website is scheduled to be active beginning July 31, 2020. The Corp is finalizing the details of the public notice and as soon as Ms. DeVary receives it, she will send it to the Board, along with a link to the website.

Mr. Bagley delivered the operations report stating that material coming into the landfill this month has increased and a total of 39,066 tons were delivered in June. 1,232,064 gallons of leachate were sent to HRSD in the reporting period. 86% of the ash received from Wheelabrator qualified for use as alternate daily cover. Mr. Bagley commented Wheelabrator for the quality of the ash being received, commenting that it is considerably easier to work with and that staff is pleased.

Mr. Bagley reminded the Board that SPSA received a warning letter from DEQ regarding methane exceedance at a landfill gas well and that the remediation plan is going well. He is

pleased to say that staff is confident they have remedied the problem and that there have been no significant methane readings since the issue was resolved. Staff will continue testing per DEQ regulations.

The update on the landfill fire included that all equipment is now purchased and in place to replace what was destroyed and all of the items that were damaged have been repaired. Mr. Bagley noted that the remaining work consists of building construction and a total loss calculation from the insurance carriers. He will hopefully have definitive information to present at the August Board Meeting.

Mr. Roberts asked Ms. DeVary and Mr. Bagley if the 1.2 million gallons of leachate sent to HRSD in the reporting period is from both the force main and hauling combined. Mr. Bagley confirmed that was correct. Mr. Roberts followed up by asking about SPSA's ability to meet the current allowable threshold for delivery to HRSD. Mr. Bagley replied that SPSA is limited as to how much leachate can be pumped at a time, but SPSA is continuously pumping leachate, meeting the limit imposed by the capacity of the Nansmond Treatment Plant, confirming Mr. Roberts comment that SPSA is attempting to maximize the use of current infrastructure in the ground. Mr. Roberts asked a follow-up question regarding what, if any, updates staff can relay regarding the status of the timeline for the new force main. Mr. Bagley replied that SPSA has made multiple attempts to get an update from HRSD but have received no response. However, SPSA's engineering consultant HDR is working on the project and they have delivered some unofficial updates. SPSA has received 30% design drawings, which have been reviewed by staff. Comments on those designs have been returned to HRSD, but SPSA has yet to receive an official update. Staff will continue to reach out to HRSD and hopefully have an update at the August meeting.

Chairman Keifer asked if there were any further questions or comments from the Board, but there were none.

## 9. WHEELABRATOR PORTSMOUTH MONTHLY REPORT

Mr. Clint Stratton presented the report from Wheelabrator electronically.

**Wheelabrator Portsmouth**

July 2020 Report to SPSA Board



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



### Wheelabrator Portsmouth June 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
55,703	47,347	8,356	53,727	54,958	1,232	6,848	5,251	1,597	19,303*	15,113	4,191
Equivalent of tractor trailers in a straight line for 42.02 miles			Timing of outage, June had no outage in original budget			Heavy volumes of NP being received despite additional picking			Cleared out ash bunkers from rental screener downtime		

Steam Sales			Boilers			TG's Unscheduled Downtime			Net MWH Sold		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
50,952	25,637	25,315	111	128	17	10	0	10	17,586	21,281	3,695
NNSY continues to use abnormally large steam volumes			Slightly better than plan			Exciter work continued on #2 TG			Favorable steam sold & timing of outages, plan had no June outage		

- \* Includes 2,788 tons of non-qualifying residue delivered to landfill, due to higher ash processing
- Waste delivered by SPSA to RDF- 48,074.82 tons
- Boiler availability - 91%
- Turbine Generator availability- 99.5%
- Boiler 2 scheduled outage completed this period to include grate cleaning and chain replacement, pressure part repairs, flue gas and baghouse replacement, RDF feed system screw repairs, ash removal system repairs.
- 1 OSHA Recordable accidents this period, 4 for the YTD- Zero lost time accidents

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 reported that based on preliminary analysis as of June 30, 2020, total revenues exceeded total expenses for the fiscal year by approximately \$3.6 million as compared to \$6.1 million in the previous fiscal year. This equates to a \$3.6 million surplus, which was originally anticipated as \$2.6 million in the budget presentation. Additional funds are coming directly from revenues created by an increase of nearly 25,000 tons of municipal waste, likely due to the pandemic stay at home orders. Tipping fees reflect a decrease of -1.1% or approximately \$467,415 as compared to June of 2019. The municipal waste tons are up approximately 5.5% or 24,782 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 preliminary analysis shows total expenses for the fiscal year ending June 30, 2020 were approximately \$43.21 million, compared to \$43.26 million from the prior fiscal year. Cash balances are at approximately \$41.6 million; currently designated as \$4.9 million in operating, \$5.9 million, the equivalent of 2 months' operating expenses, in undesignated fund balance (Ms. DeVary anticipates requesting a slight increase in this number to match the FY 2021 operating budget), \$435,954 in FY 2020 rolled purchase orders, \$388,697 for unencumbered capital budget, \$2.5 million for the proposed HRSD Force Main, \$535,182 for landfill expansion purchase orders, and \$26.9 million in the landfill expansion and closure fund.

In light of increased municipal tonnages likely being due to COVID-19, Mr. Keaton asked the Ex-Officio Board Members if any of their communities have been using CARES funds to offset increased waste disposal costs. Mr. Roberts stated that CARES funds have been used by the City of Suffolk for overtime costs including for sanitation workers and Mr. Ashby mentioned that the City of Portsmouth is considering using CARES funds to assist citizens falling short on sanitation service payments and other city charges. However, none of the communities reported CARES funds being used to directly offset municipal waste costs.

Chairman Keifer asked if there were further questions or comments and, seeing that there were none, requested a motion to approve the financial reports.

**Ms. Lowe moved, seconded by Ms. Raulston to approve the SPSA financial report as presented. Electronic participants were polled individually. The vote on the motion was unanimous.**

## 11. CONTRACTS

The first contract for consideration is for a tractor with a side boom to cut the banks at the Regional Landfill. The contract is based on a Sourcewell Cooperative Contract with Quality Equipment, LLC. The current capital budget allotted is \$160,000 and the bid price is \$123,820.80.

**Mr. Maxwell moved, seconded by Mr. McCoy to award the contract for tractor and side boom mower to Quality Equipment, LLC as presented. Electronic participants were polled individually. The vote on the motion was unanimous.**

The second contract for consideration is for a D-6 bulldozer replacement at the landfill and was also procured under a Sourcewell Cooperative Contract from Carter Machinery. The budget for this replacement was \$545,000 and the bid price is \$528,884.

**Mr. Keaton moved, seconded by Ms. Lowe to award the contract for a Caterpillar D-6 20A bulldozer to Carter Machinery as presented. Mr. McCoy abstained from voting due to a conflict. Electronic participants were polled individually. The vote on the motion was unanimous.**

**12. ADJOURN MEETING**

There being no further business to come before the Board of Directors the regular meeting was adjourned at 10:35 a.m.

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Liesl R. DeVary  
Executive Director

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

## **5. Executive Director Updates**

Attachments:

- Landfill Operational Summary

## Landfill Operational Summary

SPSA Regional Landfill Operational Summary		KEY:			
Period	July 1st to July 31st, 2020		Change Since Last Report		
			All Is Well		
			Working On		
			Noted Issue		
Item	Metric Item	Metric	Performance/Comment	Status Code	Comments/Corrective Actions
<b>1</b>	<b>Regulatory Compliance</b>				
1.1	Notice of Violations	None	In Compliance		No issues during the reporting period.
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		New EPA regulations have been issued. Still awaiting VDEQ's final decision on whether they will accept those regulations as written or enforce more stringent limits as allowed by the new EPA rules.
1.2.3	VPDES	Compliance	In Compliance		Draft permit received early July.
1.2.4	Financial Assurance	Compliance	In compliance		
1.2.5	Wetlands	Compliance	In Compliance		
1.2.6	Groundwater	Compliance	In Compliance		3rd Quarter Groundwater sampling complete. Awaiting results for re-sample, if any.
1.2.7	Storm water system operating and in compliance with VPDES permit	Systems operational and in good order	In Compliance		In compliance.
<b>2</b>	<b>Landfilling Operations</b>				
2.1	Tonnage Landfilled	Actual Tons	36,758		
2.2	No. staff	15.5	11.5		4 vacancies: (2-HEO, 1-Ldf Sup, 1- Env Tech)
2.2	Equipment Utilization	Key equipment fully operational and deployed	All equipment operating and deployed with appropriate spares		Took delivery of new D-8 Dozer at the RLF on 12/22/19.
<b>3</b>	<b>Cover Operations</b>				
3.1	Total Cover Material Received	Actual Tons	16,812		
3.2	Date of last aerial survey	12/12/2019			
3.3	December 2018 Operational In-Place Density (lbs./cy)	1,600-1,800lbs/cy	1,788 lbs./cy or AUF = 0.894		Staff is reviewing new airspace study.
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.



<b>4</b>	<b>Leachate Management</b>				
4.1	Pump stations operational during period	100 % Operational	All pump stations are operational, pump performance is being monitored, and repairs/replacements made as necessary.		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			Capital Project for dredging of the Leachate Ponds is complete.
4.5.1	Quantity of leachate pumped to HRSD during period	x gallons	919,834		From 7/1 to 7/31
4.5.1.1	Cell V, Sumps 1-4	x gallons	397,410		From 7/1 to 7/31
4.5.1.2	Cell VI, Sumps 5-8	x gallons	430,755		From 7/1 to 7/31
4.5.2	Quantity of leachate hauled for disposal during period	x gallons	252,797		From 7/1 to 7/31
4.5.3	Disposal costs in period: \$		\$ 21,967		From 7/1 to 7/31
4.5.4	Any issues relative to leachate quality and acceptance at WWTPs?	No constraints	No constraints		
<b>5</b>	<b>Landfill Gas Management</b>	Compliance	Not in compliance		1st Quarter Gas monitoring had 1 exceedance at GP03. Increased monitoring began mid March. Per gas remediation plan, monitoring has been moved to monthly following 4 weeks of compliant results. July 2020 monitoring showed GP03 still in compliance. Next Monitoring will be in August.
<b>6</b>	<b>Odor Complaints</b>	No complaints	No complaints		From 7/1 to 7/31
<b>7</b>	<b>HRSD Force Main</b>	Contract Schedule	None provided to date.		HRSD reports a 12 month delay in completion of this project.

**Acronym Definitions**

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

## 6. Wheelabrator Portsmouth Monthly Report

August 13, 2020

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 2020**

MONTH	SPSA ACCEPTABLE WASTE (TONS)	THIRD PARTY ACCEPTABLE WASTE (TONS)	OUT-OF-STATE WASTE (TONS) *	OUTSIDE-AREA WASTE (TONS) TOTAL	NAVY STEAM DELIVERED (K-LBS)	ALL WASTE ACCEPTED AT RDF (TONS)	NP REMOVED FROM RDF (TONS)	PROHIBITED WASTE	RDF WASTE DIVERTED TO LANDFILLS (TONS)	PROCESSED WASTE (CALC)	PROCESSED FORMULA	RESIDUE DELIVERED TO LANDFILL (TONS)	MM SOLD TO THE GRID (MWHr)
JAN	43,504.60	11,225.45	1,638.94	-	94,652	56,368.99	3,770.70	-	1,600.61	52,598.29	50,885.77	12,468.65	15,292
FEB	36,957.70	14,096.57	1,487.88	-	86,407	52,542.15	4,401.87	-	-	48,140.28	46,936.88	13,940.40	13,820
MAR	43,377.21	10,247.57	1,538.33	-	78,725	55,163.11	4,498.44	-	1,366.78	50,664.67	50,829.17	12,554.31	15,692
APR	48,240.27	12,115.41	1,384.03	-	71,990	61,739.71	5,784.85	-	1,155.49	55,954.86	52,854.05	18,308.77	15,260
MAY	49,517.50	11,230.65	1,376.69	-	62,154	62,124.84	6,224.35	-	1,333.18	55,900.49	56,762.86	16,184.91	18,400
JUN	48,074.82	13,240.99	1,496.10	-	50,952	62,811.91	6,847.76	-	-	55,964.15	53,726.77	19,302.55	17,586
JUL	47,262.05	13,309.34	1,585.08	-	48,949	62,156.47	6,271.99	-	1,381.59	55,884.48	54,077.13	17,381.22	18,467
AUG	-	-	-	-	-	-	-	-	-	-	-	-	-
SEP	-	-	-	-	-	-	-	-	-	-	-	-	-
OCT	-	-	-	-	-	-	-	-	-	-	-	-	-
NOV	-	-	-	-	-	-	-	-	-	-	-	-	-
DEC	-	-	-	-	-	-	-	-	-	-	-	-	-
YTD TOTAL	316,934.15	85,465.98	10,507.05	-	493,828.00	412,907.18	37,799.96	-	6,837.65	375,107.22	366,072.63	110,140.81	114,517.00

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

**WHEELABRATOR PORTSMOUTH INC  
AVAILABILITY  
CALENDAR YEAR 2020**

MONTH	BOILER AVAILABILITY (%)	BOILER PLANNED OUTAGES (HRS)	BOILER UNPLANNED OUTAGES (HRS)	TURBINE AVAILABILITY	TURBINE PLANNED OUTAGES (HRS)	TURBINE UNPLANNED OUTAGES (HRS)
JAN	89%	156.00	187.00	98%	45.00	1.00
FEB	94%	156.00	22.00	95%	96.00	1.00
MAR	95%	-	157.00	90%	-	223.00
APR	89%	152.00	163.00	95%	-	105.00
MAY	89%	156.00	168.00	89%	-	226.00
JUN	91%	156.00	111.00	99.5%	-	10.00
JUL	90%	256.00	133.00	91%	-	203.00
AUG						
SEP						
OCT						
NOV						
DEC						
YTD TOTAL	91%	1,032.00	941.00	94%	141.00	769.00

**WHEELBRATOR PORTSMOUTH INC**

**SUPPLEMENTAL INFORMATION**

**July 2020**

Total Waste received by SPSA:	47,262 tons
Waste delivered to RDF:	62,156 tons
Total RDF processed:	54,077 tons
Residue sent to landfill:	17,381 tons*
Electric power sold:	18,467 MW
Steam sold to Navy:	48,949 K-LBS
Overall Boiler availability:	90%
Overall Generator availability:	91%
Environmental Incidents	1

OSHA Recordable Accidents this period: 0

OSHA Recordable Accidents YTD: 4

**General Notes:**

\* This total includes 2,7537.21 tons of non-qualifying residue delivered to the landfill this period driven by increased ash processing for the month, qualifying residue 85.4% for July.

Boiler 3 scheduled outage completed this period to include grate cleaning and chain replacement, pressure part repairs, flue gas and baghouse replacement, RDF feed system screw repairs, ash removal system repairs.

## Wheelabrator Portsmouth Inc.

### Monthly Report for the Month of July 2020

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

#### Environmental Issues:

HRSD issued an NOV for a missed pH meter calibration during the month of May 2019.

#### Tests Completed:

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

#### Tests Planned:

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

#### Inspections:

SPP HRSD Inspection

#### Air Quality Violations:

None

#### Safety Issues:


OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	4
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	0

#### Op Stats: see attached spreadsheet

#### Upcoming Planned Outages:

##### 2020 Outages

Jan 12-20	Boiler 2
Feb 2-8	Boiler 3
March 15-21	No outage
April 12-19	Boiler 4
May 10-18	Boiler 1
June 14-22	Boiler 2
July 19-27	Boiler 3
August 9-13	Boiler 4
September 13-19	Boiler 1
October 18-24	Boiler 2
November	No outage
December 13-18	Boiler 3

Wheellabrador RDF and WTE Operational Summary			KEY:		
Provided by Wheellabrador Portsmouth		Change Since Last Report			
Period	July 1st to July 31st, 2020	All Is Well			
		Working On			
		Noted Issue			
Item	Metric Item	Metric	Performance	Status	Comments
<b>1</b>	<b>Regulatory Compliance</b>				
1.1	Notice of Violations	None	Noted issue		NOV issues by HRSD for May 2019 pH meter calibration error
1.2	VPDES	Compliance	In Compliance		No issues during reporting period
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during reporting period
1.2.2	Title V	Compliance	In Compliance		No issues during reporting period
<b>2</b>	<b>RDF Tipping Floor Operations</b>				
2.1	Wait Times	<30 min	Satisfactory		Wait times were less than 30 minutes
2.2	Floor Volume	<1,000 Tons	Satisfactory		Diverted tonnage through MBI during TG bearing failure to keep floor volumes down
2.3	Equipment Utilization	Key equipment fully operational and deployed	All 3 lines shredder overhaul/minors are now completed		The 3rd line minor Shredder overhaul completed
<b>3</b>	<b>Ash</b>				
3.1	Ash Delivered to RLF	Actual Tons	17,381		
3.2	Percentage of Ash Re-classified	<20%	2,537		July Reclassified was 14.6%
3.3	Percentage of Ash used as ADC	> 80%	14,844		July ADC was 85.4%
3.4	Rejected Loads of Ash	0	0		
<b>4</b>	<b>WTE</b>				
4.1	Boiler Availability	> 90%	90.00%		
4.2	TG Availability	> 90%	91.00%		
4.3	Ash Screener Availability	> 95 %	98.00%		
<b>5</b>	<b>Cleanliness/Litter Control</b>				
5.1	Citizen Complaints	0			Overall cleanliness of the facility continues to improve.
5.2	Odor Complaints	0			No issues during reporting period
<b>Acronym Definitions</b> <b>RDF</b> - Refuse Derived Fuel, <b>WTE</b> - Waste To Energy, <b>VPDES</b> - Virginia Pollution Discharge Elimination System, <b>ADC</b> - Alternative Daily Cover, <b>TG</b> - Turbine Generator					

## 7. Financial Report

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

For the month ending July 31, 2020, total revenues exceeded total expenses by approximately \$961,000 as compared to \$1.3 million in the previous year.

Tipping fee revenue received FYTD reflects a decrease of 1.2% or approximately \$48,000 as compared to fiscal year 2020. Municipal waste tons are up approximately 10% or 3,987 tons as compared to fiscal year 2020.

For the month ending July 31, 2020, total expenses were approximately \$3.2 million as compared to \$2.9 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 2021 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 July 31, 2020, municipal waste tonnages reflect an increase of 10% or approximately 3,987 tons as compared to July 2020.

### **Treasurer's Report of Cash Balances**

This report captures the monthly activity in each of the depository accounts grouped as either unrestricted and designated funds or trust funds. As of July 31, 2020, operating cash balances were approximately \$41.5 million representing approximately \$5.2 million in the operating account, \$5.9 million in undesignated fund balance, \$96,176 for FY 2020 Rolled Purchase Orders, \$314,757 for unencumbered capital budget for FY 2020, \$2.5 million reserved for the HRSD Force Main, \$535,182 for Landfill Expansion Purchase Orders and \$26.9 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 July 31, 2020**

	July 2020				July 2019			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
<b>REVENUES</b>								
Tipping Fees	\$ 41,756,055	\$ 3,951,974	\$ 3,951,974	9.5%	\$ 37,720,239	\$ 3,999,573	\$ 3,999,573	10.6%
Tire program	600,000	54,986	54,986	9.2%	332,000	58,984	58,984	17.8%
Household Hazardous Waste Revenue	333,000	38,729	38,729	11.6%	250,000	30,219	30,219	12.1%
White Goods Program	40,000	6,520	6,520	16.3%	40,000	3,198	3,198	8.0%
Landfill Gas Recovery	260,000	29,722	29,722	11.4%	335,000	18,094	18,094	5.4%
Miscellaneous Income	248,491	21,869	21,869	8.8%	214,950	53,076	53,076	24.7%
Interest Earnings	450,000	83,043	83,043	18.5%	180,000	30,260	30,260	16.8%
Fund Balance / Capital / Rolled PO's	410,933	-	-	0.0%	2,173,044	47,131	47,131	2.2%
Fund Balance / Landfill Expansion	535,182	-	-	0.0%	2,500,000	-	-	0.0%
<b>TOTAL REVENUES</b>	<b>\$ 44,633,661</b>	<b>\$ 4,186,843</b>	<b>\$ 4,186,843</b>	<b>9.4%</b>	<b>\$ 43,745,233</b>	<b>\$ 4,240,534</b>	<b>\$ 4,240,534</b>	<b>9.7%</b>
<b>OPERATING EXPENSES</b>								
Administration								
Salaries / Wages	\$ 837,565	\$ 94,891	\$ 94,891	11.3%	\$ 882,617	\$ 28,959	\$ 28,959	3.3%
Employee Benefits	212,102	18,326	18,326	8.6%	227,468	11,982	11,982	5.3%
A Professional / Contracted Services	703,063	1,500	1,500	0.2%	645,915	6,690	6,690	1.0%
Other Operating Expenses	223,872	11,333	11,333	5.1%	208,900	10,864	10,864	5.2%
Materials / Supplies	17,888	202	202	1.1%	15,498	239	239	1.5%
Total Administration	\$ 1,994,490	\$ 126,253	\$ 126,253	6.3%	\$ 1,980,398	\$ 58,734	\$ 58,734	3.0%
Environmental Management								
Salaries / Wages	\$ 319,891	\$ 33,638	\$ 33,638	10.5%	\$ 284,161	\$ 11,587	\$ 11,587	4.1%
Employee Benefits	114,101	8,773	8,773	7.7%	96,980	7,416	7,416	7.6%
Professional / Contracted Services	78,200	145	145	0.2%	43,160	312	312	0.7%
Other Operating Expenses	13,700	375	375	2.7%	7,168	314	314	4.4%
Materials / Supplies	22,838	548	548	2.4%	20,620	440	440	2.1%
Total Environmental Management	\$ 548,730	\$ 43,480	\$ 43,480	7.9%	\$ 452,089	\$ 20,069	\$ 20,069	4.4%
Operations								
Salaries / Wages	\$ 5,731,396	\$ 596,411	\$ 596,411	10.4%	\$ 5,539,339	\$ 220,385	\$ 220,385	4.0%
Employee Benefits	1,917,326	156,513	156,513	8.2%	1,924,879	127,459	127,459	6.6%
A Professional / Contracted Services	3,003,643	127,620	127,620	4.2%	2,868,719	124,992	124,992	4.4%
Other Operating Expenses	1,053,761	49,358	49,358	4.7%	864,252	33,398	33,398	3.9%
Materials / Supplies	1,813,457	89,711	89,711	4.9%	1,776,064	107,725	107,725	6.1%
Total Operations	\$ 13,519,583	\$ 1,019,614	\$ 1,019,614	7.5%	\$ 12,973,253	\$ 613,958	\$ 613,958	4.7%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 16,062,803</b>	<b>\$ 1,189,346</b>	<b>\$ 1,189,346</b>	<b>7.4%</b>	<b>\$ 15,405,740</b>	<b>\$ 692,761</b>	<b>\$ 692,761</b>	<b>4.5%</b>
<b>CAPITAL PROJECTS / EQUIPMENT REPLACEMENT</b>								
A Cell 8/9 Permitting	535,182	-	-	0.0%				
A RLF - Asphalt Overlay	27,090	-	-	0.0%				
A RLF - Cells I-IV Repair	29,150	-	-	0.0%				
RLF - TRACTOR W/SIDE BOOM	160,000	-	-	0.0%				
RLF - PUMP	35,000	-	-	0.0%				
RLF - DOZER	545,000	-	-	0.0%				
RLF - WATER TRUCK	159,680	-	-	0.0%				
FLT - COALESCER	85,000	-	-	0.0%				
TSP - ROAD TRACTORS	600,000	-	-	0.0%				
CTS - YARD DOG	130,000	-	-	0.0%				
FTS - YARD DOG	130,000	-	-	0.0%				
IWTS - YARD DOG	130,000	-	-	0.0%				
LTS - WHEELED LOADER	519,400	-	-	0.0%				
OTS - YARD DOG	130,000	-	-	0.0%				
STS - YARD DOG	130,000	-	-	0.0%				
TPS - TIRE CUTTER	18,880	-	-	0.0%				
TPS - TIRE SHREDDER	625,000	-	-	0.0%				
ROB - UPGRADE LIGHTING TO LED	100,000	-	-	0.0%				
UNDESIGNATED	316,797	-	-	0.0%				
<b>TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT</b>	<b>\$ 4,406,179</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 7,821,724</b>	<b>\$ 104,604</b>	<b>\$ 104,604</b>	<b>1.3%</b>
<b>OTHER USES</b>								
Contracted Waste Disposal	\$ 19,820,929	\$ 1,674,838	\$ 1,674,838	8.4%	\$ 17,106,830	\$ 1,745,574	\$ 1,745,574	10.2%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Reserves for Landfill Expansion/Closure	4,338,750	361,563	361,563	8.3%	3,405,939	361,563	361,563	10.6%
<b>TOTAL OTHER USES</b>	<b>\$ 24,164,679</b>	<b>\$ 2,036,401</b>	<b>\$ 2,036,401</b>	<b>8.4%</b>	<b>\$ 20,517,769</b>	<b>\$ 2,107,136</b>	<b>\$ 2,107,136</b>	<b>10.3%</b>
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 44,633,661</b>	<b>\$ 3,225,747</b>	<b>\$ 3,225,747</b>	<b>7.2%</b>	<b>\$ 43,745,233</b>	<b>\$ 2,904,502</b>	<b>\$ 2,904,502</b>	<b>6.6%</b>
<b>NET REVENUES / (EXPENSES)</b>	<b>\$ -</b>	<b>\$ 961,096</b>	<b>\$ 961,096</b>		<b>\$ -</b>	<b>\$ 1,336,032</b>	<b>\$ 1,336,032</b>	

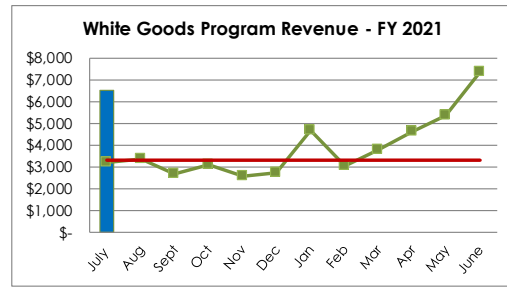
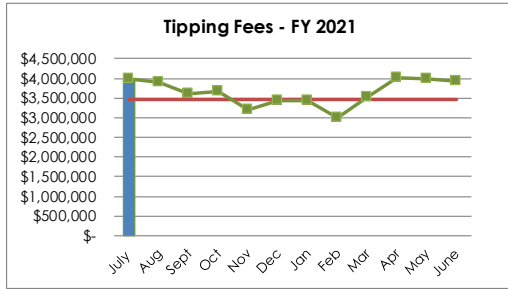
A Budget has been adjusted by \$946,115 for purchase orders rolled over from FY 2020 and unencumbered funds from the capital budget.

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

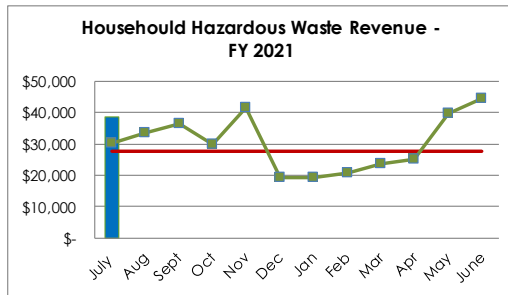
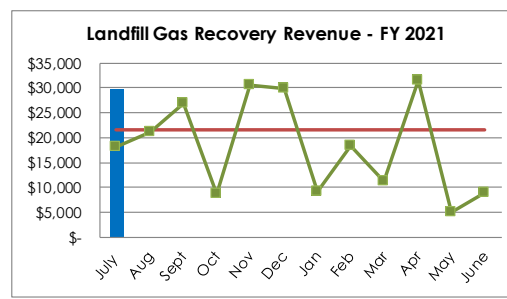
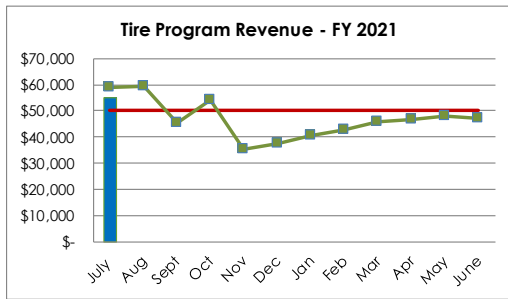
Description	FY 2021 Budget	Jul-20	Aug-20	Sep-20	FYTD	From Previous Month \$ Change	% Change
Salaries Exempt	\$ 1,974,694	\$ 212,463			\$ 212,463	\$ -	N/A
Salaries Non-Exempt	4,599,858	489,991			489,991	-	N/A
Overtime	314,300	22,487			22,487	-	N/A
Fica / Medicare Tax	526,999	53,304			53,304	-	N/A
VRS Retirement	43,063	3,046			3,046	-	N/A
Health Insurance	1,418,550	107,485			107,485	-	N/A
Vrs Group Life Insurance	84,663	6,620			6,620	-	N/A
Unemployment Insurance	1,128	21			21	-	N/A
Workers Compensation	169,126	13,136			13,136	-	N/A
Medical Fees	14,000	-			-	-	N/A
Security Service	84,000	3,941			3,941	-	N/A
Professional Services	162,761	19			19	-	N/A
Engineering Services	276,001	-			-	-	N/A
Landfill Survey	7,500	-			-	-	N/A
Legal Fees	325,000	-			-	-	N/A
Environmental Testing	103,000	976			976	-	N/A
Fire Protection	8,000	-			-	-	N/A
Temporary Employment Services	34,320	2,178			2,178	-	N/A
Uniform Rental	50,976	3,437			3,437	-	N/A
Maintenance Service Agreements	163,082	877			877	-	N/A
Grounds Maintenance	104,190	2,740			2,740	-	N/A
Hazardous Waste Disp/Cleanup	57,000	-			-	-	N/A
Equipment Maintenance	990,800	34,578			34,578	-	N/A
Building / Site Maintenance	677,749	23,695			23,695	-	N/A
Leachate Pumping Station Maint	38,735	525			525	-	N/A
Advertising	9,500	-			-	-	N/A
Trustee Expense	1,000	-			-	-	N/A
Permit Fees	94,892	-			-	-	N/A
Suffolk Host Fee	582,400	56,300			56,300	-	N/A
Electricity	217,600	-			-	-	N/A
Heating/Gas/Propane	11,500	-			-	-	N/A
Water / Sewer	42,192	-			-	-	N/A
Leachate Treatment	380,000	-			-	-	N/A
Telephone	112,000	6,088			6,088	-	N/A
Postage	2,060	-			-	-	N/A
Radio Communication & Repair	4,500	-			-	-	N/A
Insurance & Bonding	207,908	17,682			17,682	-	N/A
Landfill Fire Expenses	0	16,154			16,154	-	N/A
Equipment Rental	35,000	-			-	-	N/A
Land Lease Payment	3,500	292			292	-	N/A
Tire De-Rimming Service	5,000	1,802			1,802	-	N/A
Travel And Training	42,300	162			162	-	N/A
Road Tolls	171,885	14,706			14,706	-	N/A
Membership & Professional Dues	3,888	-			-	-	N/A
Bank Fees	42,000	3,831			3,831	-	N/A
Awards Programs	9,000	350			350	-	N/A
EMS Support Program	1,000	-			-	-	N/A
Office Supplies	13,350	98			98	-	N/A
Dues & Subscriptions	16,950	6,202			6,202	-	N/A
Other Operating Supplies	92,886	1,474			1,474	-	N/A
Vehicle / Equipment Fuel	913,329	35,144			35,144	-	N/A
Vehicle / Equipment Tires	747,700	44,107			44,107	-	N/A
Safety Apparel & Equipment	25,150	2,937			2,937	-	N/A
Small Equipment	34,818	500			500	-	N/A
Computer Hardware	10,000	-			-	-	N/A
<b>Total Operating Expenses</b>	<b>\$ 16,062,803</b>	<b>\$ 1,189,346</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,189,346</b>	<b>\$ -</b>	<b>N/A</b>
Capital Projects/Equip Replacement	\$ 4,406,179	-	-	-	-	-	N/A
Contracted Waste Disposal	19,820,929	1,674,838	0	0	1,674,838	0	N/A
Suffolk Environmental Trust Fund	5,000	-			-	-	N/A
Reserves for Landfill Expansion/Closu	4,338,750	361,563	-	-	361,563	-	N/A
<b>Total Expenses</b>	<b>\$ 44,633,661</b>	<b>\$ 3,225,747</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,225,747</b>	<b>\$ -</b>	<b>N/A</b>

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

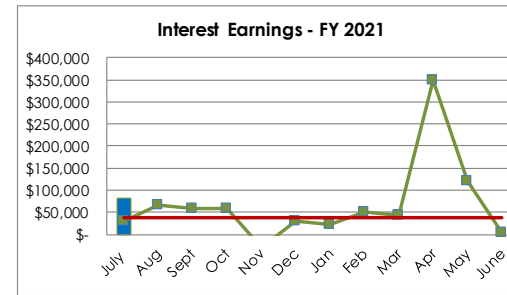
FY 2021 (bar)  
FY 2020  
FY 2021 Budget



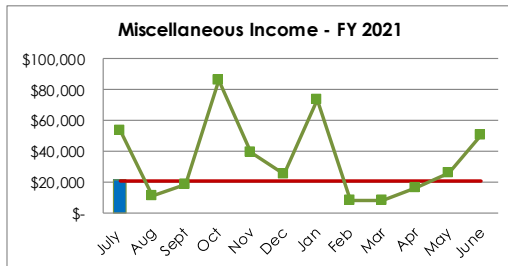
\* Monthly revenue is dependent on users.

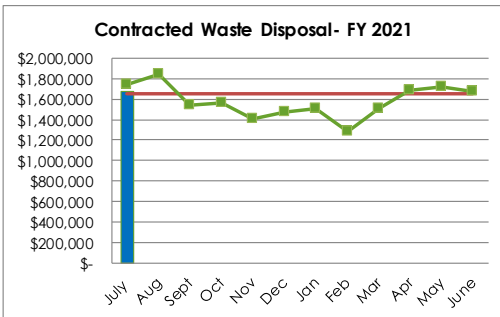
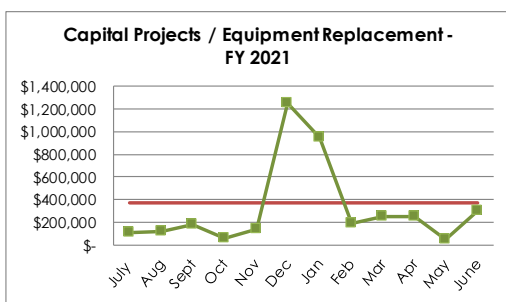
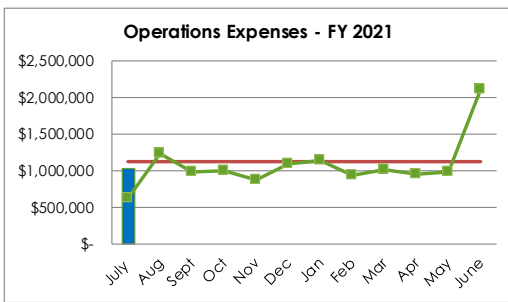
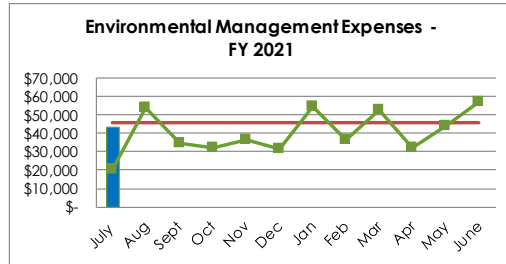
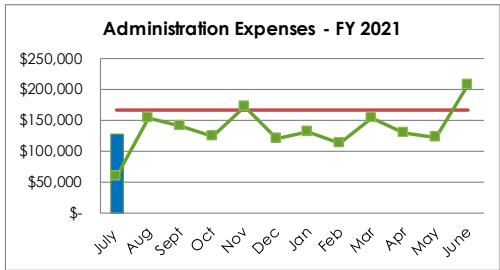
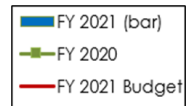


\* Monthly revenue is dependent on users.



Interest payments vary based on investment date and maturity date.

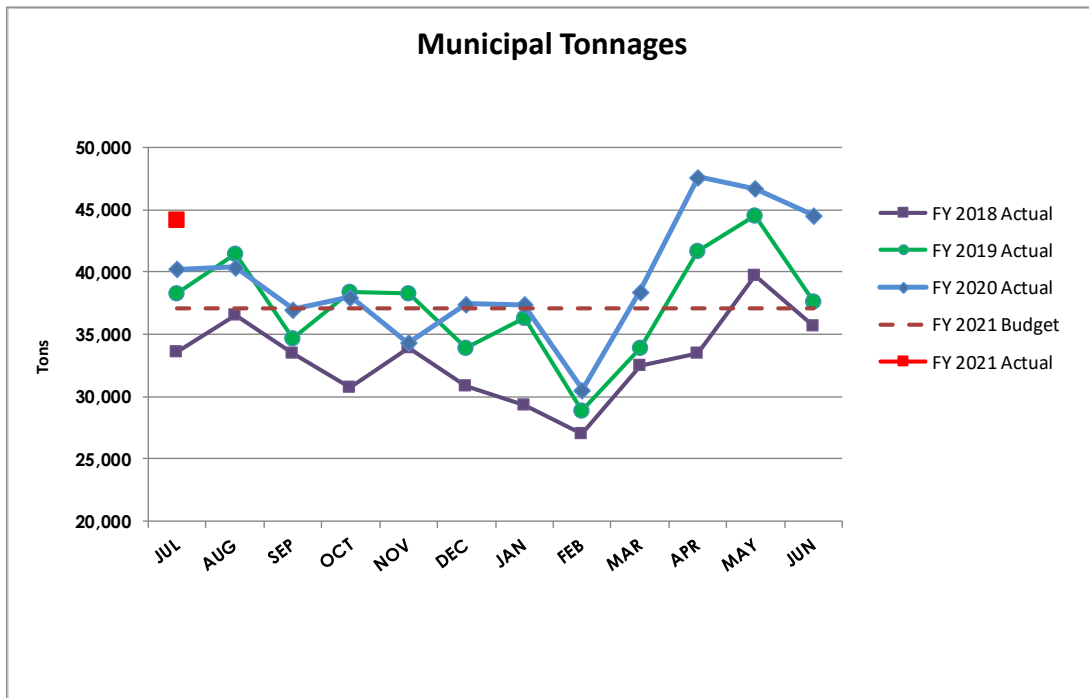




## Southeastern Public Service Authority (SPSA) Waste Stream

Waste Category	FY 2018	FY 2019	FY 2020	FY 2021	FY 2021	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 7/31/2020	% of Budget
<b>Waste Stream Budgeted under Tipping Fees</b>						
Municipal Waste						
Chesapeake	90,896	105,353	112,154	107,000	9,466	8.8%
Franklin	2,698	2,955	3,276	3,000	276	9.2%
Isle of Wight	16,883	17,265	17,102	17,200	1,511	8.8%
Norfolk	62,587	90,129	92,423	88,000	9,062	10.3%
Portsmouth	32,769	40,222	43,829	40,500	3,938	9.7%
Southampton	8,910	10,675	9,881	10,800	780	7.2%
Suffolk	40,847	42,325	46,614	38,900	4,418	11.4%
Virginia Beach	127,483	138,823	147,250	139,600	14,763	10.6%
Residential (Free of Charge)	13,711	-	-	-	-	N/A
<b>Total Municipal Waste</b>	<b>396,784</b>	<b>447,747</b>	<b>472,529</b>	<b>445,000</b>	<b>44,214</b>	<b>9.9%</b>
Sludge - Norfolk	5,586	6,040	4,725	5,500	426	7.7%
Navy Waste	26,653	26,265	24,974	25,500	2,096	8.2%
SPSA Contracted Waste	65,936	146,442	130,777	130,000	10,321	7.9%
Construction & Demolition Debris	14,850	9,808	9,312	15,000	514	3.4%
Non-Contract Waste	15,469	36,682	39,588	35,500	3,721	10.5%
<b>Total Other Waste</b>	<b>128,494</b>	<b>225,237</b>	<b>209,377</b>	<b>211,500</b>	<b>17,078</b>	<b>8.1%</b>
<b>Total Waste Stream</b>	<b>525,278</b>	<b>672,984</b>	<b>681,906</b>	<b>656,500</b>	<b>61,292</b>	<b>9.3%</b>

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



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

Types of Waste (tons)	FY 2017	FY 2018	FY 2019	FY 2020	July	Aug	Sept	FYTD
					FY 2021	FY 2021	FY 2021	FY 2021
Construction and Demolition Debris	14,252	14,850	9,807	9,312	514			514
Water Treatment Plant Sludge	4,927	5,717	6,039	4,725	426			426
Industrial Waste	846	379	295	660	12			12
Fines C&D	-	-	-	-	-			-
Soils for Use as Alternate Daily Cover	18,935	9,990	8,630	6,602	439			439
Brick & Block	-	-	-	-	-			-
Clean Fill	25,369	26,396	5,940	97,971	805			805
Peanut Residue/Hulls	5,650	9,366	4,023	4,907	477			477
Non-Processible Municipal Solid Waste	5,765	3,791	867	1,570	536			536
Navy Waste <sup>2</sup>	150	154	359	237	7			7
Contract Processible Waste	-	-	-	-	-			-
Non-Processible Commercial Waste <sup>2</sup>	4,518	2,631	598	651	36			36
Fluff from BiMetals	-	-	-	-	-			-
Concrete/Asphalt	3	-	133	116	-			-
Shredded Tires	3,289	4,586	5,394	6,144	724			724
Ash - Qualifying	174,420	179,361	113,979	112,585	14,844			14,844
Non-Qualifying Ash	-	-	52,998	58,912	2,537			2,537
Non Processible Waste (from Tsf Stations)	-	-	-	-	-			-
MSW from FTS, IWTS, STS	-	46,011	102,702	107,206	9,655			9,655
Clean Fill - Clearfield	28,226	31,709	51,540	57,872	5,670			5,670
Residual Waste - Clearfield	9,771	5,585	436	449	76			76
Diverted Processible Waste (from Tsf Station)	11,337	201	2,518	2,127	-			-
<b>Total</b>	<b>307,458</b>	<b>340,727</b>	<b>366,258</b>	<b>472,046</b>	<b>36,758</b>	<b>-</b>	<b>-</b>	<b>36,758</b>

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

<sup>2</sup> Boats, Flour, Frozen Foods, Other items too large for Suffolk Transfer Station

**Southeastern Public Service Authority  
Treasurer's Report of Cash Balances  
For the Month Ending July 31, 2020**

Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Payables / Transfers Out	Payroll	Ending Balance
<b>Unrestricted and Designated Funds (see footnote below):</b>						
Townebank Operating	\$ 2,040,166.67	\$ 2,920,245.34		\$ 2,688,503.91	\$ 804,510.45	\$ 1,467,397.65
Townebank Money Market	161,753.27		13.70			161,766.97
Townebank CD	6,202,738.55					6,202,738.55
Virginia Investment Pool (VIP)	9,621,590.20	500,000.00	2,752.76			10,124,342.96
Raymond James & Associates Investments	23,593,094.14		13,502.73	19,033.55		23,587,563.32
<b>Total Unrestricted and Designated Funds</b>	<b>\$ 41,619,342.83</b>	<b>\$ 3,420,245.34</b>	<b>\$ 16,269.19</b>	<b>\$ 2,707,537.46</b>	<b>\$ 804,510.45</b>	<b>\$ 41,543,809.45</b>
<b>Trust Funds:</b>						
Environmental / Va. Beach Landfill	\$ 470,179.65		34.69			470,214.34
Environmental / Regional Landfill	466,551.55		34.51			466,586.06
<b>Total Trust Funds</b>	<b>\$ 936,731.20</b>	<b>\$ -</b>	<b>\$ 69.20</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 936,800.40</b>
<b>GRAND TOTAL</b>	<b>\$ 42,556,074.03</b>	<b>\$ 3,420,245.34</b>	<b>\$ 16,338.39</b>	<b>\$ 2,707,537.46</b>	<b>\$ 804,510.45</b>	<b>\$ 42,480,609.85</b>
<b>Cash Balances Designated as follows:</b>						
Operating Funds	\$ 5,239,471.78					
Undesignated (Fund Balance June 30, 2020)	5,974,800.00					(equivalent to 2 months operating expenses)
Reserved for FY 2020 Rolled Purchase Orders	96,176.00					
Reserved for Capital Budget	314,757.38					(unencumbered FY20 Capital Budget)
Reserved for HRSD Force Main	\$2,500,000.00					
Purchase Orders for Landfill Expansion	\$535,182.29					
Landfill Expansion / Closure	26,883,422.00					
Total Designated Funds	\$ 41,543,809.45					

**Southeastern Public Service Authority  
Budget Transfer Activity  
For the Month Ending July 31, 2020**

<b>Department</b>	<b>Object</b>	<b>Description</b>	<b>Transfer In</b>	<b>Transfer Out</b>
Landfill Shop	55100	Electricity	\$ 3,500.00	
Landfill	55100	Electricity		\$ 3,500.00
Landfill Shop	53410	Building/Site Maintenance	\$ 8,506.00	
Landfill	53410	Building/Site Maintenance		\$ 8,506.00
Isle of Wight TS	53320	Grounds Maintenance	\$ 78.00	
Isle of Wight TS	53410	Building/Site Maintenance		\$ 78.00
Franklin TS	53320	Grounds Maintenance	\$ 78.00	
Franklin TS	53410	Building/Site Maintenance		\$ 78.00
Suffolk TS	53410	Building/Site Maintenance	\$ 500.00	
Suffolk TS	53170	Fire Protection		\$ 500.00
ROB	53170	Fire Protection	\$ 250.00	
ROB	53410	Building/Site Maintenance		\$ 250.00
Landfill	53170	Fire Protection	\$ 1,000.00	
Landfill	53410	Building/Site Maintenance		\$ 1,000.00
Landfill Shop	53410	Building/Site Maintenance	\$ 150.00	
Landfill Shop	53400	Equipment Maintenance		\$ 150.00
Safety	56300	Safety Apparel & Equipment	\$ 5,000.00	
Executive	53130	Professional Services		\$ 5,000.00
<b>Total Budget Transfers</b>			<b>\$ 19,062.00</b>	<b>\$ 19,062.00</b>



## 8. Contracts

### Caterpillar 972M Wheel Loader

This contract is for a replacement Loader at the Landstown Transfer Station. This purchase is consistent with SPSA's ten-year capital replacement plan. Life cycle analyses of transfer station equipment shows the existing machine is at a point that maintenance costs are increasing rapidly each year while re-sale value is declining at an even greater rate. Life cycle information along with a thorough evaluation of the existing equipment condition and the projected cost of needed repairs confirms the need to replace this piece of machinery.

Bid: Sourcewell Contract - #032119-CAT

Vendor: Carter Machinery

Budgeted: \$519,400

Sourcewell Price: \$518,096

RECOMMENDATION: Award the contract for the purchase of a Caterpillar 972M Wheel Loader to Carter Machinery in the amount of \$518,096.00.

MOTION: Do I hear a motion to award the contract for the wheel loader to Carter Machinery, as presented?

Transportation Road Tractors

This replacement request is part of the regular FY 2021 capital replacement plan. The new road tractors are slated to replace four (4) tractors that have exceeded their useful life causing increased maintenance cost and down time.

Bid: Sourcewell Cooperative Procurement Contract - #081-716-PMC

Vendor: The Peterbilt Store - Chesapeake

Budgeted: \$600,000.00

Total Price: \$599,888.00

RECOMMENDATION: Award a contract to the Peterbilt Store - Chesapeake in the amount of \$599,888.00 for the purchase of four (4) Peterbilt 567 Tandem Axle Tractors utilizing the Sourcewell contract.

MOTION: Do I hear a motion to award the contract for four (4) Peterbilt 567 Tandem Axle Tractors to the Peterbilt Store - Chesapeake, as presented?

**9. Other Business**

**10. Adjourn**