

# SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting\*

Regional Board Room

723 Woodlake Drive, Chesapeake, Virginia



Wednesday, May 26, 2021 at 9:30 a.m.

\*To encourage social distancing, members of the public may listen to and view presentations displayed at this meeting by registering at <https://attendee.gotowebinar.com/register/6991841035427713293>. Members of the public may also listen to the SPSA Board Meeting via telephone by dialing toll-free to 1-877-309-2074 and entering access code 928-560-368. 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 May 26, 2021.

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

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<b>3. Chairman’s Comments .....</b>	<b>1</b>
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Landfill Gas Rights, Easement and Lease Agreement.....	60
<b>12. Other Business .....</b>	<b>60</b>
<b>13. Adjourn.....</b>	<b>60</b>

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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 April 28, 2021 Board meeting are included below for Board review and approval.

RECOMMENDED ACTION: Approve the minutes as presented.

MOTION: Do I hear a motion that the April 28, 2021 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

April 28, 2021

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 ( <i>absent</i> )	(FR)
Mr. Dale Baugh*	(IW)	Mr. Randy Keaton	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Mr. Burle Stromberg	(PO)
Mr. Mark Hodges ( <i>absent</i> )	(SH)	Ms. Lynette Lowe	(SH)
Mr. David Arnold ( <i>absent</i> )	(SU)	Mr. Albert Moor	(SU)
Mr. Thomas Leahy	(VB)	Mr. John Barnes ( <i>absent</i> )	(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 Alternate Ex-Officio Member Mr. Greg Martin (CH), 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 electronically via GoTo Webinar.

Mr. Baugh (FR) participated from Indian Rocks Beach, Florida due to a personal family matter. Mr. Bobby Wheeler (VB) also participated electronically from his office in Virginia Beach due to personal scheduling conflicts and served as a voting member in Mr. Barnes' absence. There were no objections to their 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 through 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. **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 March 24, 2021.

The notice of public hearing was published in The Virginian Pilot on March 30th and April 6th 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, 2021, 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 received no requests to make a comment at the public hearing. 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 reminded the Board that they would be voting on the fiscal year 2022 budget and that a great deal of work goes into budget preparation each year. He commended Ms. DeVary for her tremendous efforts and thanked her staff for their support. Chairman Keifer went on to say that there have been some updates to legislation that Ms. DeVary will cover in her Executive Director’s report and that SPSA is thankful for the longtime support and interest of Senator Cosgrove, who made these changes possible.

5. **APPROVAL OF MINUTES**

The minutes of the March 24, 2021 Board Meeting had been distributed. Chairman Keifer asked if there were any additions or changes and there were none.

**Mr. McCoy moved, seconded by Mr. Broad, to approve the March 24, 2021 minutes of the SPSA Board of Directors as presented. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

6. **EXECUTIVE DIRECTOR UPDATES**

Ms. DeVary was pleased to report that, as usual, SPSA staff continue to keep operations running smoothly.

SPSA is still awaiting the extension of the steam agreement between Wheelabrator and the Navy which, to Ms. DeVary’s knowledge, has not yet been executed. Wheelabrator is keeping her informed on that process. Over the last month, significant progress has been made on the draft Amended and Restated Landfill Gas Agreement with Mas Energy and Ms. DeVary hopes to be able to present an overview at the May meeting, unless more time is needed to finalize the exhibits.

The Army Corps of Engineers and VHB have decided to include two off-site alternatives in the Draft Environmental Impact Statement (DEIS) they are preparing as a necessary part of the Cell VIII and IX permitting process. As the Board may recall, the off-site alternative process began with roughly 300 properties and through three various ranking systems were narrowed down to six properties – five in Southampton County and one in Suffolk. Over the last month there has been a great deal of discussion regarding narrowing the selection to one or two properties to take into the DEIS. They now believe that it is in the best interest of the project to carry the top two off-site alternatives, one in the City of Suffolk and the other in Southampton County, forward in the DEIS.

In regards to the flyover, the project is on schedule and Ms. DeVary and Mr. Spain are still in discussions about the contract with VDOT. SPSA's original proposed agreement largely mirrored the agreement that VDOT uses with HRTAC, but VDOT thought it better for SPSA to use an agreement more closely resembling those used by localities. Ms. DeVary and Mr. Spain have submitted their comments on the agreement to VDOT and hopefully it will be ready to present to the Board at the May meeting. Ms. DeVary also informed the Board that Mr. Al Moor, Suffolk Interim City Manager, has signed a letter agreeing that VDOT's conceptual designs for the flyover meet the requirements of SPSA's Conditional Use Permit (CUP) with the City of Suffolk.

Mr. Leahy asked whether or not there have been public meetings scheduled on both the EIS process and the flyover project. Ms. DeVary responded that she always informs the Board well before any public meetings on SPSA projects are held. While the flyover project has not yet progressed to that point, the EIS has had two rounds of public comments already, with the next to take place once the DEIS is published. Ms. DeVary will continue to keep the Board informed on any public meetings associated with SPSA projects.

Mr. Bagley delivered the operations report stating that during the reporting period 28,681 tons were landfilled, which is an increase of 4,209 tons. 1,691,597 gallons of leachate were sent to HRSD, which is a decrease of 261,934 gallons. Mr. Bagley reminded the Board that leachate volume is a direct result of the weather and the size of the open landfill working face. 846,427 gallons of leachate were pumped at a flow rate of 18.96 gallons per minute (GPM), with a 20 GPM maximum allowed by permit. The flow rate is a new metric to help ensure maximization of pumping in an effort to reduce hauling, which Mr. Bagley notes should always be a goal. 845,170 gallons were hauled to HRSD during the reporting period. Staff continues to perform a thorough analysis of leachate at the Regional Landfill in order to determine the best path forward in light of HRSD's determination to forego the proposed force main project. Mr. Bagley reported that 91% of ash received at the Regional Landfill was suitable for use as alternative daily cover and that Wheelabrator continues to do an outstanding job. No odor complaints were received during the reporting period.

The warning letter from DEQ regarding an administrative issue that Mr. Bagley reported on at the previous meeting has since been cleared and no further action is required. Special events held for household hazardous waste (HHW) disposal are on the rise, with an unprecedented 471 transactions taking place at the Portsmouth HHW event held at I.C. Norcom Highschool on April 10<sup>th</sup>. The new tire shredder is scheduled for delivery on May 3<sup>rd</sup>, with some of the ancillary parts having been delivered the morning of the meeting. The goal is to be up and running by May 9<sup>th</sup> with the capacity to process significantly more tires. Staff are currently reviewing the technical proposals submitted by the three bidders for the design-build project at the Regional Landfill and will be able to request additional

information, if necessary. After completing the review of the technical proposals, the financial proposals can be opened and a recommendation can be brought to the Board.

Mr. Bagley was very happy to report that the removal of the underground storage tanks (UST) at the Regional Landfill has been completed, eliminating a potential liability for SPSA. As they were taken out of the ground a small amount of soil contamination was discovered and has been completely remedied, pending a clearance letter from DEQ that SPSA's consultants feel confident is on its way. Now that the UST removal is complete, demolition of the former administration building at the landfill will begin within the next two weeks. While Mr. Bagley noted that operations can change without warning, at the time of his reporting to the Board, progress is on schedule and in line with the timing of the design-build contract award. Mr. Bagley offered to answer any questions.

Mr. Keaton brought up the topic of RAISE grants, which seem to be taking the place of TIGER grants being offered by the Department of Transportation. While Mr. Keaton acknowledged that the Board has discussed that accepting federal funding for the flyover would not be helpful unless the amount was significant enough to offset the additional costs that would be incurred, the \$25 million cap on this grant might warrant some research to see if it would be applicable to the flyover. At Mr. Keaton's suggestion, Mr. Sorey added his opinion that though he is not terribly familiar with RAISE grants, his understanding is that they are largely overprescribed, meaning that while SPSA should certainly look into the grant, Mr. Sorey would view any potential for reward with some skepticism. Chairman Keifer asked Ms. DeVary to look into SPSA's eligibility for this or any other opportunities and report back to the Board at a future date.

**7. WHEELABRATOR PORTSMOUTH MONTHLY REPORT**

Mr. Clint Stratton presented the Wheelabrator monthly report electronically, first noting that their company has undergone a rebranding and is now known as WIN Waste Innovations – Portsmouth and will soon be rolling out new signage and uniforms.

**WIN Waste Innovations - Portsmouth**

April 2021 Report to SPSA Board



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



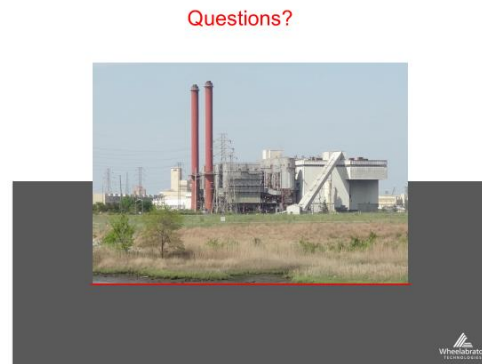
**WIN Waste Innovations Portsmouth  
March 2021  
Actual Operational Data**



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
50,237	48,803	1,434	50,342	47,736	2,606	7,544	8,534	(2,910)	12,485	13,653	-1,118
Favorable regional volumes			Driven by favorable boiler USDT			Heavy volumes of NP remain in the system			Driven by timing mostly storing ash in house to dry		

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
36,893	69,991	(33,099)	15	152	136	0	0	0	14,908	13,560	1,348
Usage dropped at NNSD this period			Great operational month for the boilers						Driven by favorable processing and steam loads		

- Includes 1,118 tons of non-qualifying residue delivered to landfill, qualifying residue 91.04% for March.
- Waste delivered by SPSA to RDF- 47,326 tons; Boiler availability – 93%; Turbine Generator availability- 92%; Ash Screen availability – 95%.
- 0 OSHA Recordable accidents this period, 1 for the YTD, 0 environmental incidents and citizen complaints
- Boiler 2 outage completed this period to include Superheater replacement, grate, flue gas, RDF system, ash removal and baghouse repairs.
- Turbine Generator #1 outage this period to include valve and pump work, bearing loading, bearing replacement, oil deflectors and electrical testing and wiring replacement off the TG transformers.



Mr. Stratton offered to answer any questions, but there were none. Chairman Keifer thanked him for his report, noting the thoroughness of the information on performance measures and SPSA's ongoing appreciation of their partnership with Wheelabrator, now known as WIN. Mr. McCoy added that the percentage of acceptable ash now being received is commendable and he appreciates Mr. Stratton's input and leadership. Mr. Stratton thanked them for their comments, mentioning that SPSA is WIN Portsmouth's biggest customer and they value the relationship, as well.

## 8. FINANCIAL REPORT

Ms. DeVary informed the Board that, as of March 31, 2021, total revenues exceeded total expenses by approximately \$5.3 million as compared to \$3.1 million in the previous fiscal year. Tipping fees received year to date reflect an increase of 5.3% or approximately \$1.68 million as compared to FY 2020. Municipal waste tons are up approximately 11% or 37,067 tons as compared to last fiscal year. Commercial tons are down 4% or 5,859 tons as compared to last year. As of March 31, 2021, municipal waste tonnages were 371,634 as compared to 333,685 a year ago. Referencing the provided comparative graph of tonnages over the past few years, Ms. DeVary noted that municipal tonnages are currently well-above what has been received for many years and she believes that SPSA is still on track to receive over 500,000 tons of municipal waste in fiscal year 2021.

Ms. DeVary reported that total expenses fiscal year to date for the month ending March 31<sup>st</sup> were approximately \$31.2 million, compared to \$30.8 million in the prior fiscal year. Cash balances are at \$48.5 million, currently designated as \$5.6 million in the operating fund, \$5.9 million, the equivalent of 2 months' operating expenses, in undesignated fund balance, \$13,950 in FY 2020 rolled purchase orders, \$314,757 for unencumbered capital budget, \$2.5 million for the proposed HRSD force main, \$138,711 for landfill expansion purchase orders, and \$33.98 million in the landfill expansion and closure fund. Ms. DeVary then opened the floor for questions or comments, but there were none.

**Mr. Maxwell moved, seconded by Ms. Raulston, to approve the SPSA financial report as presented. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

Ms. DeVary reminded the Board that, as the Chairman mentioned earlier, there have been changes to legislation and it is being proposed that SPSA's Procurement Policy be updated to reflect those changes. As the Board is well aware, amending Section 15.2-5102.1 of the



Code of Virginia, commonly referred to as House Bill 1872 or the Cosgrove Bill, was the first step in the transformation of SPSA as an organization. Suggested changes to that legislation were reviewed with the Board at the October 28, 2020 Board Meeting, and the Board approved submitting the proposed changes to Senator Cosgrove for his consideration. Senator Cosgrove agreed with the suggested changes and moved the legislation forward. The requested changes have been approved as submitted and are effective July 1, 2021.

Ms. DeVary presented a summary of those approved changes, in addition to providing the Board with a hard copy of the newly adopted changes to that section of the Code of Virginia, as it pertains to SPSA. The updated language provides more stringent accountability in financial reporting, clarifies adherence to the Virginia Public Records Act, and updates phrasing to be more in line with standard business practices. The new legislation also raises the permissible threshold at which the Executive Director is authorized to approve contracts without Board Approval from \$30,000 to \$100,000, as long as the contracts are consistent with the Authority's Board-approved budget and, if applicable, the Authority's approved purchasing policy. Accordingly, there are recommended changes to the Procurement Policy that require approval from the Board.

Ms. DeVary went through a detailed account of the sections of the policy that would be altered, presenting slides with exact language to be removed and added so that they match the legislation. Language was added to the Executive Director's Authority that the contracts he or she may execute and modify without Board approval, individually or cumulatively, must amount to "less than \$100,000 but no fixed-price contract may be increased by more than twenty-five percent of the amount of the contract or \$50,000, whichever is greater." This language was similarly updated under item 13 of the General Terms and Conditions section of the policy.

Ms. DeVary pointed out that she is not requesting any changes to Chapter IV, Methods of Procurement, Small Purchasing Procedures. Purchases between \$5,000 and \$29,999 will still require three written quotes and purchases of \$30,000 and up continue to require to follow a formal bid process.

At the suggestion of the Chairman and as discussed with the Executive Committee, if the Board agrees to the requested changes, Ms. DeVary will report to the Board on the contracts that have been awarded each month under the Financial Report Presentation at each Board Meeting. To give the Board an idea of what contracts would be affected, Ms. DeVary looked back at previous contracts and reported contracts up to \$100,000 would largely include recurring services such as the annual audit, landfill security, HHW disposal, wheeled loader rubber edges, grounds maintenance, and possibly laboratory services.

Mr. Sorey commented that it would be good practice to have the Executive Director report on contracts awarded each month, but suggested it be formally added as a part of the Procurement Policy. Ms. DeVary confirmed that she would speak with Mr. Spain and have that language formalized in the policy changes and report back on exact phrasing.

Chairman Keifer commented that he and the Executive Committee fully support these changes to the Procurement Policy, noting that, as an oversight Board, monitoring procurement is one of the Board's most important duties. It is within the Board's discretion to further restrict the Executive Director's contract authority if they see fit. Chairman Keifer and the Executive Committee are recommending the threshold be set at \$100,000, but that amount could be lowered in the future, if the Board so chooses.

Ms. DeVary commented that the Virginia Procurement Act currently allows localities and authorities, such as SPSA, to have small purchasing procedures up to \$200,000, but she is of the opinion that dollar amount is too high, so she requested that the legislation only be changed to a \$100,000 threshold. In 2009, when the Cosgrove Bill was originally enacted, the Virginia Procurement Act had small purchasing procedures set at a threshold of \$30,000, which is why the Bill, and subsequently SPSA's Procurement Policy were also set at \$30,000. Now that the Virginia Procurement Act has been changed and modified, it makes sense that new legislation and SPSA's policies would take those changes into account.

At Mr. Leahy's request, Mr. Spain clarified that the Board would be voting to amend the Procurement Policy as specifically recommended and to authorize the Executive Director to work with counsel to draft a reporting requirement to be included in the Procurement Policy, and that the final version of the Procurement Policy would be brought back at the following Board Meeting.

**Mr. McCoy moved, seconded by Mr. Sorey, to amend the SPSA Procurement Policy as presented, including a requirement for the Executive Director to report on approved contracts, and in accordance with the Code of Virginia, Section 15.2-5102.1, as amended and effective July 1, 2021. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

#### 9. ADOPTION OF THE JULY 1, 2021 – JUNE 30, 2022 BUDGET

Ms. DeVary presented a review of the Proposed Operating and Capital Budgets for fiscal year 2022, which were also presented at the March Board Meeting.

**Southeastern Public Service Authority**

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**PROPOSED OPERATING & CAPITAL BUDGETS  
FY 2022**

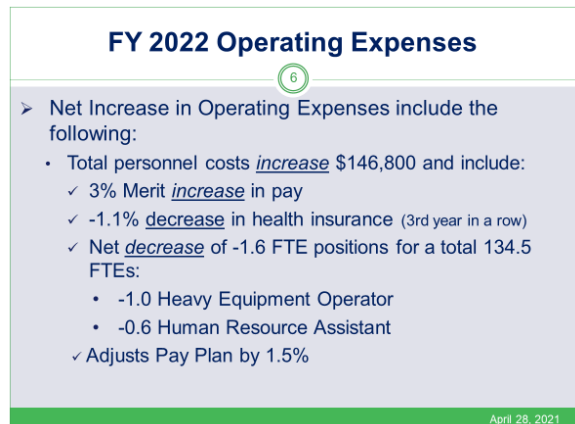
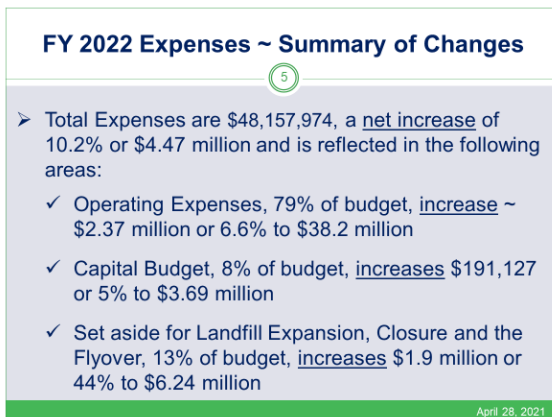
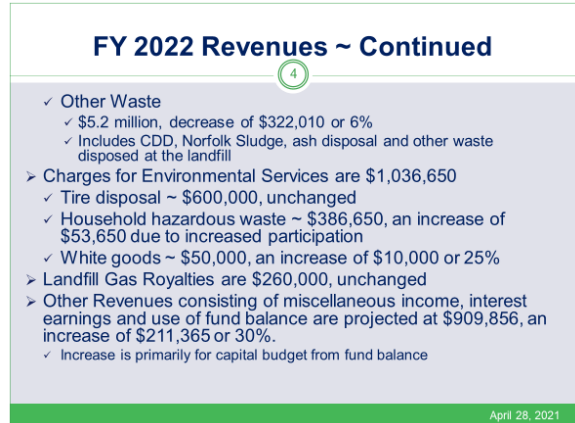
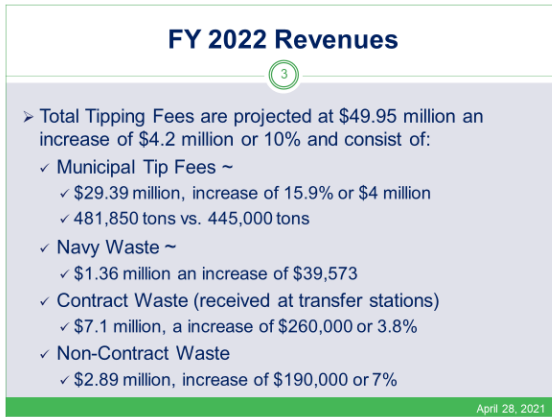
April 28, 2021

**FY 2022 Proposed Budget**

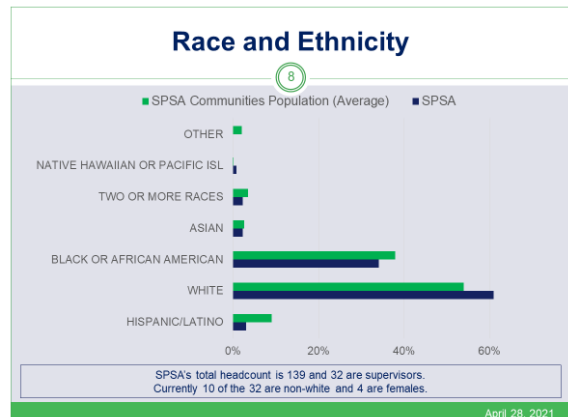
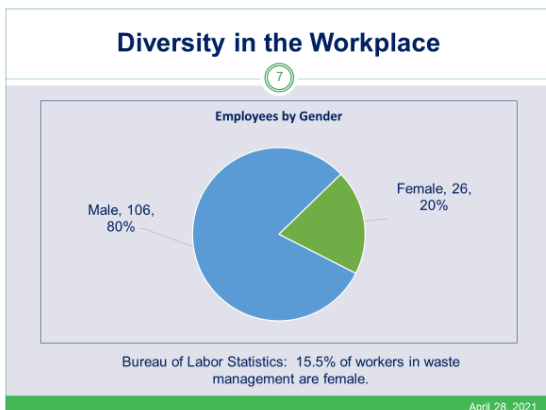
②

- > Revenues = Expenses for a Total of \$48,157,974
- > Represents a 10.2% increase from FY 2021 or \$4.47 million
- > The municipal tipping fee increases to \$61 per ton
- > Municipal tonnages are projected at 481,850 tons, an increase of 8.3% or 36,850 tons

April 28, 2021



Mr. Maxwell raised a question on the 1.5% increase to the pay plan along with the 3% merit increase for employees, wanting to ensure that staff was not receiving a total wage increase of 4.5%. Ms. DeVary responded that staff was not receiving a 4.5% increase and clarified that the adjustment to the pay plan, or range of salary available for each position, is an effort to avoid having to make a larger adjustment later to accommodate inflation for future hires. The 3% wage increase for staff is not a cost-of-living allowance, but requires at least a “satisfactory” rating on their annual review.



Also, during the portion of the presentation on personnel expenses, Ms. DeVary reviewed diversity statistics for SPSA’s staff. Charts showing gender breakdowns at SPSA and in the industry and member communities’ average statistics on race and ethnicity, illustrated that SPSA’s staffing diversity is close to the average for the communities it serves, and above the industry average for female employees. Another statistic of note was that of SPSA’s 132 employees there are 32 supervisors, 10 of whom are non-white and 4 of whom are female. Chairman Keifer added that the discussion of diversity in the workplace is an ongoing subject of great importance for the Executive Committee. He asked if there were any questions or comments on the subject, but there were none.

**FY 2022 Operating Expenses Continued**

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- Professional/contracted services reflect a net increase of \$28,884 for building and site maintenance and the Host Fee payable to the City of Suffolk
- Materials & Supplies increase \$22,378 primarily for pandemic supplies.
- Contracted Waste Disposal Services increase \$2.2 million. The WDSA rate increase is 2.9% and WHDA increases 3%. This increase also includes diverting approximately 26,000 tons of waste from the Regional Landfill.

April 28, 2021

**Capital Improvements/Equipment Replacement**

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- Capital Improvements /Equipment Replacement budget of \$3.67 million
  - Landfill ~ \$809,000 for a dump truck, wheel wash and 2 pick up trucks
  - Equipment Replacement at transfer stations~ \$1.4 million include 1 wheeled excavator, 2 wheeled loaders, 1 above ground scale
  - Transportation ~ \$606,000 for 4 new tractors, \$630,000 for 7 trailers and \$125,000 for a yard dog
  - \$100,000 for tipping floor repairs at the Chesapeake Transfer Station

April 28, 2021

Mr. McCoy commented, for the benefit of newer Board Members, that in the past SPSA would finance all capital improvements and equipment replacement through 20- or 40-year financing, which resulted in sizeable debt and an untenable financial situation for SPSA. Mr. McCoy commended Ms. DeVary for her sound judgement and excellent work bringing the organization to financial stability with debt-free spending policies and cash reserves. Ms. DeVary thanked Mr. McCoy for his comments and, as they relate to equipment replacement, she passed the compliments along to Mr. Bagley and staff for their continued efforts to refine and implement the replacement schedule for every piece of SPSA equipment.

**Tip Fee Schedule – Recommended Changes**

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Waste Type	Current Rate	Proposed Rate
Municipal Waste	\$57.00 / ton	\$61.00 / ton
Contract Non-Municipal Waste	\$52.50 / ton	\$54.50 / ton
Construction & Demolition Debris	\$51.00 / ton	\$55.00 / ton

**Recommendation:** Adopt the Schedule of Fees and Charges as advertised

April 28, 2021

**Budget Recap**

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- Total Budget = \$48,157,974
- Represents a 10.2% increase from FY 2021 or \$4.47 million
- The municipal tipping fee increases to \$61 per ton
- Municipal tonnages are projected at 481,850 tons, an increase of 8.3% or 36,850 tons
- Includes a 3% merit increase for employees

**Recommendation:** Adopt the July 1, 2021 - June 30, 2022 Operating & Capital Budgets as presented

April 28, 2021

Having followed all the necessary procedures for the Public Hearing, it was recommended that the Board adopt the Schedule of Fees and Charges as advertised.

**Mr. Broad moved, seconded by Ms. Raulston, to adopt the Schedule of Fees and Charges as advertised. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

**Mr. Maxwell moved, seconded by Mr. Moor, to adopt the July 1, 2021 – June 30, 2022 Operating and Capital Budgets, as presented. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

**Changes to Strategic Operating Plan**

13

- > Added Juneteenth to the Holiday Schedule
- > The section on the Regional Landfill ~ Planning Horizon~ was updated to reflect the most recent Airspace Report and updated the Conceptual Master Plan

**Recommendation:** Adopt a resolution approving changes to SOP

April 28, 2021



The last item for Board action was the update to the Strategic Operating Plan. In addition to updates to the Regional Landfill Planning Horizon and Conceptual Master Plan reflecting the most recent Airspace Report, Juneteenth was added as a state holiday. Ms. DeVary noted that changes to the Strategic Operating Plan occur by resolution and require a vote of at least 75% of the Board. The following proposed resolution was included in the meeting materials for consideration by the Board:

### **RESOLUTION APPROVING REVISIONS TO THE STRATEGIC OPERATING PLAN – APRIL 28, 2021**

**WHEREAS**, the Southeastern Public Service Authority of Virginia (“SPSA”) is a party to identical Use and Support Agreements (the “Post-2018 Use & Support Agreements”) with each of its member communities (the “SPSA Members”);

**WHEREAS**, the Post-2018 Use & Support Agreements (1) include a Strategic Operating Plan to be attached thereto as Schedule I and incorporated therein by reference; and (2) require that the SPSA Board of Directors (the “Board”) review the Strategic Operating Plan 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; and

**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 June 24, 2020, and the updated and modified Strategic Operating Plan shall be deemed to be appended as Schedule I to the Post-2018 Use & Support Agreements, and 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.

**Mr. Sorey moved, seconded by Ms. Raulston, to adopt the resolution approving changes to the Strategic Operating Plan as presented. The electronic participants were polled individually. The motion was adopted by a unanimous vote in favor.**

**10. OTHER BUSINESS**

Chairman Keifer once again commended Ms. DeVary for her work on the budget. He asked if there was any further business, but there was none. Chairman Keifer mentioned that at the May Board Meeting he would be appointing a Nominating Committee for the election of new officers in July. He requested that any Board Members who are interested in serving, either on the Nominating Committee or as an officer, to please let him know.

**11. 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

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## 5. Executive Director Updates

Attachments:

- Landfill Operational Summary
- Executive Committee Minutes – March 17, 2021

## Landfill Operational Summary

SPSA Regional Landfill Operational Summary		KEY:			
Period	April 1, 2021 to April 30, 2021		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.		DEQ Warning Letter for Outfall 002 Monitoring Results: resolved, no further action required.
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during the reporting period.
1.2.2	Title V	Compliance	In Compliance		In the process of applying for a new Title V permit for the proposed RNG facility.
1.2.3	VPDES	Compliance	In Compliance		New Permit was issued as of October 1st 2020
1.2.4	Financial Assurance	Compliance	In compliance		
1.2.5	Wetlands	Compliance	In Compliance		
1.2.6	Groundwater	Compliance	In Compliance		
1.2.7	Storm water system operating and in compliance with VPDES permit	Systems operational and in good order	In Compliance		In compliance.
<b>2</b>	<b>Landfilling Operations</b>				
2.1	Tonnage Landfilled	Actual Tons	34,435		
2.2	No. staff	13.5	8.5		5 vacancies: 3-HEO, 1 Landfill Supervisor, 1 Solid Waste Assistant
2.2	Equipment Utilization	Key equipment fully operational and deployed	All equipment operating and deployed with appropriate spares		
<b>3</b>	<b>Cover Operations</b>				
3.1	Total Cover Material Received	Actual Tons	20,059		
3.2	Date of last aerial survey	12/12/2019			
3.3	December 2020 Operational In-Place Density (lbs./cy)	1,600-1,800lbs/cy	1,903 lbs./cy or AUF = .94		Airspace Study completed January 2021
3.4	December 2020 Effective In-Place Density (lbs./cy)	1,600 lbs./cy	1,997 lbs./cy or AUF = .99		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. Low Flow to meters to HRSD, FIT-0301, and FIT-0401 were calibrated on 12/29 and the Pump & Haul Totalizer was reset on 12/30.
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	628,293.0		Only pumped 73% of capacity due to pump failure and valve controller failure. Fully operational now.
4.5.1.1	Cell V, Sumps 1-4	x gallons	623,508		From 04/01 to 04/30
4.5.1.2	Cell VI, Sumps 5-8	x gallons	501,349		From 04/01 to 04/30
4.5.2	Quantity of leachate hauled for disposal during period	x gallons	900,234		From 04/01 to 04/30
4.5.3	Disposal costs in period: \$		\$ 23,087		From 04/01 to 04/30
4.5.4	Any issues relative to leachate quality and acceptance at WWTPs?	No constraints	No constraints		
<b>5</b>	<b>Landfill Gas Management</b>	Compliance	In compliance		
<b>6</b>	<b>Odor Complaints</b>	No complaints	No complaints		From 04/01 to 04/30
<b>7</b>	<b>HRSD Force Main</b>	Contract Schedule	None provided to date.		Working on alternatives for pump station

**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

## Executive Committee Minutes – March 17, 2021

**Executive Committee Minutes**  
**Southeastern Public Service Authority of Virginia**  
**March 17, 2021**

A meeting of the Executive Committee was held at 9:30 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman John Keifer. The other Committee Members present at this meeting were Vice Chairman Luke McCoy and Ms. Sheryl Raulston. Also in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley, Executive Administrator, Tressa Preston, and General Counsel, Brett Spain.

**Items for Discussion:**

1. Review and approve Executive Committee Minutes of February, 2021

**Ms. Raulston moved, seconded by Mr. McCoy, to approve the minutes of February 17, 2021. All present were in favor.**

2. Executive Director Reports / March Board Meeting Agenda

- a) FY 2021-22 Operating and Capital Budget

Ms. DeVary provided a document outlining a snapshot of the proposed FY 2022 operating and capital budget. The charts showed the FY 2021 budget, the projected FY 2021 revenues and expenses, the proposed FY 2022 budget, and the change from budget to budget in both dollars and percentage of budget, broken down by category. Ms. DeVary went through each item with the Committee line by line. Notable changes in revenues include increasing the municipal tipping fee to \$61 per ton and increases in contract waste fees. Notable changes in expenses include a proposed 3% merit increase for staff, an increase in contracted waste to divert tonnages from the landfill in order to preserve airspace and approximately \$1.94 million to set aside for construction of the flyover at the Regional Landfill. The proposed budget reflects an overall change of \$4,470,428 or a 10.2% increase.

The Committee commented that they were pleased with Ms. DeVary's thoughtful planning, particularly related to diverting tonnages from the landfill. They also suggested possible support for proposing a higher merit increase. During the course of the budget discussion, Chairman Keifer also raised the possibility of looking into an apprenticeship program for transfer vehicle operators.

- b) Flyover / VDOT

Ms. DeVary received an initial agreement from VDOT that counsel determined to be insufficiently specific in regards to VDOT's project responsibilities. A new agreement that will meet SPSA's accountability requirements is being negotiated. VDOT has assured Ms. DeVary that this negotiation process will not delay beginning the initial engineering work that has already been discussed.

Ms. DeVary has reached out to the City of Suffolk and has requested that Suffolk sign a letter indicating that the conceptual plan prepared by VDOT for the flyover will meet the requirements of the Regional Landfill's Conditional Use Permit. Mr. Moor, Interim City Manager, asked Ms. DeVary to send them a document to review. Ms. DeVary asked the Committee whether they thought it necessary for SPSA to hire a Project Coordinator to oversee the flyover project. Chairman Keifer responded that he believes VDOT essentially will serve as SPSA's "owner's representative" in the process and SPSA should not need to reinspect their work. He went on to say that staff should be made aware of project cost changes and have approval on discretionary change orders. He also noted that perhaps some of SPSA's preferences could be achieved administratively rather than contractually. Mr. McCoy agreed that SPSA should not need a Project Coordinator and concurred with Ms. DeVary's stated preference that SPSA make payments on specific documented invoices as expenses are incurred, rather than making regular fixed amount payments to VDOT.

c) Wheelabrator and the Navy

Wheelabrator had a call with the Navy in early March and, according to Wheelabrator, they should receive something in the way of a contract by the end of the month. Wheelabrator remains hopeful that the contract will be for an 18-month extension, but the specific details and subsequent plans remain unknown. Chairman Keifer encouraged Ms. DeVary to make sure that the Mayor of Portsmouth be included in any future substantive discussions with Wheelabrator.

d) Wetlands Permitting

The wetlands permitting process continues, but the Corps is having challenges with narrowing down the possible off-site alternatives, so they cancelled the standing monthly call in March. As she had been anticipating the regular discussion, Ms. DeVary arranged to have an unscheduled call to discuss the Board's concerns with the progress of the Environmental Impact Study (EIS), particularly in regards to VHB's contract, which was amended to include a substantial increase in costs at the last Board Meeting. VHB did not object to considering the latest contract amendment to be a not to exceed amount and that they would inform SPSA at least 60 days before any additional changes would be needed.

Ms. DeVary informed the Committee that she spoke frankly with the Corps and VHB, letting them know that if the EIS is moving in the direction of not supporting landfill expansion, it should be up to the eight member communities to determine an alternative landfill site, not something dictated by the EIS. SPSA has local and state support for expansion, but if federal approval is unlikely, it may be in SPSA's best interest to halt the EIS project. Ms. Raulston commented that it is likely that the Corps does not yet know what their recommendation will be, because the investigation is not complete.

The Corps and VHB will continue their efforts to narrow the scope of the off-site alternative analysis and have plans to visit one of the sites for assessment as soon as scheduling allows. Ms. DeVary has made it clear to them that timing is critical and that if taking more than one off-site alternative into the draft EIS will move the process along more quickly, then that should be considered. The Corps indicated that they appreciated Ms. DeVary speaking with them and that her input was helpful.

## e) Mas Energy

There is an internal call scheduled with SPSA and counsel tomorrow to continue to discuss the second turn of the Amendment to the Landfill Gas Agreement. It is uncertain as to whether or not there will be new information to present to the Board at the March meeting.

## f) HRSD Force Main Project

Ms. DeVary received a call from Ted Henifin at HRSD regarding the planned force main project. Projected costs have now doubled, in part due to easement issues, and HRSD has determined the project to be unfeasible. The pump and haul process will continue with either SPSA hauling and HRSD assisting with costs, HRSD setting up their own hauling operation, or SPSA hauling for them. Information still needs to be gathered before logistics can be discussed, but HRSD would like to have a new agreement in place by July 1, 2021.

## g) DEQ Warning Letter

On March 11<sup>th</sup>, SPSA received a warning letter from DEQ regarding alleged clerical and reporting issues, however SPSA has documentation and a rationale that it believes refutes the letter's claim of errors. Mr. Bagley is working with DEQ to come to an understanding about the situation, which is in no way related to safety and operations. Ms. Raulston was able to clarify and contextualize the issue of the warning letter based on her experience with DEQ requirements.

## h) Senate Bill 1141

The SPSA-suggested amendment to HB 1872, now known as SB 1141, has now passed the Senate and the House. It awaits the Governor's signature, which should happen on or before March 31, 2021.

## i) RFP for Design-Builder

SPSA has received five submissions in response to the Request for Qualifications (RFQ) for the Design-Build project to rebuild after the fire at the landfill. All five companies are being carried over into the Request for Proposal (RFP) process and they should receive the RFP information by the end of the week. HDR and counsel are working with standard Design-Build agreements and modifying them to meet SPSA's specifications. The five companies that have submitted RFQs will have 30 days to respond to the RFP and there may be additional time needed to discuss changes to technical specifications and allow time for corrections. Ms. DeVary hopes to be able to bring the Design-Build Contract to the Board at the May meeting. Ms. DeVary also reported that SPSA has submitted a site plan for this construction to the City of Suffolk and their requested alterations will likely require an increase to the HDR task order.

## 3. Meeting Adjourned at 11:51 a.m.

**6. WIN Waste Innovations – Portsmouth Monthly Report**

May 14, 2021

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

Dear Ms. DeVary:

Please find attached the Monthly Report for WIN Waste Innovations 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, WIN Waste Innovations

enclosure

WIN Waste Innovations  
 TONNAGES REPORT  
 CALENDAR YEAR 2021

MONTH	SPSA ACCEPTABLE WASTE (TONS)			THIRD PARTY ACCEPTABLE WASTE (TONS)		OUT-OF-STATE WASTE (TONS) *		OUTSIDE-AREA WASTE (TONS)		TOTAL TONNAGE		RDF WASTE				RESIDUE		MW SOLD TO THE GRID (MWH)
	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	NP REMOVED FROM RDF (TONS)	PROHIBITED WASTE (TONS)	DIVERTED TO LANDFILLS (TONS)	PROCESSED WASTE (CALC)	PROCESSED FORMULA	DELIVERED TO LANDFILL (TONS)	
JAN	40,450.18	12,657.54	1,557.04	-	54,664.76	73,158	54,664.76	4,736.59	-	-	49,928.17	52,206.35	14,798.12	14,930				
FEB	37,997.76	11,915.76	1,793.76	-	51,707.28	73,639	51,707.28	6,151.60	-	-	45,555.68	40,112.22	12,744.91	9,483				
MAR	47,325.73	8,862.66	1,899.70	-	58,088.09	36,893	58,088.09	7,544.22	-	2,159.83	50,543.87	50,341.98	12,484.66	14,908				
APR	52,509.39	6,460.51	1,568.10	-	60,538.00	35,622	60,538.00	5,254.43	-	3,891.60	55,283.57	52,563.11	16,823.69	16,513				
MAY	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
JUN	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
JUL	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
AUG	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
SEP	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
OCT	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
NOV	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
DEC	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
YTD TOTAL	178,283.06	39,896.47	6,818.60	-	224,998.13	219,312.00	224,998.13	23,686.84	-	6,051.43	201,311.29	195,223.66	56,851.38	55,834.00				

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

**WIN Waste Innovations  
AVAILABILITY  
CALENDAR YEAR 2021**

MONTH	BOILER AVAILABILITY (%)	BOILER PLANNED OUTAGES (HRS)	BOILER UNPLANNED OUTAGES (HRS)	TURBINE AVAILABILITY	TURBINE PLANNED OUTAGES (HRS)	TURBINE UNPLANNED OUTAGES (HRS)
JAN	91.4%	144	112	96.3%	68	15
FEB	92.8%	156	37	88.3%	235	0
MAR	93.0%	192	15	92.0%	185	0
APR	88.5%	0	332	100.0%	0	0
MAY						
JUN						
JUL						
AUG						
SEP						
OCT						
NOV						
DEC						
YTD TOTAL	91%	492.00	496.00	94%	488.00	15.00

**WIN Waste Innovations**  
**SUPPLEMENTAL INFORMATION**  
**April 2021**

Total Waste received by SPSA:	52,509 tons
Waste delivered to RDF:	60,538 tons
Total RDF processed:	52,563 tons
Residue sent to landfill:	16,824 tons*
Electric power sold:	16,513 MW
Steam sold to Navy:	35,622 K-LBS
Overall Boiler availability:	89%
Overall Generator availability:	100%
Environmental Incidents	0

OSHA Recordable Accidents this period: 0

OSHA Recordable Accidents YTD: 1

**General Notes:**

\* This total includes 1,898.72 tons of non-qualifying residue delivered to the landfill this period, qualifying residue 88.71% for this period.

No scheduled outages this period however we had multiple tube failures prematurely on Boilers 1 & 4 in the Superheater sections of the boilers. Approval was made from Corporate to change out these Superheaters, originally scheduled for 2022.



## WIN Waste Innovations

### Monthly Report for the Month of April 2021

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

#### Environmental Issues:

An NOV from HRSD is pending for the March 2021 wastewater discharge calendar month average of exceedance for lead.

#### Tests Completed:

Monthly Industrial Discharge Samples  
Fuel Oil Sample  
Quarterly Ash Test

#### Tests Planned:

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

#### Inspections:

None

#### Air Quality Violations:

None

#### Safety Issues:


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

#### Op Stats: see attached spreadsheet

#### Upcoming Planned Outages:

##### 2021 Outages

January 10-16	Boiler 4
February 7-13	Boiler 1
March 14-22	Boiler 2
April	No outage
May 7-14	Boiler 4
May 14-21	Boiler 1
June 13-19	Boiler 3
July	No outage
August 15-21	Boiler 2
September 12-18	Boiler 3
October 17-23	Boiler 4
November	No outage
December 12-18	Boiler 1

WIN Waste Innovations RDF and WTE Operational Summary			KEY:		
Provided by WIN Waste Innovations			Change Since Last Report		
Period	April 1 - April 30		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	Compliance	NOV- Wastewater Discharge		Received NOV for high Lead on March Pond discharge- Root cause identified as Tube leak and channeling in pond not allowing water to settle
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			Wait times longer than usual due to B line failure and boiler tube failures. Diverted tonnages to manage floor volumes and provide better wait times
2.2	Floor Volume	<1,000 Tons			Floor volumes exceeded 1,000 tons during USDT and Processing line failure
2.3	Equipment Utilization	Key equipment fully operational and deployed	All 3 lines shredder overhaul/minors are now completed		B line shredder went down with a bent rotor, unit is back in operation fully
<b>3</b>	<b>Ash</b>				
3.1	Ash Delivered to RLF	Actual Tons	16,824		
3.2	Percentage of Ash Re-classified	<20%	1,899		Reclassified was 11.29%
3.3	Percentage of Ash used as ADC	> 80%	14,925		ADC was 88.71%
3.4	Rejected Loads of Ash	0	0		
<b>4</b>	<b>WTE</b>				
4.1	Boiler Availability	> 90%	88.50%		Superheater failures drove this, approval made to change Boiler 1 & 4 Superheaters in May
4.2	TG Availability	> 90%	100%		
4.3	Ash Screener Availability	> 95 %	100%		
<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
<p><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</p>					

## 7. Financial Report

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

For the month ending April 30, 2021, total revenues exceeded total expenses by approximately \$5.7 million as compared to \$4.3 million in the previous year.

Tipping fee revenue received FYTD reflects an increase of 5.1% or approximately \$1.84 million as compared to fiscal year 2020. Municipal waste tons are up approximately 9.8% or 37,311 tons as compared to fiscal year 2020.

For the month ending April 30, 2021, total expenses were approximately \$35.3 million as compared to \$34.2 million incurred in the previous fiscal year.

### **Monthly Expense Line Items**

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

### **Monthly Comparison of Revenues and Expenses**

This report illustrates the monthly revenues and expenses. An explanation is included under each graph if there is a sizeable variance. The straight line in each graph represents the fiscal year 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 April 30, 2021, municipal waste tonnages reflect an increase of 9.8% or approximately 37,067 tons as compared to April 30, 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 April 30, 2021, operating cash balances were approximately \$49.5 million representing approximately \$6.2 million in the operating account, \$5.9 million in undesignated fund balance, \$314,757 for unencumbered capital budget for FY 2020, \$2.5 million reserved for the HRSD Force Main, \$110,305 for Landfill Expansion Purchase Orders and \$34.3 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?

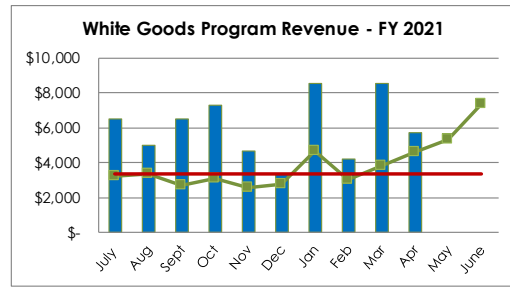
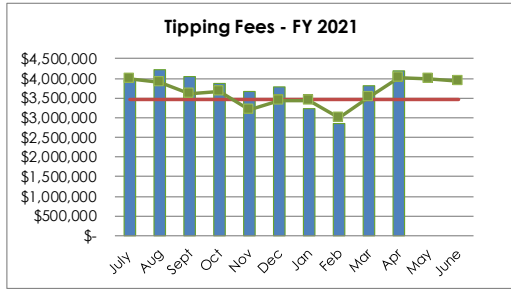
Southeastern Public Service Authority Statement of Revenue and Expenses - Budget to Actual Comparison For the Period Ending April 30, 2021								
	April 2021				April 2020			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
<b>REVENUES</b>								
Tipping Fees	\$ 41,756,055	\$ 4,184,460	\$ 37,634,331	90.1%	\$ 41,631,237	\$ 4,019,602	\$ 35,793,529	86.0%
Tire program	600,000	48,213	421,378	70.2%	515,200	46,785	466,327	90.5%
Household Hazardous Waste Revenue	333,000	68,952	354,197	106.4%	305,000	24,960	278,601	91.3%
White Goods Program	40,000	5,698	60,301	150.8%	35,000	4,603	33,784	96.5%
Landfill Gas Recovery	260,000	13,205	186,257	71.6%	312,000	31,541	205,373	65.8%
Miscellaneous Income	332,491	20,418	1,374,590	413.4%	333,775	16,616	339,978	101.9%
Interest Earnings	450,000	19,429	407,294	90.5%	350,000	348,179	674,874	192.8%
Fund Balance / Capital / Rolled PO's	410,933	7,375	89,600	21.8%	799,255	49,910	587,978	73.6%
Fund Balance / Landfill Expansion	1,365,056	28,406	424,877	31.1%	518,111	28,489	58,289	11.3%
<b>TOTAL REVENUES</b>	<b>\$ 45,547,535</b>	<b>\$ 4,396,155</b>	<b>\$ 40,952,826</b>	<b>89.9%</b>	<b>\$ 44,799,578</b>	<b>\$ 4,570,685</b>	<b>\$ 38,438,733</b>	<b>85.8%</b>
<b>OPERATING EXPENSES</b>								
Administration								
Salaries / Wages	\$ 837,565	\$ 63,552	\$ 677,496	80.9%	\$ 892,877	\$ 63,261	\$ 644,730	72.2%
Employee Benefits	212,102	15,579	154,934	73.0%	231,231	16,016	149,181	64.5%
Professional / Contracted Services	703,063	16,797	303,687	43.2%	727,254	26,525	333,142	45.8%
Other Operating Expenses	223,872	14,595	165,066	73.7%	231,521	20,785	149,878	64.7%
Materials / Supplies	17,888	1,056	6,166	34.5%	22,301	2,171	13,720	61.5%
Total Administration	\$ 1,994,490	\$ 111,579	\$ 1,307,349	65.5%	\$ 2,105,184	\$ 128,758	\$ 1,290,599	61.3%
Environmental Management								
Salaries / Wages	\$ 319,891	\$ 24,761	\$ 245,092	76.6%	\$ 291,479	\$ 22,348	\$ 228,219	78.3%
Employee Benefits	114,101	8,521	79,419	69.6%	101,641	8,336	84,044	82.7%
Professional / Contracted Services	78,200	1,111	43,531	55.7%	74,200	291	54,943	74.0%
Other Operating Expenses	13,700	444	5,032	36.7%	10,174	563	4,375	43.0%
Materials / Supplies	22,838	1,516	8,211	36.0%	22,368	634	14,171	63.4%
Total Environmental Management	\$ 548,730	\$ 36,354	\$ 381,285	69.5%	\$ 499,862	\$ 32,173	\$ 385,752	77.2%
Operations								
Salaries / Wages	\$ 5,731,396	\$ 409,912	\$ 4,427,775	77.3%	\$ 5,841,183	\$ 392,694	\$ 4,365,401	74.7%
Employee Benefits	1,917,326	147,633	1,502,169	78.3%	1,940,329	145,879	1,494,545	77.0%
Professional / Contracted Services	2,999,725	187,992	2,088,354	69.6%	2,920,332	253,062	2,169,754	74.3%
Other Operating Expenses	1,053,761	90,065	761,648	72.3%	1,066,852	63,052	662,036	62.1%
Materials / Supplies	1,813,457	148,269	1,083,746	59.8%	1,883,733	98,826	1,134,234	60.2%
Total Operations	\$ 13,515,665	\$ 983,872	\$ 9,863,692	73.0%	\$ 13,652,429	\$ 953,513	\$ 9,825,970	72.0%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 16,058,885</b>	<b>\$ 1,131,805</b>	<b>\$ 11,552,325</b>	<b>71.9%</b>	<b>\$ 16,257,475</b>	<b>\$ 1,114,444</b>	<b>\$ 11,502,322</b>	<b>70.8%</b>
<b>CAPITAL PROJECTS / EQUIPMENT REPLACEMENT</b>								
Cell 8/9 Permitting	1,365,056	349	424,877	31.1%				
RLF - Asphalt Overlay	27,090	-	27,090	100.0%				
RLF - Cells I-IV Repair	25,875	-	25,875	100.0%				
RLF - TRACTOR W/SIDE BOOM	123,821	-	123,821	100.0%				
RLF - PUMP	29,990	-	29,990	100.0%				
RLF - DOZER	528,884	-	528,884	100.0%				
FLT - COALESCER	13,340	-	13,340	100.0%				
TSP - ROAD TRACTORS	599,888	-	599,888	100.0%				
CTS - YARD DOG	119,500	119,500	119,500	100.0%				
FIS - YARD DOG	119,500	119,500	119,500	100.0%				
IWTS - YARD DOG	119,500	119,500	119,500	100.0%				
LTS - WHEELED LOADER	518,096	-	518,096	100.0%				
OTS - YARD DOG	119,500	119,500	119,500	100.0%				
STS - YARD DOG	119,500	119,500	119,500	100.0%				
TPS - TIRE SHREDDER	681,270	9,750	40,545	6.0%				
ROB - UPGRADE LIGHTING TO LED	100,000	-	275	0.3%				
RLF - GUARDSHACK	21,918	-	21,918	100.0%				
RLF - DEMO/CONSTRUCTION	84,000	41,795	44,215	52.6%				
TSP - PAINT TRACTORS	84,200	8,420	67,360	80.0%				
RLF - UST/AST REMOVAL & ADD	281,300	28,164	33,889	12.0%				
UNDESIGNATED	241,743	-	-	0.0%				
<b>TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT</b>	<b>\$ 5,323,971</b>	<b>\$ 685,978</b>	<b>\$ 3,097,562</b>	<b>58.2%</b>	<b>\$ 4,903,156</b>	<b>\$ 249,834</b>	<b>\$ 3,491,284</b>	<b>71.2%</b>
<b>OTHER USES</b>								
Contracted Waste Disposal	\$ 19,820,929	\$ 1,879,914	\$ 17,030,707	85.9%	\$ 19,295,197	\$ 1,712,718	\$ 7,005,285	36.3%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Reserves for Landfill Expansion/Closure	4,338,750	361,563	3,615,625	83.3%	4,338,750	361,563	3,615,625	83.3%
<b>TOTAL OTHER USES</b>	<b>\$ 24,164,679</b>	<b>\$ 2,241,477</b>	<b>\$ 20,646,332</b>	<b>85.4%</b>	<b>\$ 23,638,947</b>	<b>\$ 2,051,831</b>	<b>\$ 19,178,925</b>	<b>81.1%</b>
<b>GRAND TOTAL EXPENSES</b>	<b>\$ 45,547,535</b>	<b>\$ 4,059,260</b>	<b>\$ 35,296,220</b>	<b>77.5%</b>	<b>\$ 44,799,578</b>	<b>\$ 3,416,109</b>	<b>\$ 34,172,531</b>	<b>76.3%</b>
<b>NET REVENUES / (EXPENSES)</b>	<b>\$ -</b>	<b>\$ 336,896</b>	<b>\$ 5,656,607</b>		<b>\$ -</b>	<b>\$ 1,154,576</b>	<b>\$ 4,266,202</b>	

A Budget has been adjusted by \$1,859,989 for purchase orders rolled over from FY 2020, unencumbered funds from the capital budget and additional funds for landfill expansion

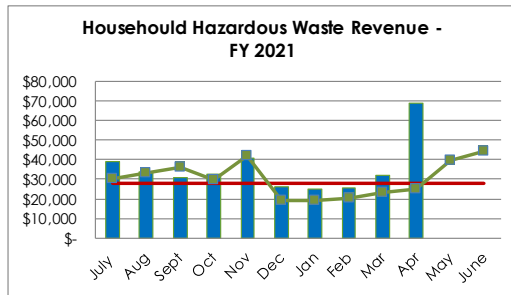
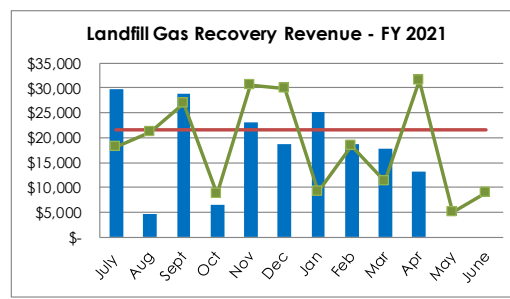
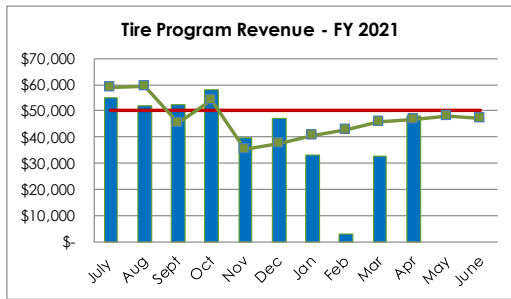
<b>Southeastern Public Service Authority</b>							
<b>Monthly Expense Line Items</b>							
<b>Description</b>	<b>FY 2021 Budget</b>	<b>Feb-21</b>	<b>Mar-21</b>	<b>Apr-21</b>	<b>FYTD</b>	<b>From Previous Month</b>	
						<b>\$ Change</b>	<b>% Change</b>
Salaries Exempt	\$ 1,974,694	\$ 151,031	\$ 148,000	\$ 146,646	\$ 1,572,136	\$ (1,354)	-0.9%
Salaries Non-Exempt	4,599,858	321,365	326,396	322,438	3,570,540	(3,958)	-1.2%
Overtime	314,300	12,729	15,848	29,142	207,687	13,294	83.9%
Fica / Medicare Tax	526,999	35,356	35,764	36,368	382,004	603	1.7%
VRS Retirement	43,063	3,303	3,272	3,301	32,384	29	0.9%
Health Insurance	1,418,550	112,739	111,186	112,267	1,121,035	1,081	1.0%
Vrs Group Life Insurance	84,663	6,588	6,657	6,524	66,249	(133)	-2.0%
Unemployment Insurance	1,128	1,211	504	138	3,490	(366)	-72.7%
Workers Compensation	169,126	13,136	13,136	13,136	131,360	-	0.0%
Medical Fees	14,000	430	975	420	7,077	(555)	-56.9%
Security Service	84,000	4,859	9,737	6,463	69,376	(3,274)	-33.6%
Professional Services	162,761	9,202	3,005	81	59,219	(2,924)	-97.3%
Engineering Services	276,001	31,417	39,002	18,983	198,513	(20,019)	-51.3%
Landfill Survey	7,500	-	1,508	-	1,508	(1,508)	-100.0%
Legal Fees	325,000	11,365	6,119	9,571	82,905	3,451	56.4%
Environmental Testing	103,000	20,583	1,613	5,574	63,944	3,961	245.6%
Fire Protection	8,000	-	-	1,334	6,180	1,334	N/A
Temporary Employment Services	34,320	2,305	4,346	3,848	18,753	(498)	-11.5%
Uniform Rental	50,976	8,745	4,127	2,748	34,365	(1,379)	-33.4%
Maintenance Service Agreements	163,082	61,765	3,214	6,777	127,779	3,563	110.9%
Grounds Maintenance	104,190	3,099	654	9,429	49,355	8,775	1340.8%
Hazardous Waste Disp/Cleanup	57,000	11,275	-	-	34,545	-	N/A
Equipment Maintenance	990,800	12,755	(12,564)	47,462	529,099	60,026	-477.8%
Building / Site Maintenance	673,831	27,041	85,440	30,197	530,154	(55,244)	-64.7%
Leachate Pumping Station Maint	38,735	1,123	5,496	4,835	29,401	(661)	-12.0%
Advertising	9,500	299	513	300	3,554	(213)	-41.5%
Trustee Expense	1,000	-	-	1,000	1,000	1,000	N/A
Permit Fees	94,892	-	-	-	94,489	-	N/A
Suffolk Host Fee	582,400	28,034	54,705	56,879	494,359	2,175	4.0%
Electricity	217,600	13,426	21,009	15,357	137,557	(5,651)	-26.9%
Heating/Gas/Propane	11,500	2,065	2,409	1,193	9,514	(1,215)	-50.5%
Water / Sewer	42,192	2,261	1,503	8,649	33,967	7,146	475.5%
Leachate Treatment	380,000	29,400	28,536	28,754	198,627	218	0.8%
Telephone	112,000	9,249	9,133	7,080	84,449	(2,054)	-22.5%
Postage	2,060	75	118	68	913	(50)	-42.4%
Radio Communication & Repair	4,500	6,025	222	-	7,170	(222)	-100.0%
Insurance & Bonding	207,908	17,182	17,182	17,182	172,320	-	0.0%
Landfill Fire Expenses	0	678	17,851	4,101	73,724	(13,750)	-77.0%
Equipment Rental	35,000	980	1,461	-	7,931	(1,461)	-100.0%
Land Lease Payment	3,500	292	292	292	2,917	-	0.0%
Tire De-Rimming Service	5,000	-	-	-	3,369	-	N/A
Travel And Training	42,300	816	165	1,262	4,316	1,096	662.4%
Road Tolls	171,885	11,374	15,115	16,653	146,516	1,538	10.2%
Membership & Professional Dues	3,888	223	223	273	2,311	50	22.4%
Bank Fees	42,000	3,706	2,830	4,191	38,100	1,361	48.1%
Awards Programs	9,000	70	53	50	7,996	(3)	-6.1%
EMS Support Program	1,000	-	-	-	50	-	N/A
Office Supplies	13,350	285	511	936	7,714	425	83.0%
Dues & Subscriptions	16,950	222	212	211	9,833	(1)	-0.6%
Other Operating Supplies	92,886	3,333	5,905	13,803	61,414	7,898	133.8%
Vehicle / Equipment Fuel	913,329	34,987	49,408	57,592	411,461	8,184	16.6%
Vehicle / Equipment Tires	747,700	45,625	119,867	63,392	561,732	(56,475)	-47.1%
Safety Apparel & Equipment	25,150	1,167	1,770	1,948	21,967	178	10.1%
Small Equipment	34,818	161	197	12,900	23,178	12,703	6448.9%
Computer Hardware	10,000	299	-	60	824	60	N/A
<b>Total Operating Expenses</b>	<b>\$ 16,058,885</b>	<b>\$ 1,075,656</b>	<b>\$ 1,164,624</b>	<b>\$ 1,131,805</b>	<b>\$ 11,552,325</b>	<b>\$ (32,819)</b>	<b>-2.8%</b>
Capital Projects/Equip Replacement	\$ 5,323,971	611,478	738,383	685,978	3,097,562	(52,404)	-7.1%
Contracted Waste Disposal	19,820,929	1,324,772	1,694,610	1,879,914	17,030,707	185,305	10.9%
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	N/A
Reserves for Landfill Expansion/Closu	4,338,750	361,563	361,563	361,563	3,615,625	-	0.0%
<b>Total Expenses</b>	<b>\$ 45,547,535</b>	<b>\$ 3,373,470</b>	<b>\$ 3,959,179</b>	<b>\$ 4,059,260</b>	<b>\$ 35,296,220</b>	<b>\$ 100,081</b>	<b>2.5%</b>

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

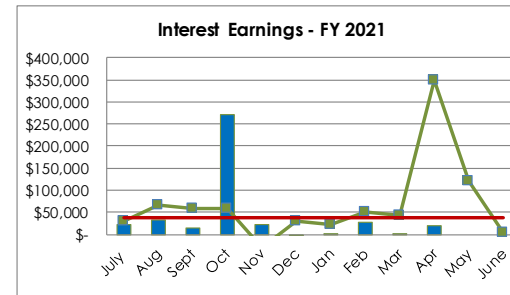
FY 2021 (bar)  
FY 2020  
FY 2021 Budget



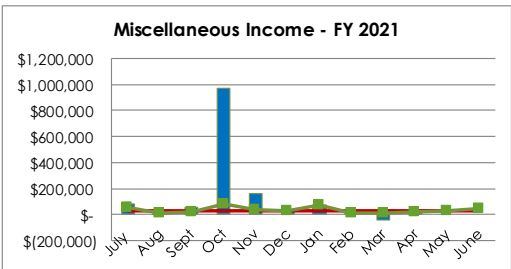
\* Monthly revenue is dependent on users.



\* Monthly revenue is dependent on users.



Interest payments vary based on investment date and maturity date.

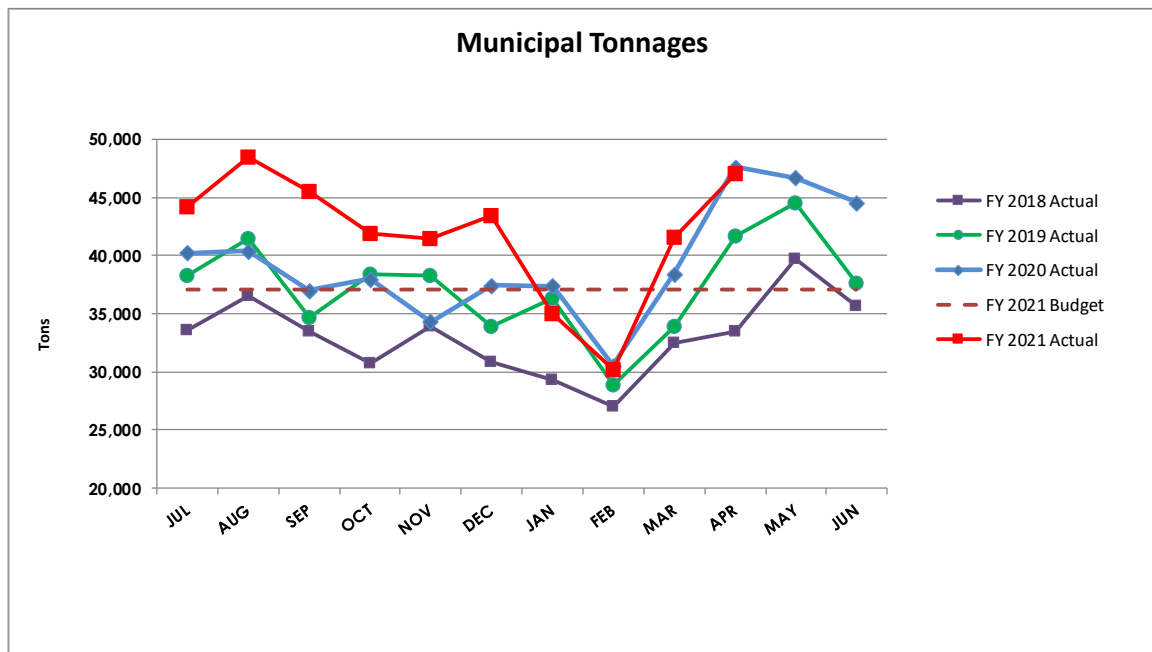




### Southeastern Public Service Authority (SPSA) Waste Stream

Waste Category	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2021	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 4/30/2021	% of Budget
<b>Waste Stream Budgeted under Tipping Fees</b>							
Municipal Waste							
Chesapeake	90,926	90,896	105,353	112,154	107,000	96,156	89.9%
Franklin	2,690	2,698	2,955	3,276	3,000	2,869	95.6%
Isle of Wight	15,180	16,883	17,265	17,102	17,200	14,849	86.3%
Norfolk	64,575	62,587	90,129	92,423	88,000	75,427	85.7%
Portsmouth	30,023	32,769	40,222	43,829	40,500	38,376	94.8%
Southampton	8,593	8,910	10,675	9,881	10,800	8,284	76.7%
Suffolk	45,645	40,847	42,325	46,614	38,900	41,267	106.1%
Virginia Beach	130,645	127,483	138,823	147,250	139,600	141,382	101.3%
Residential (Free of Charge)	11,223	13,711	-	-	-	-	N/A
<b>Total Municipal Waste</b>	<b>399,500</b>	<b>396,784</b>	<b>447,747</b>	<b>472,529</b>	<b>445,000</b>	<b>418,610</b>	<b>94.1%</b>
Sludge - Norfolk	4,782	5,586	6,040	4,725	5,500	3,714	67.5%
Navy Waste	24,500	26,653	26,265	24,974	25,500	22,213	87.1%
SPSA Contracted Waste	26,437	65,936	146,442	130,777	130,000	105,134	80.9%
Construction & Demolition Debris	14,252	14,850	9,808	9,312	15,000	5,269	35.1%
Non-Contract Waste	-	15,469	36,682	39,588	35,500	37,556	105.8%
<b>Total Other Waste</b>	<b>69,971</b>	<b>128,494</b>	<b>225,237</b>	<b>209,377</b>	<b>211,500</b>	<b>173,886</b>	<b>82.2%</b>
<b>Total Waste Stream</b>	<b>469,471</b>	<b>525,278</b>	<b>672,984</b>	<b>681,906</b>	<b>656,500</b>	<b>592,496</b>	<b>90.3%</b>

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





<b>Southeastern Public Service Authority (SPSA)</b>															
<b>Regional Landfill Waste Stream</b>															
Types of Waste (tons)	FY 2017	FY 2018	FY 2019	FY 2020	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	FYTD
	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021	FY 2021
Construction and Demolition Debris	14,252	14,850	9,807	9,312	514	615	568	580	493	412	473	284	736	595	5,270
Water Treatment Plant Sludge	4,927	5,717	6,039	4,725	426	352	295	321	469	362	442	432	354	260	3,713
Industrial Waste	846	379	295	660	12	21	11	383	-	-	-	13	9	55	504
Soils for Use as Alternate Daily Cover	18,935	9,990	8,630	6,602	439	610	538	680	379	67	157	350	880	619	4,719
Clean Fill	25,369	26,396	5,940	97,970	805	337	534	283	185	-	-	-	-	-	2,144
Peanut Residue/Hulls	5,650	9,366	4,023	4,907	477	382	394	383	336	269	414	407	369	437	3,868
Non-Processible Municipal Solid Waste	5,765	3,791	867	1,570	536	707	269	456	255	253	278	127	245	86	3,212
Navy Waste <sup>2</sup>	150	154	359	237	7	3	15	17	11	22	-	-	29	51	155
Non-Processible Commercial Waste <sup>2</sup>	4,518	2,631	598	650	36	46	62	72	91	70	83	115	61	74	710
Concrete/Asphalt	3	-	133	116	-	-	-	-	-	-	-	-	-	-	-
Shredded Tires	3,289	4,586	5,394	6,144	724	304	860	578	357	252	157	87	105	338	3,762
Ash - Qualifying	174,420	179,361	113,979	112,585	14,844	12,734	11,545	14,862	12,149	11,288	13,662	11,844	11,367	14,925	129,220
Non-Qualifying Ash	-	-	52,998	58,912	2,537	1,251	1,267	1,007	1,030	2,281	1,136	901	1,118	1,899	14,427
MSW from FTS, IWTS, STS	-	46,011	102,702	106,908	9,655	10,061	10,169	9,305	9,207	9,729	8,001	4,942	10,139	10,555	91,763
Clean Fill - Clearfield	28,226	31,709	51,540	57,872	5,670	5,385	3,231	3,912	3,534	2,835	3,156	4,914	2,551	4,175	39,363
Residual Waste - Clearfield	9,771	5,585	436	446	76	76	76	95	95	76	76	57	-	95	722
Diversified Processible Waste (from 1st Station)	11,337	201	2,518	2,127	-	-	-	-	-	-	-	-	718	271	989
<b>Total</b>	<b>307,458</b>	<b>340,727</b>	<b>366,258</b>	<b>471,743</b>	<b>36,758</b>	<b>32,884</b>	<b>29,834</b>	<b>32,934</b>	<b>28,591</b>	<b>27,916</b>	<b>28,035</b>	<b>24,473</b>	<b>28,681</b>	<b>34,435</b>	<b>304,541</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

<b>Southeastern Public Service Authority Treasurer's Report of Cash Balances For the Month Ending April 30, 2021</b>						
<b>Fund Type</b>	<b>Beginning Balance</b>	<b>Deposits / Transfers In</b>	<b>Interest Earnings</b>	<b>Payables / Transfers Out</b>	<b>Payroll</b>	<b>Ending Balance</b>
<b><u>Unrestricted and Designated Funds (see footnote below):</u></b>						
Townebank Operating	\$ 1,606,446.78	\$ 4,154,189.51		\$ 2,499,558.94	\$ 553,702.29	\$ 2,707,375.06
Townebank Money Market	21,774.82		0.18			21,775.00
Townebank CD	6,258,801.34					6,258,801.34
Virginia Investment Pool (VIP)	7,176,890.16		588.36	275,000.00		6,902,478.52
Raymond James & Associates Investments	33,427,415.23	129,450.10	31,822.16	18,825.09	-	33,569,862.40
<b>Total Unrestricted and Designated Funds</b>	<b>\$ 48,491,328.33</b>	<b>\$ 4,283,639.61</b>	<b>\$ 32,410.70</b>	<b>\$ 2,793,384.03</b>	<b>\$ 553,702.29</b>	<b>\$ 49,460,292.32</b>
<b><u>Trust Funds:</u></b>						
Environmental / Va. Beach Landfill	\$ 470,308.33		7.71	1,000.00		469,316.04
Environmental / Regional Landfill	466,679.23	-	7.60	-	-	466,686.83
<b>Total Trust Funds</b>	<b>\$ 936,987.56</b>	<b>\$ -</b>	<b>\$ 15.31</b>	<b>\$ 1,000.00</b>	<b>\$ -</b>	<b>\$ 936,002.87</b>
<b>GRAND TOTAL</b>	<b>\$ 49,428,315.89</b>	<b>\$ 4,283,639.61</b>	<b>\$ 32,426.01</b>	<b>\$ 2,794,384.03</b>	<b>\$ 553,702.29</b>	<b>\$ 50,396,295.19</b>
<b><u>Cash Balances Designated as follows:</u></b>						
Operating Funds	\$ 6,219,384.00					
Undesignated (Fund Balance June 30, 2020)	5,974,800.00					
Reserved for FY 2020 Rolled Purchase Orders	\$0.00					
Reserved for Capital Budget	314,757.38					
Reserved for HRSD Forcemain	2,500,000.00					
Purchase Orders for Landfill Expansion	110,305.23					
Landfill Closure (as of June 30, 2020)	18,633,452.00					
Landfill Expansion	15,707,593.71					
Total Designated Funds	<u>\$ 49,460,292.32</u>					

<b>Southeastern Public Service Authority Budget Transfer Activity For the Month Ending April 30, 2021</b>				
<b>Department</b>	<b>Object</b>	<b>Description</b>	<b>Transfer In</b>	<b>Transfer Out</b>
Capital	62120	HHW Trailer	\$ 15,000.00	
Executive	53150	Legal Fees		\$ 15,000.00
Isle of Wight TS	56220	Vehicle/Equipment Tires	\$ 1,607.50	
Isle of Wight TS	53401	Equipment Maintenance- Parts		\$ 1,607.50
Landstown TS	56140	Other Operating Supplies	\$ 9,000.00	
Landstown TS	53320	Grounds Maintenance		\$ 5,000.00
Landstown TS	55100	Electricity		\$ 3,000.00
Landstown TS	55510	Travel and Training		\$ 600.00
Landstown TS	55130	Water/Sewer		\$ 400.00
Landfill	53140	Engineering Services	\$ 17,500.00	
Landfill	55150	Leachate Treatment		\$ 17,500.00
Landfill	53140	Engineering Services	\$ 40,478.00	
Landfill	55150	Leachate Treatment		\$ 40,478.00
Norfolk TS	56100	Office Supplies	\$ 200.00	
Norfolk TS	55220	Radio Communication & Repair		\$ 200.00
Transportation	56300	Safety Apparel & Equipment	\$ 1,500.00	
Transportation	53410	Building/Site Maintenance		\$ 1,500.00
Norfolk TS	56140	Other Operating Supplies	\$ 2,000.00	
Norfolk TS	53400	Equipment Maintenance		\$ 2,000.00
Landfill	56300	Safety Apparel & Equipment	\$ 1,000.00	
Landfill	55510	Travel and Training		\$ 1,000.00
Executive	55810	Membership & Professional Dues	\$ 179.00	
Executive	55510	Travel and Training		\$ 179.00
<b>Total Budget Transfers</b>			<b>\$ 88,464.50</b>	<b>\$ 88,464.50</b>
**Per the Strategic Operating Plan, the SPSA Board shall be advised of all budget transfers between cost centers.**				

## 8. Contracts

### Laboratory Analysis Services

SPSA sought proposals from qualified laboratories to provide analytical services and technical support in SPSA's environmental monitoring program. Laboratories must demonstrate the existence of a precise and fully implemented quality control program, which meets the minimum standards of EPA. All sampling and analysis must be in accordance with EPA approved methods. Laboratories must be operated in an organized and safe manner, and meet all criteria of the OSHA Laboratory Standard. Laboratories must be reasonably accessible to SPSA personnel for inspection purposes. The Laboratory is to use a lab that is accredited by the American Industrial Hygienist Association (AIHA) for air samples. SPSA takes all samples and the Lab provides the analysis. This contract services the Landfill, Transfer Stations and other SPSA facilities where required.

Bid: RFP 04-21  
Issued: 3/30/2021  
Opened: 4/22/2021  
Options: 4 Years

Budgeted: \$100,000 (based on actual per-service rates)

Vendors: Air, Water & Soil Laboratories  
Pace Analytical Services  
Universal Labs

RECOMMENDATION: Authorize the Executive Director to award a contract to Air Water & Soil Laboratories for Laboratory Analysis Services, as presented.

MOTION: Do I hear a motion to authorize the Executive Director to award a contract to Air Water & Soil Laboratories for Laboratory Analysis Services, as presented?

### Truck Tire Management Program

This is an all-inclusive Truck Tire Management Program that includes the following components:

1. New Tire Purchases – approximately 170 new tires each fiscal year
2. Retreading Service – approximately 70 retread tires each fiscal year
3. Recap Purchases – approximately 260 recap tires each fiscal year
4. Mounted Repair Service – approximately 60 tire repairs
5. Mobile Service Calls – Provides for tire replacements after hours and on weekends
6. Service and Support – Provides for guaranteed turnaround times, specific invoicing requirements and regular history reports
7. Warranty – guaranteed manufacturers and retread warranties
8. Technical Service – provides for fleet surveys with supporting documentation, failed tire analysis, usage and cost data.

Bid: RFP 09-21  
Issued: 4/1/2021  
Opened: 4/27/2021  
Options: 4 Years

Vendors: Colony Tire  
McCarthy Tire

Budgeted: \$168,183 (based on actual per-service rates)

**RECOMMENDATION:** Authorize the Executive Director to award a contract to Colony Tire for a truck tire management program, as presented.

**MOTION:** Do I hear a motion to authorize the Executive Director to award a contract to Colony Tire for a truck tire management program, as presented?

### Operations Area Improvement (Design Build) Project

In April 2020, a fire destroyed the main administrative offices and connected equipment maintenance facility. In accordance with SPSA's Procurement Policy, specifically the design-build procedures, a Request for Qualifications was issued in February 2021 seeking statement of qualifications (SOQ) from qualified design-build teams interested in providing design and construction services for the Regional Landfill Operations Area Improvements. The improvements include construction of a new administrative building to provide support functions for staff (locker room, break room, training, etc.), laboratory areas and a communications room for the SCADA terminal and equipment; to provide a new and safer location for customer drop-off of HHW; to provide a new equipment storage building to protect capital investments; and to expand the equipment maintenance facility. SPSA received 5 qualifying SOQs however only 3 of the 5 chose to participate in the RFP. The proposals were evaluated based on the ability to meet milestone dates, the proposed lump sum prices, the technical approach to project and similar project experience with similar public sector. Following technical and financial evaluations of the RFP, staff recommends awarding the bid to A.R. Chesson Construction in an amount not to exceed \$3,316,052. SPSA has approximately \$1.18 million from insurance proceeds from the fire that happened in April 2020. The balance of approximately \$2.136 million will be available from the FY 2021 surplus. Staff recommends using the Undesignated Fund Balance to award the contract and then replenish the Undesignated Fund Balance with funds from the FY 2021 projected surplus.

Bid: RFP 10-21  
Issued: 3/18/2021  
Opened: 4/22/2021

Vendor (s):

A.R. Chesson Construction  
E.T. Gresham Construction  
Harkins Builders

**RECOMMENDATION:** Authorize the Executive Director to finalize and award a design-build contract for the Operations Area Improvement Project to A.R. Chesson in a not to exceed amount of \$3,316,052 to be funded with approximately \$1.18 million in insurance proceeds and the balance from the Undesignated Fund Balance, as presented.

**MOTION:** Do I hear a motion to authorize the Executive Director to finalize and award a design-build contract for the Operations Area Improvement Project to A.R. Chesson in a not to exceed amount of \$3,316,052 to be funded with approximately \$1.18 million in insurance proceeds and the balance from the Undesignated Fund Balance, as presented?

### Annual Independent Audit Services

This renewal contract is for annual audit services. Staff recommends exercising option year 1 of 4 in the amount of \$35,100 representing a 3% increase from last fiscal year.

Bid: RFP 09-20  
Issued: 3/19/2020  
Opened: 4/16/2020  
Options: #1 of 4

Vendor: Cherry Bekaert

Budgeted: \$35,100

RECOMMENDATION: Authorize the Executive Director to renew a contract with Cherry Bekaert for annual audit services, as presented.

MOTION: Do I hear a motion to authorize the Executive Director to renew a contract with Cherry Bekaert for annual audit services, as presented?

### Security Services at the Regional Landfill

This renewal contract provides for a security officer at the Regional Landfill during hours in which the Regional Landfill is closed. SPSA is required by VDEQ under permit #417 to provide 24-hour surveillance of the Regional Landfill. Security Officers provide the required surveillance during the hours that the Landfill is closed. Security is required to make hourly rounds of the landfill property and report any unusual activities, trespassing, smoke, fire, alarms or any other incident they may deem of importance. It is estimated the required security coverage is 6,380 hours per year. Due to the change in minimum wage rates, the rate is \$13.55 per hour from July 1 – December 31, 2021 and \$15.59 per hour from January 1, 2022 – June 30, 2022. The total estimated annual cost is \$92,957 representing an 11% increase from FY 2021.

Bid: IFB 09-18  
Issued: 10/2/2018  
Opened: 10/15/2018  
Options: #4 of 4

Vendor: United American Security dba GardaWorld Security Services

Budgeted: \$92,957 (based on hourly rate)

**RECOMMENDATION:** Authorize the Executive Director to renew a contract with United American Security dba GardaWorld Security Services for security services at the Regional Landfill, as presented.

**MOTION:** Do I hear a motion to Authorize the Executive Director to renew a contract with United American Security dba GardaWorld Security Services for security services at the Regional Landfill, as presented?



### Loader Tire Services

This renewal is to provide solid tires on wheeled loaders at the transfer stations. This is exercising option year 4 of 4. There is no increase from the prior fiscal year. The contract is to provide solid tires for 7 loaders and guarantees the submitted pricing for the entire year. There are no restrictions as to the number of tires used. The liability of tire repairs and replacement costs is guaranteed by the vendor. The vendor is also required to perform tire wear monitoring, tire rotations and provide detailed reports to SPSA of all tires to include installed diameter, pulled diameter and hours.

Bid: IFB 12-17  
Issued: 5/4/2017  
Opened: 5/25/2017  
Options: #4 of 4

Vendor: Colony Tire Corporation

Budgeted: \$512,582

RECOMMENDATION: Authorize the Executive Director to renew a contract with Colony Tire Corporation for loader tire services, as presented?

MOTION: Do I hear a motion to authorize the Executive Director to renew a contract with Colony Tire Corporation for loader tire services, as presented?

### Service & OEM Caterpillar Replacement Parts

This solicitation was established to follow the Virginia Public Procurement Act to prevent the continuous use of sole source justification forms for Caterpillar OEM replacement parts and services purchased frequently from the local Caterpillar dealer (Carter Machinery) daily. This renewal is exercising option year 4 of 4. Rates are unchanged from the current fiscal year.

Bid: IFB 16-17  
 Issued: 6/4/2017  
 Opened: 6/27/2017  
 Options: #4 of 4

Vendor: Carter Machinery

Budgeted: \$275,000 - \$300,000 (based on actual per-service rates)

#### Pricing Structure:

Company	Hourly Rate		Overtime Rate		% MSRP Discount	Travel Time Rate	Price Per Mile
	Field	Shop	Field	Shop	Field		
Carter Machinery	\$142	\$126	\$213	\$189	0	\$118	\$3.55

**RECOMMENDATION:** Authorize the Executive Director to renew a contract with Carter Machinery for Service & OEM Caterpillar replacement parts, as presented.

**MOTION:** Do I hear a motion to authorize the Executive Director to renew a contract with Carter Machinery for Service & OEM Caterpillar replacement parts, as presented?

### Household Hazardous Waste (HHW) Disposal Services

This renewal contract provides for bulk pick-up and disposal of all HHW as well as annual HHW staff training. MXI regularly evaluates SPSA's waste profiles to determine if opportunities exist through constantly changing regulations that would allow SPSA decreased costs by changing the way we bulk HHW materials. MXI Environmental Services displays a wealth of knowledge and a willingness to assist SPSA in developing the most efficient effective disposal plan for Household Hazardous Waste. Total cost is based on quantities and unit prices, which remain the same.

Bid: RFP 04-19  
Issued: 10/26/2018  
Opened: 11/16/2018  
Option: #3 of 4

Vendor: MXI Environmental Services

Budgeted: \$55,000 (based on actual per-service rates)

RECOMMENDATION: Authorize the Executive Director to renew a contract with MXI Environmental Services for household hazardous waste disposal services, as presented.

MOTION: Do I hear a motion to authorize the Executive Director to renew a contract with MXI Environmental Services for household hazardous waste disposal services, as presented?

### FY 2022 Property, Liability & Workers Compensation Insurance

The FY 2022 insurance renewal with the VRSA represents a 1.2% increase (overall) from the current fiscal year. The various property and general liability insurances increased approximately 5.8% primarily due to an increase in replacement cost values and cost for excess liability whereas the worker's compensation insurance decreased approximately 4.5% due to claims experience. Staff continues to be pleased with the services offered and rendered by VML. This is SPSA's 12th year with VML.

Vendor: Virginia Risk Sharing Association (VRSA)

Budgeted: \$341,359

**RECOMMENDATION:** Authorize the Executive Director to renew a contract with Virginia Risk Sharing Association (VRSA) for FY 2022 property, liability and workers compensation insurance, as presented.

**MOTION:** Do I hear a motion to authorize the Executive Director to renew a contract with Virginia Risk Sharing Association (VRSA) for FY 2022 property, liability and workers compensation insurance, as presented?

## 9. VDOT Flyover Agreement

### **BACKGROUND:**

SPSA's conditional use permit (CUP) with Suffolk requires an alternate entrance into the Regional Landfill prior to accepting waste in Cell VII. The alternate entrance referenced in the CUP will be a new proposed VDOT funded flyover roadway in the vicinity of the Intersection at Route 13/58/460, Bob Foeller Drive, and Welch Parkway. Such flyover would connect the eastbound and westbound routes of Routes 13/58/460 and provide eastbound traffic with the ability to reverse direction and enter the facility through Bob Foeller Drive.

When SPSA member localities renewed their Use & Support agreements with SPSA, it was determined that this flyover would be funded through Hampton Roads Transportation Accountability Commission (HRTAC) funds because improved access to the Regional Landfill is a regionally beneficial project. HRTAC funding opportunities were eliminated when the legislature changed HRTAC's primary purpose to resolve congestion issues as opposed to safety concern in Hampton Roads.

The estimated cost, as provided by VDOT, is \$39,266,210 broken down as follows:

Preliminary Engineering	\$6,720,000
Right of Way & Utilities	\$3,697,500
Construction	<u>\$28,848,710</u>
Total	\$39,266,210

Following an unsuccessful attempt to obtain funding through the federal BUILD grant program, SPSA applied for RSTP funding through the HRTPO. Although SPSA was awarded \$500,000 in grant funds, the funds are not available until fiscal year 2028 and the flyover needs to be completed in fiscal year 2026.

Following several discussions, the Executive Committee recommended to the Board that given the uncertainties in future funding opportunities it would be in SPSA's best interest to fund this project through the municipal tip fee beginning in FY 2022.

At its February 24, 2021 meeting, the SPSA Board discussed in detail the implications of applying for and receiving federal funds and how it has the potential to negatively affect the cost and timeliness of the project. The SPSA Board concluded it is in SPSA's best interest to move forward with a plan to fund the flyover entirely through the municipal tipping fee.

Attached is the VDOT Administered – Locally Funded Project Administration Agreement between VDOT and SPSA authorizing VDOT to design and construct the project in accordance with the conceptual design as provided by VDOT.

VDOT will invoice SPSA along with proper documentation of costs incurred on a monthly basis. The estimated cash flow is as follows:

FY 2021	\$908,110
FY 2022	\$2,179,464
FY 2023	\$3,641,334
FY 2024	\$6,894,005
FY 2025	\$12,821,652
FY 2026	\$12,821,645

**RECOMMENDATION:**

Adopt the Resolution Approving and Authorizing the Execution and Delivery of VDOT Administered – Locally Funded Project Administration Agreement.

Amend the FY 2021 Operating & Capital Budget by \$908,110 from the Landfill Expansion and Closure Fund Balance for expenses incurred by VDOT through June 30, 2021.

Amend the FY 2022 Operating & Capital Budget by \$2,179,464 from the Landfill Expansion and Closure Fund Balance for expenses incurred by VDOT for the period July 1, 2021 – June 30, 2022.

**RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION AND  
DELIVERY OF VDOT ADMINISTERED – LOCALLY FUNDED PROJECT  
ADMINISTRATION AGREEMENT**

WHEREAS, the Conditional Use Permit (“CUP”) granted to the Southeastern Public Service Authority of Virginia (“SPSA”) by the City of Suffolk on August 16, 2017, requires, among other things, that, “[prior] to beginning operation of Cell VII, one of the access alternatives, in accordance with the Traffic Impact Study provided by HDR Engineering, Inc., dated June 2016, must be completed and in operation;”

WHEREAS, the 2016 Traffic Impact Study prepared by HDR Engineering, Inc. proposed, as the first alternative, a flyover roadway in the vicinity of the Intersection at Route 13/58/460, Bob Foeller Drive, and Welch Parkway, which would connect the eastbound and westbound routes of Routes 13/58/460 and provide eastbound traffic with the ability to reverse direction and enter the facility through Bob Foeller Drive (hereinafter, the “Flyover”);

WHEREAS, the Virginia Department of Transportation (“VDOT”) prepared a conceptual drawing of the proposed Flyover;

WHEREAS, by a countersigned letter dated April 26, 2021, the City of Suffolk, through its interim City Manager, confirmed that construction of the Flyover in substantial conformity with the conceptual drawing prepared by VDOT will satisfy the requirement of the CUP to construct an alternative access;

WHEREAS, VDOT has estimated that the total cost of the design and construction of the Flyover is \$39,266.210;

WHEREAS, VDOT has agreed to design and construct the Flyover in substantial conformity to the conceptual drawing approved by the City of Suffolk and in accordance with the terms and conditions set forth in the VDOT Administered – Locally Funded Project Administration Agreement (the “Funding Agreement”), attached hereto as Exhibit A;

WHEREAS, based on current estimates of landfill capacity, the Board of SPSA has determined that it is necessary and in the best interests of SPSA’s member communities to have Cell VII constructed and operational by June 30, 2027; and

WHEREAS, the Executive Committee and Board of SPSA have investigated and pursued various funding options to pay for the construction of the Flyover and determined that, in order to meet to the June 30, 2027 deadline, it is necessary and in the best interests of SPSA’s member communities to fund the construction of the Flyover with municipal tipping fees in accordance with the funding schedule specified in the Funding Agreement.

NOW, THEREFORE, be it resolved by the Board of SPSA as follows:

1. The Board hereby approves, adopts and accepts the Funding Agreement substantially in the form attached hereto as Exhibit A.
2. The Board hereby authorizes and directs the Executive Director of SPSA in the name of, and on behalf of SPSA, to execute the Funding Agreement and to deliver it to VDOT, such execution and delivery conclusively to evidence due

authorization and approval thereof by SPSA, including SPSA's commitment to fund the design and construction of the Flyover in accordance with the funding schedule specified in the Funding Agreement and to perform SPSA's obligations as set forth in the Funding Agreement.

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

Adopted this 26th day of May, 2021.

ATTEST:

\_\_\_\_\_  
John M. Keifer, Chairman



**VDOT ADMINISTERED – LOCALLY FUNDED  
PROJECT ADMINISTRATION AGREEMENT**

Project Number	UPC	Local Government
0058-133-459	118375	Southeastern Public Service Authority (SPSA)

THIS AGREEMENT, is hereby made and executed the date of the last signature set forth below, by and between the Southeastern Public Service Authority of Virginia, hereinafter referred to as the AUTHORITY or SPSA and the Commonwealth of Virginia, Department of Transportation, hereinafter referred to as the DEPARTMENT. The DEPARTMENT and the AUTHORITY are collectively referred to as the “Parties.”

WITNESSETH

WHEREAS, the AUTHORITY has expressed its desire to have the DEPARTMENT administer the work as described in Appendix A, and such work for each improvement shown is hereinafter referred to as the Project; and

WHEREAS, DEPARTMENT has prepared a project budget and funding and construction schedule set forth and described in Appendix B, which the DEPARTMENT represents have been prepared in good faith, in accordance with the practices and procedures that the DEPARTMENT uses for projects where the state or the DEPARTMENT bears the cost of the project; and

WHEREAS, the AUTHORITY has requested that the DEPARTMENT design and construct this project in accordance with the scope of work described in Appendix A, and the DEPARTMENT has agreed to perform such work; and

WHEREAS, both parties have concurred in the DEPARTMENT's administration of the project identified in this Agreement and its associated Appendices A, B, C and D in accordance with applicable federal, state, and local law and regulations; and

WHEREAS, the Authority's governing body has authorized its designee to execute this Agreement; and

WHEREAS, pursuant to Item 453 D. of the Appropriations Act, , notwithstanding any other provision of law, the DEPARTMENT may assess and collect the costs of providing services to other entities, public and private and the DEPARTMENT shall take all actions necessary to ensure that all such costs are reasonable and appropriate, recovered, and understood as a condition to providing such service; and

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements contained herein, the parties hereto agree as follows:

- A. The DEPARTMENT shall:

1. Complete said work as identified in Appendix A, advancing such diligently and in a manner that is consistent in all material respects with the policies, procedures and practices that VDOT uses where the state or VDOT bears the cost of a project, and all work shall be completed in accordance with the schedule established by both parties.
  2. Perform or have performed, and remit all payments for, all preliminary engineering, right-of-way acquisition, construction (including obtaining any necessary permits), contract administration, and inspection services activities for the project(s) as required.
  3. Provide monthly Payment Requisitions in substantially the same form as set forth in Appendix C. Payment Requisitions shall include detailed summaries of Eligible Project Costs to the AUTHORITY with sufficient supporting documentation to allow SPSA to verify the costs. Eligible Project Costs must meet all of the following conditions (a) be necessary to complete the Project; (b) be reasonable for the goods or services purchased; and (c) be actual net costs, including overhead additives for work performed by VDOT.
  4. Notify the AUTHORITY of additional eligible project expenses resulting from unanticipated circumstances and provide detailed estimates of additional costs associated with those circumstances. The DEPARTMENT will make all efforts to contact the AUTHORITY prior to performing those activities.
  5. Notify the AUTHORITY if VDOT determines that a delay will more likely than not prevent the timely completion of a material phase of the Project, including information regarding potential corrective measures and remedies against a contractor.
  6. Provide monthly reports described on Appendix D.
  7. Return any unexpended funds to the AUTHORITY no later than 90 days after the project(s) have been completed and final expenses have been paid in full.
- B. The AUTHORITY shall:
1. Provide funds to the Department for Preliminary Engineering (PE), Right of Way (ROW) and/or Construction (CN) in accordance with the payment schedule outlined in Appendix B.
  2. Accept responsibility for any additional Eligible Project Costs resulting from unforeseeable circumstances.
- C. All responsibilities of the Department herein remain contingent upon the provision of funding by the AUTHORITY to the Department in accordance with Appendix B.
- D. Upon written mutual agreement, Appendix B may be modified from time to time.

- E. The Parties mutually agree and acknowledge, in entering this Agreement, that the individuals acting on behalf of the Parties are acting within the scope of their official authority and the Parties agree that neither Party will bring a suit or assert a claim against any official, officer, or employee of either party, in their individual or personal capacity for a breach or violation of the terms of this Agreement or to otherwise enforce the terms and conditions of this Agreement. The foregoing notwithstanding, nothing in this subparagraph shall prevent the enforcement of the terms and conditions of this Agreement by or against either Party in a competent court of law.
- F. The Parties mutually agree that no provision of this Agreement shall create in the public, or in any person or entity other than the Parties, rights as a third party beneficiary hereunder, or authorize any person or entity, not a party hereto, to maintain any action for, without limitation, personal injury, property damage, breach of contract, or return of money, or property, deposit(s), cancellation or forfeiture of bonds, financial instruments, pursuant to the terms of this Agreement or otherwise. Notwithstanding any other provision of this Agreement to the contrary, unless otherwise provided, the Parties agree that the AUTHORITY or the DEPARTMENT shall not be bound by any agreements between either party and other persons or entities concerning any matter which is the subject of this Agreement, unless and until the AUTHORITY or the DEPARTMENT has, in writing, received a true copy of such agreement(s) and has affirmatively agreed, in writing, to be bound by such Agreement.
- G. Nothing in this Agreement shall be construed as a waiver of the AUTHORITY's or the Commonwealth of Virginia's sovereign immunity.
- H. Should funding be insufficient and AUTHORITY funds be unavailable, both parties will review all available options for moving the project forward, including but not limited to, halting work until additional funds are allocated, revising the project scope to conform to available funds, or cancelling the project.
- I. Should the project be cancelled as a result of the lack of funding by the AUTHORITY, the AUTHORITY shall be responsible for any costs, claims and liabilities associated with the early termination of any construction contract(s) issued pursuant to this agreement.
- J. This Agreement may be terminated by either party upon 60 days advance written notice. Eligible expenses incurred through the date of termination shall be reimbursed to the DEPARTMENT subject to the limitations established in this Agreement.
- K. This Agreement is governed by the laws of the Commonwealth of Virginia and litigation hereto shall be brought in the circuit courts of the Commonwealth.
- L. This Agreement may be modified only upon written agreement of the Parties.

THE AUTHORITY and DEPARTMENT acknowledge and agree that this Agreement has been prepared jointly by the parties and shall be construed simply and in accordance with its fair meaning and not strictly for or against any party.

THIS AGREEMENT, when properly executed, shall be binding upon both parties, their successors and assigns.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed by their duly authorized signatures below, acknowledging and agreeing that any digital signature affixed hereto shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature.

**SOUTHEASTERN PUBLIC SERVICE AUTHORITY (SPSA):**

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AUTHORITY  
Title  
Digital Signature

NOTE: The official signing for the AUTHORITY must attach a certified copy of his or her authority to execute this Agreement.

**COMMONWEALTH OF VIRGINIA, DEPARTMENT OF TRANSPORTATION:**

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Commissioner of Highways Commonwealth of Virginia  
Department of Transportation  
Digital Signature

**Attachments**

- Appendix A (UPC 118375)
- Appendix A - Attachment 1 (UPC 118375)
- Appendix B (UPC 118375)
- Appendix C
- Appendix D

## Appendix A

**Project Number: 0058-133-459 (UPC 118375) Southeastern Public Service Authority (SPSA)**

### Project Scope

**Work**            **SPSA Interchange Improvement**

**Description:**

**From:**            **13/58/460 Bypass**

**To:**                **Suffolk City Limits**

Locality Project Manager Contact Info: Liesl DeVary – Email: [ldevary@spsa.com](mailto:ldevary@spsa.com), Phone 757-961-3402

Department Project Coordinator Contact Info: Claudia Walsh – Email: [Claudia.Walsh@vdot.virginia.gov](mailto:Claudia.Walsh@vdot.virginia.gov), Phone 757-956-3043

### **Detailed Scope of Services**

The purpose of this project is to design and construct a new flyover ramp to accommodate eastbound traffic along US Route 13/58/460 entering the SPSA Regional Landfill in Suffolk, Virginia. VDOT will design and construct this flyover to replace the existing at-grade eastbound left turn lane in the US Route 13/58/460 median currently providing this access. Unless otherwise agreed by the Parties, the flyover shall substantially conform to the conceptual drawing of the flyover attached to this Appendix A as Attachment 1.

US Route 13/58/460 has a posted speed limit of 60 mph and is classified as a Rural Principal Arterial (GS-1) in this corridor and includes 6 general purpose lanes, with 3 lanes in each direction. The proposed design includes a right eastbound exit ramp for the traffic entering the landfill from this direction. The flyover has a design speed of 35 mph and will be located approximately 3,000 feet east of the existing landfill entrance located at the Bob Foeller Drive/Welsh Parkway intersection. The traffic exiting the landfill will maintain existing traffic patterns.

This project includes proposed right of way impacts to four parcels, including the City of Portsmouth and SPSA. Existing utility relocations and wetland impacts are also anticipated. An Environmental Assessment will be performed to determine the environmental impacts and associated permitting and mitigation requirements. The major project stakeholders include VDOT, the Public, SPSA, City of Portsmouth, permitting agencies and the City of Suffolk.

This attachment is certified and made an official attachment to this document by the parties of this agreement

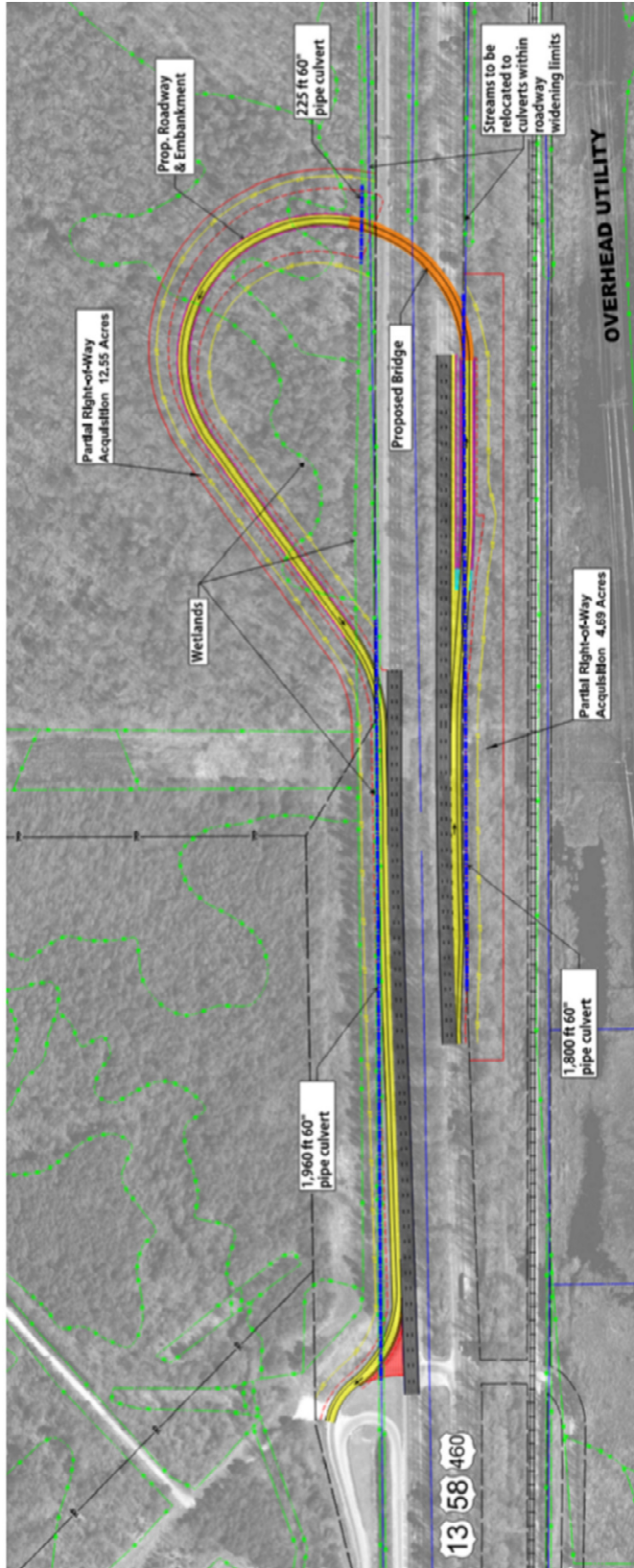
\_\_\_\_\_  
Authorized Authority Official and      date

\_\_\_\_\_  
Residency Administrator/PE Manager/District Construction Engineer  
Recommendation and                      date

\_\_\_\_\_  
Typed or printed name of person signing

\_\_\_\_\_  
Typed or printed name of person signing

### ATTACHMENT 1 TO APPENDIX A Conceptual Design



## APPENDIX B PROJECT BUDGET, CONSTRUCTION SCHEDULE AND CASH FLOW

<b>VDOT Administered, Locally Funded Appendix B</b>				<b>Date:</b> 5/18/2021																			
Project Number: 0058-133-459		UPC: 118375	CFDA#: 20.205	Southeastern Public Service Authority (SPSA/Authority)																			
Project Location ZIP+4: 23320-2286		Authority DUNS #: 112974456		Authority Address (incl ZIP+4): Southeastern Public Service Authority 723 Woodlake Drive Chesapeake, VA 23320-8909																			
<b>Project Narrative</b>																							
Work Description:	SPSA Interchange Improvement																						
From:	13/58/460 Bypass																						
To:	Suffolk City Limits																						
Authority Project Manager Contact Info:	Liesl DeVary - Email: ldevary@spsa.com, Phone: 757-961-3402																						
Department Project Manager Contact Info:	Claudia Walsh - Email: Claudia.Walsh@vdot.virginia.gov, Phone: 757-956-3043																						
<b>Project Estimates</b>																							
Phase	Estimated Project Costs																						
Preliminary Engineering	\$6,720,000																						
Right of Way & Utilities	\$3,697,500																						
Construction	\$28,848,710																						
Total Estimated Cost	\$39,266,210																						
<b>Project Budget</b>																							
Phase	Project Allocations	Funds type (Choose from drop down box)	Authority % Participation for Funds Type	Authority Share Amount																			
Preliminary Engineering	\$6,720,000	Authority Funds	100%	\$6,720,000																			
Right of Way & Utilities	\$3,697,500	Authority Funds	100%	\$3,697,500																			
Construction	\$28,848,710	Authority Funds	100%	\$28,848,710																			
Total Estimated Cost	\$39,266,210			\$39,266,210																			
<b>Total Maximum Reimbursement / Payment by Authority to VDOT</b>				<b>\$39,266,210</b>																			
<b>Project Financing</b>																							
<b>Authority Funds (SPSA)</b>					<b>Aggregate Allocations</b>																		
\$39,266,210	\$0	\$0	\$0	\$0	\$39,266,210																		
<b>Estimated Payment Schedule</b>																							
FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026																		
\$908,110	\$2,179,464	\$3,641,334	\$6,894,005	\$12,821,652	\$12,821,645																		
<b>Funding and Construction Schedule Requirements</b>																							
<ul style="list-style-type: none"> <li>• This is a limited funds project. The AUTHORITY shall be responsible for all costs and any additional funding in excess of \$39,266,210.</li> <li>• All AUTHORITY funds included on this appendix have been formally committed by the AUTHORITY's board or council resolution.</li> <li>• VDOT has billed the AUTHORITY \$0.00 for this project as of <u>5/18/2021</u>.</li> <li>• VDOT has received \$0.00 from the AUTHORITY for this project as of <u>5/18/2021</u>.</li> <li>• The project shall proceed in accordance with the schedule below and be completed by April 2026, time being of the essence for all project phases, including completion by April 2026.                             <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 60%;">• Scoping, data gathering</td> <td>Feb 2021 - June 2021</td> </tr> <tr> <td>• Preliminary design</td> <td>June 2021 - Apr 2022</td> </tr> <tr> <td>• 30% design completed</td> <td>Sep 2021</td> </tr> <tr> <td>• Detailed design</td> <td>Apr 2022 - Mar 2023</td> </tr> <tr> <td>• RW Acquisition</td> <td>Sep 2022 - Mar 2023</td> </tr> <tr> <td>• Utility Relocations</td> <td>Mar 2023 - Mar 2024</td> </tr> <tr> <td>• Advertisement</td> <td>Nov 2023</td> </tr> <tr> <td>• Award</td> <td>Feb 2024</td> </tr> <tr> <td>• Construction</td> <td>Apr 2024 - Apr 2026</td> </tr> </table> </li> </ul>						• Scoping, data gathering	Feb 2021 - June 2021	• Preliminary design	June 2021 - Apr 2022	• 30% design completed	Sep 2021	• Detailed design	Apr 2022 - Mar 2023	• RW Acquisition	Sep 2022 - Mar 2023	• Utility Relocations	Mar 2023 - Mar 2024	• Advertisement	Nov 2023	• Award	Feb 2024	• Construction	Apr 2024 - Apr 2026
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• Construction	Apr 2024 - Apr 2026																						
<ul style="list-style-type: none"> <li>• The AUTHORITY shall make payments to VDOT based on Payment Requisition and Detailed PAYGO Request Form. The estimated annual cash flow schedule is as follows:                             <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 15%;"><b>FY2021</b></td> <td style="width: 15%; text-align: right;">\$908,110</td> <td style="width: 15%;">PAYGO</td> </tr> <tr> <td><b>FY2022</b></td> <td style="text-align: right;">\$2,179,464</td> <td>PAYGO</td> </tr> <tr> <td><b>FY2023</b></td> <td style="text-align: right;">\$3,641,334</td> <td>PAYGO</td> </tr> <tr> <td><b>FY2024</b></td> <td style="text-align: right;">\$6,894,005</td> <td>PAYGO</td> </tr> <tr> <td><b>FY2025</b></td> <td style="text-align: right;">\$12,821,652</td> <td>PAYGO</td> </tr> <tr> <td><b>FY2026</b></td> <td style="text-align: right;">\$12,821,645</td> <td>PAYGO</td> </tr> </table> </li> </ul>						<b>FY2021</b>	\$908,110	PAYGO	<b>FY2022</b>	\$2,179,464	PAYGO	<b>FY2023</b>	\$3,641,334	PAYGO	<b>FY2024</b>	\$6,894,005	PAYGO	<b>FY2025</b>	\$12,821,652	PAYGO	<b>FY2026</b>	\$12,821,645	PAYGO
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<b>FY2026</b>	\$12,821,645	PAYGO																					
This attachment is certified and made an official attachment to this document by the parties to this agreement																							
Authorized Authority Official and Date			Authorized VDOT Official and Date																				
Typed or printed name of person signing			Typed or printed name of person signing																				

**APPENDIX C  
FORM OF PAYMENT REQUISITION**

SPSA Project Title and Number: \_\_\_\_\_  
Project Scope/Services Description: [From Appendix B] \_\_\_\_\_  
Draw Request Number: \_\_\_\_\_

Date: \_\_\_\_\_, 20\_\_

Southeastern Public Service Authority of Virginia  
723 Woodlake Drive  
Chesapeake, VA 23320

Attention \_\_\_\_\_, Program Coordinator:

This requisition, including the Detailed PAYGO Request below, is submitted in connection with the Standard Project Agreement for Funding and Administration for the project services noted above and dated \_\_\_\_\_, 20\_\_ (the "Agreement") between the Southeastern Public Service Authority of Virginia ("SPSA") and the Virginia Department of Transportation ("VDOT"). VDOT hereby requests \$\_\_\_\_\_ of SPSA funds, to pay the costs of the project services described and set forth in Appendices A and B of the Agreement ("Project Services") and in accordance with the Agreement. Also included are copies of each invoice relating to the items for which this requisition is requested.

The undersigned certifies (i) the amounts included within this requisition will be applied solely and exclusively for the payment or the reimbursement of VDOT's costs of the Project Services, (ii) VDOT is responsible for payment to vendors/contractors, (iii) VDOT is not in breach or default with respect to any of its obligations under the Agreement, including without limitation (but only if applicable) the tax covenants set forth in another Appendix to the Agreement, (iv) the representations and warranties made by VDOT in the Agreement are true and correct as of the date of this Requisition and (v) to the knowledge of VDOT, no condition exists under the Agreement that would allow SPSA to withhold the requested advance.

**VIRGINIA DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Recommended For Payment**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: SPSA Program Coordinator



**DETAILED PAYGO REQUEST**

Draw Request Number: \_\_\_\_\_ Request Date: \_\_\_\_\_  
 SPSA Project Number: \_\_\_\_\_ Project Title: \_\_\_\_\_

Cost Category	SPSA Approved Project Costs	Total PayGo Requests Previously Received	PayGo Requisition Amount this Period	Remaining PAYGO Project Budget (Calculation)
<b>Project Starting Balance</b>	\$ -			\$ -
Design Work	\$ -	\$ -	\$ -	\$ -
Engineering	-	-	-	\$ -
Environmental Work	-	-	-	\$ -
Right-of-Way Acquisition	-	-	-	\$ -
Construction	-	-	-	\$ -
Contract Administration	-	-	-	\$ -
Testing Services	-	-	-	\$ -
Inspection Services	-	-	-	\$ -
Capital Asset Acquisitions	-	-	-	\$ -
<b>Other (please explain)</b>	-	-	-	\$ -
<b>TOTALS</b>	\$ -	\$ -	\$ -	\$ -

**LISTING OF ATTACHED INVOICES**

Vendor/Contractor Name	Item Number	Invoice Number	Cost Category	Amount
	1			\$ -
	2			-
	3			-
	4			-
	5			-
	6			-
	7			-
	8			-
	9			-
	10			-
	11			-
	12			-
<b>Requisition Amount</b>				\$ -

**Instructions**

1. Column B-Please list approved PayGo Project Cost per category.
2. Column C-Please list Total PayGo Amounts per Category Previously Reimbursed by SPSA
3. Column D- Please list invoice amounts summarized by Category from the Listing of Attached Invoices
4. Column E - Is a calculation of the Remaining PAYGO Budget per Category

**Instructions-Listing of Attached Invoices: (please list each invoice separately)**

1. Column A- Please list the name as it appears on the Invoice
2. Column B- Please manually number the invoices attached with the corresponding Item number in this schedule.
3. Column C- Please list the invoice number as it appears on the Invoice
4. Column D- Please list the appropriate Cost Category based on the Project Category breakout above
5. Column E- Please enter the dollar amount listed on the invoice.
6. The calculated Requisition Amount should equal the total in Column D in the Schedule above.

**APPENDIX D**  
**REPORTS TO BE PROVIDED BY VDOT**

1) Monthly Project Expenditure Report which lists, by category of expense (e.g. engineering, ROW, utility relocations, construction), (a) information regarding expenditures to date against the budget, both monthly and for the life of the project, and a statement of the percent completed; and (b) such other information as VDOT customarily provides with monthly expenditure reports.

2) Monthly Project Report which provides (a) an overview of progress on major project tasks; (b) information regarding the budget (such as, the baseline planned forecast, any approved changes thereto, the monthly expenditures, the cumulative expenditures, and the cumulative forecasted expenditures); (c) future key tasks; and (d) significant issues.

**10. Update to Procurement Policy**

At its April 28, 2021 meeting, the Board voted in favor of amending the SPSA Procurement Policy as specifically recommended and authorized the Executive Director to work with counsel to draft a reporting requirement to be included in the Procurement Policy. The following pages show the cumulative changes made at the last Board meeting and a new item "(j)" to reflect the reporting requirements.

RECOMMENDATION: Approve the addition to Chapter II, 1, (j) of the SPSA Procurement Policy as presented and effective July 1, 2021.

MOTION: Do I hear a motion to approve the addition to Chapter II, 1, (j) of the SPSA Procurement Policy as presented and effective July 1, 2021?

## CHAPTER II – AUTHORITY, RESPONSIBILITY AND DUTIES

1. **Authority, Responsibilities and Duties.** In accordance with §15.2-5102.1 of the Code of Virginia, the Executive Director is not permitted to execute or commit the Authority to any contract, memorandum of agreement or memorandum of understanding without an informed vote of approval by the SPSA Board of Directors with the exception of (1) ~~contracts for the purchase of goods and services for an aggregate sum of less than \$30,000 which are subject to the VPPA but exempted from competitive negotiation or competitive sealed bidding~~ contracts involving matters with a value of less than \$100,000 that are consistent with the Board-approved annual budget and, if applicable, the authority's approved procurement policy, and (2) sole source and emergency procurements in accordance with the policies set forth herein.

Except as specifically provided in the following sections of this Manual, the Executive Director shall, without the need for further or additional approval of the Board of Directors, have the authority and responsibility to:

- (a) Establish additional procedures, consistent with this Manual, governing the procurement, management, control, and disposal of any and all goods, services, and construction to be procured by SPSA;
- (b) Consider and decide matters of procedure within the provisions of this Manual and for complying with procurement law;
- (c) Execute contracts and agreements for procurements that fall within the Small Dollar Procedures set forth in this Manual;
- (d) Execute contract modifications, individually or cumulatively less than ~~\$30,000~~ 100,000 but no fixed-price contract may be increased by more than twenty-five percent of the amount of the contract or \$50,000 whichever is greater, without approval by the SPSA Board of Directors (Va. Code § 2.2-4309(A)).
- (e) Exercise authority over the award or administration of any particular contract, or over any dispute, claim, or litigation pertaining thereto, with appropriate consultation with SPSA's legal counsel as necessary.
- (f) In addition to the procurement methods in this Manual, utilize other procurement methods authorized by the VPPA, as amended, and adopt such procedures as may be necessary or advisable to comply with the requirements of the VPPA for use of such other procurement methods.
- (g) Determine the procurement method to be utilized for a procurement transaction and prepare any written determination or notice necessary or advisable to justify or explain why such method is being used.

- (h) If not already within the scope of the Executive Director's authority, to make decisions and take actions as may be necessary to prevent a detrimental delay or stoppage of a contractor's work or to preclude an avoidable increase in contract price, but only if (i) it is not reasonably practicable to obtain the advanced approval of the Board of Directors; and (ii) the Executive Director has notified and obtained the consent of the Chair of the Board of Directors. The Executive Director shall thereafter have such decision or action ratified at the next meeting of the Board of Directors.
- (i) Utilize contingencies and issue work orders, unit price orders, or similar instructions to proceed under a contract that has been approved by the Board of Directors as long as such contingencies, orders or instructions are within the scope of work and cost of the contract as approved by the Board of Directors.
- ~~(j) (i)~~ For any contract involving matters valued at more than \$30,000 and any contract modification of more than \$30,000 executed solely by the Executive Director in accordance with the provisions of this section concerning the execution or modification of agreements without further Board approval, the Executive Director will report such contracts and modifications to the SPSA Board of Directors at its next regularly scheduled meeting.

2. **Departmental Authority, Responsibilities and Duties.** It is the responsibility of each Supervisor to determine the goods or services needed for efficient operation and to relay this information to the Deputy Executive Director in a timely manner to ensure feasibility of compliance with purchasing policies and procedures. Authority, responsibilities, and duties at the department level include:

- (a) Preparing sufficient and concise technical specifications that characteristically define the quality, which will best serve the interest of SPSA within available funding, of goods or services needed to perform a specific function. Specifications shall provide a basis for full and fair competition.
- (b) Identifying special terms and conditions which are pertinent to the procurement, such as delivery schedules, local service, warranty provisions, etc.
- (c) Planning and submitting requirements to Purchasing sufficiently in advance of need to allow the necessary time for compliance with appropriate competitive procedures and allow the supplier ample time for regular (versus expedited) delivery.

**11. Closed Session**

Landfill Gas Rights, Easement and Lease Agreement

Motion to Approve Request for Closed Meeting.

*I move that a closed session be held for discussions regarding the proposed amendment to the Landfill Gas Rights, Easement and Lease Agreement between SPSA and Suffolk Energy Partners, LLC, in accordance with Virginia Code Section 2.2 3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.*

Motion to Approve Certification after Closed Meeting.

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

**12. Other Business****13. Adjourn**