

SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting*

Regional Board Room

723 Woodlake Drive, Chesapeake, Virginia



Wednesday, January 26, 2022 at 9:30 a.m.

*To accommodate those who may not be able to attend in person, the public may listen to and view presentations displayed at this meeting by registering at <https://attendee.gotowebinar.com/register/5917204764202901260>. Members of the public may also listen to the SPSA Board Meeting via telephone by dialing toll-free to 1-877-309-2071 and entering access code 983-930-563. 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 January 25, 2022.

Meeting Organizer: Tressa Preston ~ tpreston@spsa.com ~ 757.961.3486



1. Call Meeting to Order	1
Pledge of Allegiance	1
Roll Call.....	1
2. Public Comment Period.....	1
3. Chairman’s Comments	1
Welcome of New Board Members.....	1
SPSA Board Treasurer Appointment	1
December 2022 Board Meeting Date	1
4. Approval of Minutes	1
5. Personnel Committee Report.....	21
6. Flyover Oversight Committee Report	22
VDOT Flyover Project Presentation from Mr. Mike Davis.....	22
Flyover Oversight Committee Minutes – October 7, 2021.....	23
7. Interim Executive Director Updates	26
Landfill Operational Summary	27
Executive Committee Minutes – October 20, 2021	29
Executive Committee Minutes – November 3, 2021	33
Executive Committee Minutes – November 16, 2021	36
8. WIN Waste Innovations – Portsmouth Monthly Report	39
Presented by Mr. Clint Stratton, Plant Manager	39
9. Financial Report	45
10. Contracts	54
Professional Engineering Services.....	54
Yard Spotter	58
Compactor Refurbishment	59
11. Closed Session	61
Proposed Modification to Wheelabrator Portsmouth (WIN) Contract	61
12. Other Business.....	62
13. Adjourn.....	62

1. Call Meeting to Order

Pledge of Allegiance
Roll Call

2. Public Comment Period

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

3. Chairman's Comments

Welcome of New Board Members

SPSA Board Treasurer Appointment

December 2022 Board Meeting Date

Due to regional scheduling conflicts the meeting originally scheduled for December 7, 2022 needs to be moved to December 14, 2022.

RECOMMENDED ACTION: Approve the December 2022 Board Meeting date, as presented.

MOTION: Do I hear a motion to approve the December 2022, Board Meeting date, as presented?

4. Approval of Minutes

The minutes of the December 8, 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 December 8, 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

December 8, 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 (<i>absent</i>)	(CH)
Ms. Sheryl Raulston	(FR)	Ms. Amanda Jarratt	(FR)
Mr. Dale Baugh	(IW)	Mr. Randy Keaton	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Mr. Burle Stromberg	(PO)
Mr. Mark Hodges	(SH)	Ms. Lynette Lowe	(SH)
Mr. David Arnold	(SU)	Mr. Albert Moor	(SU)
Mr. Thomas Leahy	(VB)	Mr. L.J. Hansen	
(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 Members Mr. Michael Etheridge (IW), Mr. Gary Kelly (VB), Mr. Oliver Love, Jr. (NO), Mr. Greg Martin (CH), and Mr. Richard Underhill (PO), 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.

To accommodate those who could not attend in person, 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. Baugh, Chairman of the Board, called the meeting to order at 9:30 a.m. and led the Pledge of Allegiance.

2. PUBLIC COMMENT

Ms. Preston reported that she received no requests to make a public comment.

3. CHAIRMAN'S COMMENTS

Chairman Baugh welcomed everyone and wished them happy holidays. He then reviewed the topics that would be covered in the meeting, including flyover planning, the ongoing wetlands permitting process, and the proposed Amended and Restated Landfill Gas

Agreement with Mas Energy. Chairman Baugh mentioned changes to the waste stream, as well as SPSA leadership changes at both the Board and staff levels, noting the due diligence that will be required during the interim period of this changeover to ensure safe and effective operations. He spoke of the Board's responsibility to select a capable Interim Executive Director and reinforce the function of CFO to the organization in Ms. DeVary's absence, as well as the need to continue critical discussions with key external parties and plan for the next fiscal year's budget. Chairman Baugh encouraged the Board to act decisively in selecting a new leadership team and to be proactive and engaged during this interim period. To that end, he reported that the Executive Committee has met several times to discuss these issues and has recommendations to present to the Board. Chairman Baugh also informed the Board that, to allow time to thank Ms. DeVary for her leadership which led SPSA to be the excellent organization it is today and wish her well on her next adventure, there will be a casual lunch after the completion of the day's formal business.

Chairman Baugh also mentioned the tour that took place at the Regional Landfill the previous day and asked Ms. Raulston, who attended as a representative of the Board, to share a few observations. Ms. Raulston said that she was grateful for the opportunity to attend and that the tour was educational for her, as well. The goal was to show the Army Corps of Engineers and their consultants, EPA, DEQ, and Tribal Representatives, that the SPSA Regional Landfill is a state of the art environmentally sound operation. Ms. Raulston said she made comments on the landfill permit expansion process and that Ms. DeVary and Mr. Bagley gave an overall presentation that included details on the liner and the collection systems in place which rely on computerized data. This was followed by a bus tour of the landfill and people were able to get out and walk the area for proposed Cells VIII and IX. The tour took about three hours and Ms. Raulston reported that lots of good questions were asked and answered. Ms. Raulston thanked Ms. DeVary, Mr. Bagley, and staff for a job well done creating a good impression and educating the public. Chairman Baugh thanked them, as well.

Chairman Baugh went on to inform the Board that two of their members, Mr. Arnold of Suffolk and Mr. Hodges of Southampton, would be completing their tenure at the end of the year and the Board would like to recognize them. Ms. Preston read aloud the following resolution:

**RESOLUTION OF APPRECIATION TO DAVID L. ARNOLD IN RECOGNITION
OF HIS SERVICE AS A MEMBER OF THE BOARD OF DIRECTORS OF THE
SOUTHEASTERN PUBLIC SERVICE AUTHORITY**

WHEREAS, David L. Arnold has served on the Board of Directors of the Southeastern Public Service Authority of Virginia (SPSA) as the Governor-appointed representative of the City of Suffolk from January 1, 2014 through December 31, 2021; and,

WHEREAS, at various times during his tenure, Mr. Arnold served as member and Chair of the Audit Committee and member and Chair of the Nominating Committee; and,

WHEREAS, his willingness to support the regional solid waste management programs of the Authority with his knowledge, experience and his personal time has rendered an invaluable service to the citizens of the City of Suffolk,

southeastern Virginia, the Commonwealth of Virginia, and to this Authority, enhancing the quality of life for all; and,

WHEREAS, with a feeling of sincere gratitude, on this occasion, the Board of Directors of the Southeastern Public Service Authority of Virginia expresses its deepest respect and appreciation for his professional service to the Authority and to the citizens that it serves.

NOW, THEREFORE, BE IT RESOLVED, with great pride, the Board of Directors of the Southeastern Public Service Authority of Virginia recognizes, thanks and commends David L. Arnold, for his service to the Authority, and presents this Resolution as a token of its esteem and orders a copy be spread upon the minutes of this meeting.

Chairman Baugh thanked Mr. Arnold for his time and service. Mr. Keifer commented that he appreciated that Mr. Arnold was willing to ask difficult questions and he thanked him for that important contribution. Mr. McCoy echoed his appreciation of Mr. Arnold's willingness to stand in opposition to popular opinion when he felt it necessary and thanked him for representing his city well and providing input not just as a citizen, but as an attorney.

Mr. Keifer moved, seconded by Mr. Stromberg, to approve the resolution, as presented. The motion was adopted by a unanimous vote in favor.

Ms. Preston read aloud the following resolution:

**RESOLUTION OF APPRECIATION TO MARK H. HODGES IN
RECOGNITION OF HIS SERVICE AS A MEMBER OF THE BOARD OF
DIRECTORS OF THE SOUTHEASTERN PUBLIC SERVICE AUTHORITY**

WHEREAS, Mark H. Hodges has served on the Board of Directors of the Southeastern Public Service Authority of Virginia (SPSA) as the Governor-appointed representative of Southampton County from January 1, 2014 through December 31, 2021; and,

WHEREAS, Mr. Hodges served as Vice Chairman of the Board of Directors from July 23, 2014 to July 27, 2016; and,

WHEREAS, his willingness to support the regional solid waste management programs of the Authority with his knowledge, experience and his personal time has rendered an invaluable service to the citizens of Southampton County, southeastern Virginia, the Commonwealth of Virginia, and to this Authority, enhancing the quality of life for all; and,

WHEREAS, with a feeling of sincere gratitude, on this occasion, the Board of Directors of the Southeastern Public Service Authority of Virginia expresses its deepest respect and appreciation for his professional service to the Authority and to the citizens that it serves.

NOW, THEREFORE, BE IT RESOLVED, with great pride, the Board of Directors of the Southeastern Public Service Authority of Virginia recognizes, thanks and commends Mark H. Hodges, for his service to the Authority, and presents this

Resolution as a token of its esteem and orders a copy be spread upon the minutes of this meeting.

Mr. Keaton thanked Mr. Hodges and commented that he enjoyed working with him and particularly appreciated their conversations about cotton and the way litter can impact that important industry in the region. Mr. McCoy commented that much has changed in the cotton industry over the years and he believes that Mr. Hodges brought a great deal of knowledge to the Board, as well as keeping Southampton County informed on SPSA business. Mr. McCoy added that he hoped Mr. Hodges would be able to look back and see his positive contribution to the organization. Mr. Hodges commented that when he was serving on the Executive Committee, he was part of many interesting conversations with Board Members and he thanked the Board for letting him be a part of that process.

Ms. Lowe moved, seconded by Ms. Jarratt, to approve the resolution, as presented. The motion was adopted by a unanimous vote in favor.

Chairman Baugh thanked Mr. Hodges for his service and offered his best wishes for the way ahead.

4. APPROVAL OF MINUTES

The minutes of the October 27, 2021 Board Meeting had been distributed. Chairman Baugh asked if there were any additions or changes and there were none.

Ms. Raulston moved, seconded by Ms. Jarratt, to approve the October 27, 2021 minutes of the SPSA Board of Directors, as presented. The motion was adopted by a unanimous vote in favor.

5. EXECUTIVE DIRECTOR UPDATES

Ms. DeVary was pleased to once again report that SPSA staff continues to do a great job keeping operations running smoothly and there that was not much updated information to report. The main item for discussion would be the proposed Amended and Restated Landfill Gas Agreement with Mas Energy. Ms. DeVary drew attention to the Contract section of the agenda, where information on the agreement had been provided and which would be covered later in the meeting. Ms. DeVary commented that she only received this information the day before, but that after the tour of the Regional Landfill, Ms. DeVary was able to speak with the Army Corps of Engineers and VHB about the Environmental Impact Statement (EIS) required for permitting landfill expansion. She was told that SPSA should be receiving a draft of the EIS in mid to late January 2022 and that they will be including one of the Suffolk sites as an alternative to be considered. Ms. DeVary also said that the Corps plans to have a public hearing to receive comments on the draft EIS in February and March. She is pleased with this positive progress. Ms. DeVary had no new information about Wheelabrator's future plans and has heard nothing more about the proposed \$3 trash tax. She invited the Board to share any information that they had received, but there was no comment.

Mr. Bagley began the operations report, reminding the Board that, as he did at the October Meeting, he will continue presenting a series on Environmental Excellence focusing on SPSA's Environmental Management System (EMS) and the complexities involved in being a VEEP certified facility. At the October Meeting, Mr. Bagley covered the Environmental

Policy Statement. The next element in the EMS is, in his opinion, the core of the EMS, which is the identification of the organization's Environmental Aspects and Significant Environmental Impacts. This involves any element of an organization's activities, products, or services that can impact the environment. Because SPSA has so many elements that could be impactful, it takes a great deal of time and effort to identify each one and determine their significance. A significant environmental impact is determined by identifying aspects that are most likely to have a negative impact on the environment if they are not handled properly. Mr. Bagley showed the Board the complex chart that SPSA staff uses to measure these aspects and went into some detail, going over controls, legal requirements, SPSA requirements, professional analysis, cost, and public perception. Mr. Bagley went on to say that this analysis process must be completed for each aspect and that SPSA has roughly 600 different aspects that are thoroughly evaluated to ensure that all regulatory standards are being met. Mr. Bagley reiterated that this process is, essentially, the most important aspect of the EMS, with the other elements supporting the building of the full EMS. He also noted that SPSA has shared its system with other organizations to help them produce their own Environmental Management Systems. He asked if there were any questions or comments, but there were none.

Mr. Bagley continued with the operations report stating that 26,841 tons were landfilled during the reporting period, which is an increase of only 271 tons from the previous period. 1,084,367 gallons of leachate were sent to HRSD, which is a decrease of 364,201 gallons from the previous reporting period. Only two inches of rain were measured for the month, which is a low number. Mr. Bagley commented that rain is one of the biggest factors impacting landfill operations because if there is too little, water trucks have to be used to keep dust down and significant rainfall can increase leachate production. 661,795 gallons of leachate were pumped at a flow rate of 14.8 GPM or 74% of allowable flow. This low flow number was due to valve stem issues from October 7th-10th. 422,572 gallons of leachate were hauled, which is a decrease of 179,297 gallons from the previous month. 91% of the ash received from the waste to energy plant was suitable for use as alternative daily cover, which Mr. Bagley noted was an excellent number. The asphalt work and tipping floor repairs at the Landstown Transfer Station, mentioned by Mr. Bagley at the previous meeting, have been completed. He briefly noted the tour of the Regional Landfill, which had already been discussed, and added that SPSA has been accepted as a member of the Wildlife Habitat Council. Mr. Bagley and staff are pleased to be a part of this program, which means that whenever SPSA builds, it will have an eye on wildlife habitat in the area and submit plans to the Wildlife Habitat Council to determine whether or not it is a significant impact. Mr. Bagley commented that when the manager of the Great Dismal Swamp Wildlife Refuge learned of SPSA's membership in the Wildlife Habitat Council, he expressed interest in working with SPSA on its next project, which is very welcome. Mr. Bagley asked if there were any questions or comments.

Ms. DeVary commented that in the 12 years that she has been at SPSA she has never seen the landfill look as good as it did at the tour. She commended Mr. Bagley, Mr. Mike Kelley, Landfill and Environmental Assistant Manager, who was present at the meeting, and staff, for the terrific job they have done. Ms. DeVary added that it was a remarkable accomplishment and that she was very proud to have been a part of the tour.

6. FLYOVER OVERSIGHT COMMITTEE REPORT

Mr. Hansen, Chairman of the Flyover Oversight Committee, reported that he, Mr. Robert Lewis of Suffolk, and Mr. Troy Eisenberg of Chesapeake, met with VDOT to assess the

status of the flyover project. At that meeting, two pay requests covering the period from July 1, 2021 through October 2021 and totaled \$431,000 were reviewed and approved for payment. Mr. Hansen reported that about \$539,000 has been spent toward design and that there is a long way to go. Mr. Hansen also stated that the Flyover Committee received a report from VDOT that their ongoing geotechnical work is reaffirming their initial assumptions about the project, including some poor soil quality. Mr. Hansen assured the Board that these concerns were accounted for in the proposed budget. He went on to say that, fortunately, there have been no surprises at this point and VDOT is confident that the project is on budget, but it is still very early in the design process.

A matter that Mr. Hansen thought important to bring to the Board is that, as a part of the environmental process for the project, there is a public participation component. Because the project is not federally funded, it is not a full NEPA document, but nevertheless, there is a public participation component required for significant projects, such as the flyover. Most of SPSA's projects require a public hearing, due to the large public interest, however, the flyover project has the opportunity to meet the public participation requirement through a willingness to hold a public hearing. This means that the project would be advertised and if there is interest, information can be provided directly. If enough people have an interest, or if it becomes required, a public hearing will be held, but given the nature of the project it is the opinion of the Flyover Committee and VDOT that issuing a "willingness" is appropriate action. Mr. Hansen also informed the Board that, in the event that a public hearing becomes necessary, VDOT has the hearing tentatively scheduled for February 11, 2022. Mr. Hansen recommends that the Board ask VDOT to make a presentation on the flyover project to them at the January 26, 2022 meeting, to ensure that, if a public hearing becomes necessary, the Board is fully informed of project details in advance of that hearing. He added that VDOT is willing and able to make a presentation on January 26th.

Mr. McCoy moved, seconded by Mr. Keifer, to have VDOT make a presentation on the flyover project at the January 26, 2022 Board Meeting. The motion was adopted by a unanimous vote in favor.

Mr. Hansen asked Ms. Preston to coordinate with Mr. Hall of VDOT to arrange their presentation and she indicated that she would. There were no questions or comments for Mr. Hansen.

7. WIN WASTE INNOVATIONS PORTSMOUTH MONTHLY REPORT

Mr. Joel Rubin delivered the WIN monthly report in person for Mr. Clint Stratton who was on vacation and Mr. Bob Hely who was at a corporate conference. Before presenting, Mr. Rubin, on behalf of WIN, took a moment to thank Ms. DeVary for all of the hard work she has done for and in partnership with WIN, noting that she is a true professional who will be missed.

**WIN Waste Innovations -
Portsmouth**

December 2021 Report to SPSA Board



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



**WIN Waste Innovations Portsmouth
October 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
45,589	54,402	(8,714)	46,060	51,150	(5,090)	4,114	6,045	1,931	12,815	14,576	(1,761)
Driven by diversions due to boiler Unscheduled Downtime (USD) and Turbine Generator (TG) insulator issues			Driven by boiler & TG USD			Driven by less received tons			Driven by unfavorable processing		

Steam Sales			Boilers Unscheduled Downtime			TG's Unscheduled Downtime			Net MWH Sold		
Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan	Actual	Plan	Act-Plan
24,303	28,678	(4,375)	248	152	(96)	0	0	0	13,401	18,583	(1,760)
NNSY steam usage down due to mild Oct. temperatures			Driven by failure on #3 bin feed conveyor, outage overun to complete the tubular air heater repairs and the TG insulators			Took the USD on the boilers due to the TG insulators			Driven by Boiler USD		

- Includes 1,151 tons of non-qualifying residue delivered to landfill, qualifying residue 91.02% for October
- Waste delivered by SPSA to RDF- 48,887 tons; Boiler availability - 85%; Turbine Generator availability- 100%; Ash Screen availability - 98%
- 0 OSHA Recordable accident this period, 1 for the YTD; 0 Environmental Incidents and 0 Citizen Complaints

2



WIN Portsmouth salutes Lynnhaven River NOW and the Ocean Lakes Homeowners Association for planting 450 trees in common areas and yards to help manage flooding and add shade. Another group in canoes and kayaks picked up trash along the Ashville Bridge Creek shorelines.

WIN WASTE Innovations is Proud to Support **Environmental Action**



Questions?



Mr. Rubin offered to answer any questions, but there were none.

8. FINANCIAL REPORT

Ms. DeVary informed the Board that the report she was presenting was for the month of October, as the December meeting falls too early in the calendar to prepare a report on November numbers. As of October 31, 2021 total revenues exceeded total expenses by approximately \$3.1 million as compared to \$4.6 million in the previous fiscal year. Tipping fees fiscal year to date reflect an increase of 5.3%, or approximately \$857,400 as compared to FY 2021. Municipal waste tonnages were down approximately 12.6% or 22,676 tons as compared to last fiscal year. Commercial tons were up approximately 36% or 21,989 tons as compared to last year. Ms. DeVary noted that, from a total tonnage perspective, the loss in municipal tons and gain in commercial tons balance out. For the month ending October 31, 2021 total municipal waste was 157,389 tons as compared to 180,065 tons a year ago.

Ms. DeVary reported that total expenses as of October 31, 2021 were approximately \$15.1 million, compared to \$13.6 million in the prior fiscal year. Cash balances were at \$56.1 million, designated as \$3.2 million in the operating fund, \$6.4 million, the equivalent of 2 months' operating expenses, in the undesignated fund balance, \$3.5 million for FY 2021 purchase orders, \$2.5 million for the proposed HRSD force main, and \$40.5 million in the landfill expansion and closure fund. Ms. DeVary then opened the floor for questions.

Mr. Hansen asked if Ms. DeVary had any concerns with the tonnages dipping below the projected flatline assessment for FY 2022, or if she thinks the year will end close to budget. Ms. DeVary responded that she anticipates tonnages being close to budget, or perhaps around 10,000 tons under, but overall SPSA's budget should be fine because fewer tons received would result in fewer associated expenses with taking that waste to Wheelabrator. She went on to say that the FY 2023 budget may need to be adjusted to reflect tonnage changes. Mr. Hansen commented that future budgets were the second part of his question. He asked Ms. DeVary if the trend in reduced municipal waste continues if her financial strategy for incrementally increasing tip fees to fund the flyover would be somewhat at risk. Ms. DeVary responded that it would be at risk, but that when there is reduced revenue, there are also reduced expenses, which are also included in the budget, so it may turn out to be a wash in terms of overall dollars. She added that she has a slide to present that speaks to future budgets. Ms. DeVary also commented that she intends to work on some schedules before she leaves to help guide staff. Mr. Hansen commented that the Board will miss her guidance on these matters and that she has put a lot of energy into a showing the Board her strategic plan. He thanked her for her efforts.

Mr. McCoy asked if there had been any evaluation done to determine the cause of the increase in commercial tonnages. Ms. DeVary responded that the increase has been driven largely by Waste Management, which is continuing to bring a little over 2000 tons to SPSA transfer stations each month, even though they do not have contract with SPSA. Ms. DeVary has met with Waste Management about a contract, but they have not moved in that direction, as of yet, and continue to pay the commercial rate of \$75 per ton.

Mr. Maxwell moved, seconded by Mr. McCoy, to approve the SPSA financial report as presented. The motion was adopted by a unanimous vote in favor.

Mr. Maxwell commented that, in reviewing the information provided by Ms. DeVary comparing SPSA's FY 2021 financials to FY 2009, he finds the data to be extraordinarily impressive. Given that Senator Cosgrove has visited the Board and spoken about the legislature noticing SPSA's achievements, particularly Ms. DeVary's leadership, Mr. Maxwell thinks that the public should be made aware of these accomplishments. He suggested sending the information to members of each City Council or potentially placing an ad in the newspaper. Mr. Maxwell commented that this extremely noteworthy positive information should be distributed, in part because the public would certainly be made aware if the news were not positive. Chairman Baugh thanked Mr. Maxwell for his comments and suggestions and that thoughts about how to do that will be considered.

Ms. DeVary continued with her presentation, highlights of which included that in FY 2021 the municipal tip fee was \$61, whereas in FY 2009 it was \$170 and that SPSA's current total assets have increased by 101%, including a 301% increase in cash and cash equivalents. She also discussed projected landfill expansion costs and items to consider for the FY 2023 budget.



FY 2021 vs. FY 2009

Highlights:

- Total Municipal Tons: Budgeted 481,850 in FY 2021 vs. 525,726 in FY 2009
- Municipal Tip Fee: \$61 per ton in FY 2021 vs. \$170 per ton in FY 2009
- Total Current Assets increased 101% including a 301% increase in cash and cash equivalents.
- SPSA had approximately \$19.2 million set aside for landfill closure and post closure liabilities at the end of FY 2021 as compared to \$1.4 million at the end of FY 2019
- SPSA had 134.5 full time equivalent positions at the end of FY 2021 as compared to 494 full time equivalent positions at the end of FY 2009.

Assets	2021	2009	% Change
Current assets:			
Cash and cash equivalents	\$ 41,036,503	12,715,125	323%
Accounts receivable	4,148,785	11,028,789	-63%
Other	503,859	3,948,958	-87%
Total current assets	55,689,147	27,692,872	201%
Noncurrent assets:			
Restricted assets:	941,034	32,439,655	-97%
Capital assets, net of accumulated depreciation	30,141,382	163,072,512	-81%
Debt issue costs	-	2,701,789	-
Net Pension Asset	2,245,201	-	-
Deferred Outflows of Resources - Pension & OPEB	1,382,497	-	-
Total noncurrent assets	35,210,114	198,212,956	-82%
Total assets	\$ 90,899,261	225,905,828	-60%

December 8, 2021



FY 2021 vs. FY 2009

Highlights:

- Total Net Position changed 326% from a deficit of \$28.3 million in FY 2009 to a positive \$64 million at the end of FY 2021.
- Total Liabilities decreased 90% from \$266 million at the end of FY 2009 to \$27 million at the end of FY 2021. Most significant change is decrease in debt.
- At the end of FY 2009, SPSA had accumulated nearly \$284 million. The waste-to-energy facility was sold in FY 2010 for \$150 million to pay down debt.
- SPSA had \$0 in debt by the end of December 2017.

Liabilities and Net Position	2021	2010	% Change
Liabilities:			
Current liabilities, payable from current assets:	\$ 5,656,167	9,500,978	-40%
Noncurrent liabilities:			
Bonds payable	-	225,125,205	-100%
Via: Beach Deferral	-	11,630,623	-
Other Post Employment Benefits	2,048,101	682,004	200%
Landfill closure and postclosure care liability	18,174,085	18,948,523	-5%
Total noncurrent liabilities	21,220,187	266,376,255	-92%
Total liabilities	26,876,354	285,875,233	-90%
Net position:			
Net investment in capital assets	30,141,382	(31,184,052)	103%
Restricted for debt service	941,034	16,312,544	-94%
Restricted for other purposes	2,245,201	1,478,470	51%
Unrestricted	30,690,270	(14,933,893)	110%
Total net position / (net deficit)	\$ 64,017,847	(\$ 28,331,931)	326%
Total liabilities and net position	\$ 90,899,261	237,543,302	-62%

December 8, 2021

Mr. Keaton commented that he agreed that this information is very positive. He asked Ms. DeVary about the drop in municipal tonnages from 2009 to now, given the growth in the region. Ms. DeVary responded that in 2009, most of the member communities' recycling programs had not yet been fully implemented and that the reduction was due to recycling being removed from the municipal waste stream.



Projected Landfill Expansion Costs

- Landfill expansion cost schedule originally prepared by HDR and a 3% annual increase has been applied since 2018.
- Cell VII – Phase 1 Construction is estimated at \$28.32 million with construction beginning in CY 2024 in order for Cell VII to be ready to accept waste when the flyover is complete.
- Permitting Cells VIII and IX are estimated to cost \$6.5 million. We have incurred approximately \$1.2 million to date
- The Flyover is projected at \$39.27 million and projected to be complete in April 2026. We have incurred approximately \$320,500 as of June 30, 2021.
- Grand total of planned costs between FY 2019 and FY 2027 is approximately \$74.1 million.

December 8, 2021



Projected Landfill Expansion Costs

	Projected Cost (\$000,000)	Annual Injection	Spent To Date	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Cell VII Construction - Phase 1													
Construction of Cell VII	\$28,320	\$28,320	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,320
Cell VII Specialty/Permit	\$10,000	\$0	\$0	\$0	\$11,580	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,580
Environmental Compliance	\$4,700	\$0	\$0	\$0	\$8,790	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,790
Working Well Installation	\$28,320	\$0	\$0	\$0	\$4,517	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,517
Asphalt Interlocking Driveway	\$0	\$0	\$0	\$0	\$4,910	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,910
Stamping, Leachate/Leachate, Lab Analysis	\$1,700	\$0	\$0	\$0	\$0	\$14,042	\$0	\$0	\$0	\$0	\$0	\$0	\$14,042
Removal of Cell VII	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction of Cell VIII	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
Storm Water Plan Application	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permitting	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Cell VII Phase 1 Construction	\$28,320,000	\$0	\$0	\$0	\$15,287	\$14,042	\$0	\$0	\$0	\$0	\$0	\$0	\$29,369
Cell VII Construction - Phase 1 Total	\$28,320,000	\$0	\$0	\$0	\$15,287	\$14,042	\$0	\$0	\$0	\$0	\$0	\$0	\$29,369
Cell VIII Environmental Permitting													
Permitting/Construction	\$10,000	\$0	\$0	\$0	\$11,734	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,734
Clearing for Cell VIII	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Landfill Permit Application	\$40,000	\$0	\$0	\$0	\$32,785	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,785
Vehicle Collection and E. Waste of Item	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Construction	\$14,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,000
Application Fee	\$4,700	\$0	\$0	\$0	\$4,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,700
Environmental Compliance	\$1,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,200,000
E. Waste Item	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000
WIP Application (E. Waste Item)	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000,000
Landfill Permit Application	\$40,100	\$0	\$0	\$0	\$28,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,600
Permitting	\$0	\$0	\$0	\$0	\$1,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,650
Special Excavator/Excavator Permit Application	\$14,100	\$0	\$0	\$0	\$12,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,340
Cell VIII Permitting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Permit Application	\$7,285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,285
Asphalt Paving/Topsoil/Permitting and Construction	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
Permitting	\$10,000	\$0	\$0	\$0	\$11,580	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,580
Storm Water & Sediment Control	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cell VIII Environmental Permitting Total	\$11,200,000	\$0	\$0	\$0	\$17,314	\$32,680	\$0	\$0	\$0	\$0	\$0	\$0	\$49,994
Cell VII Construction - Phase 1 Total	\$28,320,000	\$0	\$0	\$0	\$15,287	\$14,042	\$0	\$0	\$0	\$0	\$0	\$0	\$29,369
Cell VIII Environmental Permitting Total	\$11,200,000	\$0	\$0	\$0	\$17,314	\$32,680	\$0	\$0	\$0	\$0	\$0	\$0	\$49,994
TOTAL	\$39,520,000	\$0	\$0	\$0	\$32,601	\$46,722	\$0	\$0	\$0	\$0	\$0	\$0	\$79,363

December 8, 2021



Landfill Expansion Draw Schedule

	Contributions	Withdrawals	Balance	Contribution Per Ton 481,850 tons
June 30, 2021			\$38,451,900	
2022	\$6,243,150	-\$3,593,979	\$41,101,071	\$12.96
2023	\$8,000,000	-\$4,346,203	\$44,754,868	\$16.60
2024	\$9,000,000	-\$30,625,161	\$23,129,707	\$18.68
2025	\$19,750,000	-\$21,158,685	\$21,721,022	\$40.99
2026	\$13,500,000	-\$12,821,645	\$22,399,377	\$28.02
2027	\$8,000,000	\$0	\$30,399,377	\$16.60
2028	\$8,000,000	-\$22,648,227	\$15,751,150	\$16.60
2029	\$8,000,000	\$0	\$23,751,150	\$16.60
2030	\$8,000,000	\$0	\$31,751,150	\$16.60
2031	\$8,000,000	\$0	\$39,751,150	\$16.60

Note: Balance includes funds for landfill expansion and landfill closure.

- Projected Cost for Flyover and Cell VII Construction
- Projected Cost to Close Cells V & VI

December 8, 2021



FY 2022-2023 Budget

- Capital Improvement / Equipment Replacement Budget is almost complete
- Following the 5 year projections, the municipal tip fee should increase from \$61 per ton to \$65 per ton as long as municipal tons stay level.
- Fuel Cost has been budgeted at \$2.80 per gallon. Most recent price was \$2.65

December 8, 2021

Ms. DeVary commented that she is very proud of SPSA's financial standing today, which includes being debt free since December of 2017. When she was asked to present this agenda item, she did not realize that it would be a part of her final Board Meeting. Ms.

DeVary thanked the Board for asking about it and mentioned that, while it was her plan, it was not a solo effort. She asked the Board if they had any questions.

Mr. Leahy asked that full-sized pdfs of the slides be sent to the Board for ease in reviewing. Ms. Preston indicated that she would send them by email after the meeting.

Mr. Keaton said that he echoed Mr. Maxwell's comments, stating that while local governments are regularly criticized for their failures, they don't often do a good job of celebrating their successes. He went on to say that many decisions were made along the way to get SPSA to where it is today and he encouraged the Board to return to their member communities with this information, particularly because they may not be aware of how far SPSA has come and how much savings has been passed on to the localities. Mr. Keaton stated that he thought it important to thank the previous Boards, staff, and especially Ms. DeVary for her leadership, which has gotten SPSA to the place where tipping fees have been greatly reduced and that the organization is financially healthy. Mr. McCoy agreed with Mr. Keaton, citing the difficulty of some past Board Meetings before the Cosgrove Bill was implemented. He went on to say that Ms. DeVary has done an excellent job as both Executive Director and CFO and that she has truly made a difference with her excellent work, noting that she has made it a pleasure to serve on the Board. Mr. Keifer commented that, since 2009, when SPSA had a high level of debt, was involved in lawsuits, and drew the attention of the legislature, the constant in the corrective path forward has always been Ms. DeVary and her financial management. He agrees that SPSA has come a very long way and that making those successes known to the public is a good task for the Executive Committee to consider. Mr. Leahy agreed with everyone about spreading the good news. He went on to say that in solid waste and public works, if you are doing your job well, most people don't think about the services provided at all, but if they were not working well, it would bring the region to a halt in about a week. Mr. Leahy congratulated Ms. DeVary for bringing SPSA to a place where it provides excellent service at great value, which allows SPSA the "badge of honor" of being taken for granted because it is so well run.

Ms. DeVary commented that the fiscal success of the organization is one of the reasons she feels that it is a good time for her to move on, because she knows SPSA is in a good place with a bright future. She mentioned her genuine love for budgeting and financial projections and thanked the Board for their comments.

9. **CONTRACT**

Ms. DeVary said that she was very excited to bring the Amended and Restated Landfill Gas Rights Easement and Lease Agreement to the Board after eighteen months of discussion. Because the document is rather large, it was included as an electronic link for those who wish to review it in its entirety. Ms. DeVary included a good deal of information in the agenda and would review that information. To begin the discussion, Ms. DeVary introduced Mr. Michael Hall, a Principal with Mas Energy. Mr. Hall delivered a presentation on the project itself and what Mas Energy plans to do at the Regional Landfill.



Ownership Summary

- Suffolk Energy Partners and Suffolk Transmission (collectively, “SEP”) were originally owned by Biogas Energy System (“BES”)
- A Mas Energy, LLC (“MAS”) entity acquired SEP in April 2020 as part of a broader portfolio of BES assets
- MAS acquired the portfolio, including SEP, with the goal of converting the assets from low-value power plants to higher value renewable natural gas (“RNG”) facilities



Current Energy Project

- Landfill gas (“LFG”) has been used for power generation and for direct sale to a nearby industrial user
- Power is being sold to Dominion and “lightly” processed LFG is sold to Solenis
- Power pricing has steadily dropped in the past decade
- Solenis purchases LFG at a discount to natural gas market prices
- SEP has been operated at a loss for the last ~18 months
- Combination of significantly reduced revenues, higher operating costs for aged equipment, and current royalty percentages of gross revenues have made the current facility uneconomical to continue operations



Current Asset Condition

- Previous owner, BES, under invested in the facility
 - Poor economics prevented proper maintenance and investment
 - Gas collection and control system (“GCCS”) has not been expanded in 10 years
 - Optimum gas collection hasn’t been achieved
- The under investment, especially in the GCCS, creates significant operational challenges
- Significant investment is necessary to maximize gas collection, reduce site operation risks, and create a robust, sustainable energy project that provides royalties to SPSA
- The condition of the GCCS represents a significant challenge to long-term regulatory compliance



RNG Project Summary

- MAS is investing approximately \$35 MM for the construction of a new RNG processing facility and to replace a portion of the GCCS (entirety of cell 6)
 - MAS has already invested ~\$140,000 in 2021 for GCCS repairs and improvements
 - The amended GRA will allow MAS to access additional capital to immediately begin design for the Cell 6 GCCS replacement
- RNG asset will be constructed on the current energy project site
- RNG will be sold, via a MAS holding company, via two separate agreements
 - Long-term fixed price to hedge future revenues – prevents current asset situation associated with depressed power prices
 - Short term indexed price to increase revenue potential
- SPSA will benefit from increased royalty payments, MAS’s ability to properly invest in the GCCS for the term of the agreement, and being part of a diversified portfolio
 - Amended royalty of 8% will mean that SPSA is the first-priority to be allocated higher value gas



RNG Project – Projected Schedule

- Amended GRA execution permits MAS to complete the final pre-construction actions
 - Air permitting – Completed
 - Solid waste mod – Ready for submission (~30 days to receive)
 - Building permit – In Final Review (~2 weeks to complete)
 - Detailed design – Completed
 - Major equipment orders – Completed
 - Site work – January to February 2022
 - Project completion – January 2023
- Near term actions
 - Decommission engine plant – January to February 2022
 - Finish designs for Cell VI GCCS replacement – February 2022
 - Prepare site for RNG plant construction – January 2022
 - Receive major equipment – March to May 2022



RNG Project – SPSA Economic Summary

- SPSA receives two economic benefits:
 - Royalties on gross revenues associated with RNG from the SPSA landfill
 - Avoided GCCS operations, maintenance, expansion and compliance costs for the term of the GRA
- Amended royalty percentage is reduced from 30% to 8% on gross revenues
- RNG gross revenues will be substantially higher than power and LFG direct revenues by an order of magnitude meaning SPSA will receive a higher gross cash amount than would have ever been possible under the old royalty structure and forward power prices



RNG Project – SPSA Economic Summary

Landfill Gas to RNG Production Calculation		
Landfill Gas Production Rate (2021)	2,889	kg/hr
Average Methane Content	64%	kg/100cf
Annual Raw Landfill Gas Produced	670,500	MMBtu/yr
Landfill Collection Efficiency	70%	
Net Annual Raw Gas Collected	469,352	MMBtu/yr
RNG Processing Efficiency	94%	
Net Annual RNG Production	441,391	MMBtu/yr
RNG Off-Take Pricing Formula		
Assumed Avg. Q3 RNG Price	\$1.50	\$/Gall. Eq.
Conversion Factor	11,727	Gall. Eq./MMBtu
Value of RNG per MMBtu	\$17.59	\$/MMBtu
Value of RNG from Net Gas	\$7,759	\$/MMBtu
Total Value of RNG	\$21,099	\$/MMBtu
Royalty Payment Calculation		
Gross Revenue of RNG Sales	\$9,304,938	\$/yr
Royalty Paid (8.0%)	\$744,395	\$/yr

SPSA received ~\$160,000 in royalties the previous 12 months



Wellhead Reading Issues – Summer 2021

- MAS site staff had clerical errors for the April and May readings and failed to collect some necessary wellhead readings in June and July on Cells 5 and 6
- Both issues were caused by inexperienced staff and poor direction from a MAS asset manager
- All wellheads were properly read by August 2021
- Errors by MAS employees did require senior management to get more deeply engaged with the site which led to the following actions:
 - Immediate investment in Cell 6 to ensure vacuum is available throughout
 - Engaged SCS Engineers to complete all compliance readings and submit data via an encrypted data management system
 - Re-assigned a more experience operations manager to the site that is familiar with the current GCCS
 - Terminated one employee
 - Hired new GCCS technician that is solely dedicated to SPSA
- MAS accepts responsibility for our errors and are committed to indemnify SPSA, per the terms of the existing and amended GRA

Questions?



Mr. Hall offered to answer any questions, but there were none at that time. Ms. DeVary then reviewed the contractual changes from the current Agreement to the Amended and Restated Agreement.



Amended and Restated Landfill Gas Rights, Easement and Lease Agreement December 8, 2021



December 8, 2021



Lease & Easement

Current

- Includes Cells I – VI
- All other future cells would be subject to negotiation with Mas before granting rights to a third party.

Proposed

- The leased site is in the same general location but has a slightly larger footprint to account for the larger size of the RNG facilities.
- Includes Cell VII
- All other future cells would be subject to negotiation with Mas before granting rights to a third party.
- SPSA has no obligation to open Cell VII or any other cells.



Term & Defined Dates

Current

- Ends January 21, 2031
- Mas has the right to renew for 2 successive 5-year periods.

Proposed

- Extends the term to 20 years from the Operative Date (commercial operation of the RNG facilities).
- Mas has the right to renew for 2 successive 5-year periods.
- Drop Dead Date, i.e., the date when the RNG facilities must be operational, is 30 months from the Effective Date (date amendment is executed)




Royalty Payments

Current

- SPSA receives:
 - 30% of revenues from the sale of recovered landfill gas; and
 - 20% of revenues from the sale of electricity.
- SEP pays SPSA \$0.25 per MMBtu for flared gas over a defined threshold
- FY 2020 royalty revenue = \$219,400
- FY 2021 projected royalty revenue = \$215,000


Proposed

- Prior to decommissioning:
 - 30% of revenues from the sale of recovered landfill gas; and
 - 20% of revenues from the sale of electricity.
- Post-decommissioning:
 - \$0.25 per MMBtu of gas that is flared. Approximately \$7,500 per month in first 12 months or \$90,000 annually
- Post-operative:
 - 8% of revenues from the sale of RNG.
 - Mas Energy estimates:
 - Conservative estimate = \$350,000 per year, increasing 1.5% each year thereafter
 - Optimistic estimate = nearly \$500,000 per year, increasing 1.5% each year thereafter




Payment Reserve

<u>Current</u>	<u>Proposed</u>
<p>Escrow Reserve:</p> <ul style="list-style-type: none"> Current agreement includes an escrow reserve of \$100,000. 	<p>Escrow Reserve:</p> <ul style="list-style-type: none"> Increase escrow reserve by \$50,000 (to \$150,000) within 10 business days of execution. Escrow reserve may be reduced to \$100,000 at operative date, provided Mas is not in default. <p>Performance Security:</p> <ul style="list-style-type: none"> Prior to construction, Mas must escrow an additional \$250,000 as performance security during construction. Escrow may be reduced to \$100,000 at operative date, provided Mas is not in default. <p>SPSA is entitled to make a full or partial draw upon the Escrow Reserve or Performance Security upon the occurrence of a default by Mas.</p>




Accountability

- Reporting and Accountability
 - Monthly Performance Standards
 - Real-time access to facility performance
 - Mas has hired a 3rd party to perform monthly monitoring required under SPSA's Title V Permit
 - Mas will be upgrading the collection system for Cells V and VI
 - SPSA staff have the right to perform random well readings
 - SPSA staff have the right to shadow the 3rd party performing the monthly monitoring of wellheads
 - SPSA staff and Mas Energy staff have weekly conference calls to discuss operations
 - Mas Energy to attend Board meetings in person or virtually on a quarterly basis



Option Rights

<u>Current</u>	<u>Proposed</u>
<p>Collection System:</p> <ul style="list-style-type: none"> At the expiration of the term or earlier termination for any reason, the collection system will immediately transfer to SPSA, at no cost to SPSA, as long as SPSA is not in default. If SPSA is in default, Mas has the right, but not the obligation, to sell the collection system to SPSA. 	<p>Collection System:</p> <ul style="list-style-type: none"> At the expiration of the term or earlier termination for any reason, the collection system will immediately transfer to SPSA, at no cost to SPSA, as long as SPSA is not in default. If SPSA is in default, it must pay fair market value of collection system. <p>➤ RNG Facilities (other than Collection System):</p> <ul style="list-style-type: none"> SPSA has an irrevocable option to purchase the other RNG facilities (other than the collection system) at fair market value (i) at the end of the term (if SPSA is not in default) or (ii) upon a Mas event of default/termination.



Other Contract Provisions

- Mas cannot assign the agreement without prior written consent of SPSA
- Termination Rights
- Standard indemnification clauses
- Limitation of liability
- Insurance requirements
- Force Majeure
- Default

Ms. DeVary opened the floor for questions, recognizing that special counsel Mr. Brad Nowak, who was the lead on the contract amendment, was present, as well as Mr. Spain, who was also deeply involved in the process. She also informed the Board that if there was anything they wanted to discuss in closed session, that could be arranged.

Mr. McCoy congratulated Ms. DeVary and Mr. Bagley on their long and difficult efforts to close this contract and thanked them for their work. Ms. DeVary commented that there have been challenges along the way, but that this is a great project for SPSA and she and Mr. Bagley have full confidence that Mas Energy knows how best to build and run a Renewable Natural Gas facility and are excited, as well. Mr. Hansen thanked Mas Energy and staff for all of their efforts to put this timely and forward-looking project together. He went on to say that he had questions initially, but as Mr. Hall and Ms. DeVary delivered their presentations, they were answered. Mr. Hansen did have a remaining question about who will be responsible for developing the gas collection system on Cell VII. Ms. DeVary responded, and Mr. Hall confirmed, that Mas Energy would be responsible for financing and developing the gas collection system for Cell VII. Mr. Keifer thanked Mr. Hall for his presentation. Mr. Leahy commented that, for those who may not be familiar with the products, that the change in royalties is driven by the fact that the existing product is far different from the product that Mas Energy will eventually be producing. He likened the current recovered landfill gas to crude oil and the processed renewable natural gas to gasoline, as a comparison for the immediate usefulness of the products, which makes the change in royalties reasonable and beneficial to both Mas Energy and SPSA. Mr. McCoy commented that it was good to hear that the Columbia Gas Line that passes through the landfill property can be used as an

asset to this project. Mr. Keifer commented that the Executive Committee discussed the reasons this contract was not done as a new procurement, which was because the original contract was done under the Public-Private Education Facilities Act (PPEA). Ms. DeVary confirmed and added that she, Mr. Spain, and Mr. Nowak spent a great deal of time looking into PPEA guidelines and that Virginia Code § 56-575.9(E) specifically states that comprehensive changes to the agreement should be done as an amendment, which is why the new contract is an Amended and Restated Agreement. Mr. Hansen suggested, in absence of any further questions, if it would be appropriate to entertain a motion on the contract. Chairman Baugh asked Ms. Preston to read aloud the following resolution:

RESOLUTION APPROVING THE EXECUTION OF AN AMENDED AND RESTATED LANDFILL GAS RIGHTS, EASEMENT AND LEASE AGREEMENT WITH MAS SUFFOLK RNG, LLC FOR THE PURCHASE OF LANDFILL GAS AND INSTALLATION AND OPERATION OF EQUIPMENT, FACILITIES AND SYSTEMS AT SPSA'S SUFFOLK LANDFILL.

WHEREAS, in 2009, the Southeastern Public Service Authority of Virginia ("SPSA") received an unsolicited proposal pursuant to the Virginia Public Private Education Facilities and Infrastructure Act ("PPEA") from Suffolk Energy Partners, L.P., which later became Suffolk Energy Partners, LLC ("SEP") for (i) the purchase of landfill gas ("LFG") from the SPSA regional landfill (the "Landfill") in Suffolk, Virginia, and (ii) the installation and operation of equipment, facilities, and systems at the Landfill for the collection and processing of LFG in an environmentally compliant manner; and

WHEREAS, after following the procedures set forth in the PPEA and SPSA's PPEA Guidelines, SPSA and SEP executed that certain Landfill Gas Rights, Easement and Lease Agreement dated as of January 21, 2011, and designated that Agreement as the comprehensive agreement required by the PPEA; and

WHEREAS, SPSA and SEP executed that certain First Amendment to Landfill Gas Agreement dated as of August 7, 2014 (collectively, with the Landfill Gas Rights, Easement and Lease Agreement, the "Comprehensive Agreement"); and

WHEREAS, SEP merged into MAS Suffolk RNG, LLC ("MAS"); and

WHEREAS, MAS proposed that the Comprehensive Agreement be amended to, among other things, allow MAS to decommission its existing facilities and to construct new facilities to utilize recovered LFG for the production and sale of renewable natural gas and other related products; and

WHEREAS, Section 56-575.9(E) of the Code of Virginia provides that "[a]ny changes in the terms of the comprehensive agreement, as may be agreed upon by the parties from time to time, shall be added to the comprehensive agreement by written amendment;" and

WHEREAS, SPSA's staff with the assistance of counsel have been discussing with MAS the terms of a proposed amendment to the Comprehensive Agreement in accordance with Section 56-575.9(E) of the PPEA and based on those discussions, staff and counsel have prepared and are recommending for review by the Board the form of the attached Amended and Restated Landfill Gas

Rights, Easement and Lease Agreement (the “Amended Comprehensive Agreement”); and

WHEREAS, the Board has determined that (i) the Amended Comprehensive Agreement serves the public purpose of the PPEA and that continuing to sell LFG and outsourcing the installation and operation of LFG collection and processing systems will result in reduced costs to SPSA and (ii) it is in the best interests of SPSA and its member communities to approve and enter into the form of Amended Comprehensive Agreement.

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

1. The Board hereby authorizes and directs the Executive Director of SPSA, in the name and on behalf of SPSA, to (a) execute and deliver the Amended Comprehensive Agreement, including any exhibits thereto, for and on behalf of SPSA and (b) perform SPSA’s obligations as set forth in such executed Amended Comprehensive Agreement.

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 and deliver such documents as she deems necessary or desirable to carry out the intent and purposes of the foregoing resolution and to effect the purposes of such resolution.

Mr. Hansen moved, seconded by Mr. McCoy, to approve the resolution, as presented. The motion was adopted by a unanimous vote in favor.

Chairman Baugh thanked Ms. DeVary, noting that it was an incredible and exciting part of the future for SPSA. He also thanked Mr. Hall for attending and making his presentation, as well as for his professionalism in engaging with and resolving the issues with sampling.

10. 2022 BOARD MEETING DATES

Chairman Baugh drew the Board’s attention to the proposed Board Meeting Dates for 2022 and asked for motion to approve the dates.

Ms. Jarratt moved, seconded by Mr. Leahy, to approve the 2022 Board Meeting dates, as presented. The motion was adopted by a unanimous vote in favor.

11. CLOSED SESSION – EXECUTIVE DIRECTOR RESIGNATION

Before moving into closed session, Chairman Baugh informed the Board that there were several matters to discuss as a result of Ms. DeVary’s resignation, including the interim leadership plan and Executive Director recruitment.

Chairman Baugh went on to say that the Executive Committee has worked extensively on these topics and that he has asked members to guide the discussion and offer the Committee’s recommendations. He asked Mr. Keifer to speak to the first topic, which is the position of Executive Director.

Mr. Keifer commented that, using the experience of hiring Ms. DeVary four years ago, the Executive Committee has prepared a brochure document to advertise the Executive Director position. It is very similar to the language used in recruitment four years ago and the job description is largely lifted from SPSA's bylaws. Mr. Keifer went on to say that the plan is to advertise on a regional basis and with professional organizations such as the Virginia Municipal League and SWANA. The Executive Committee believes that there are good candidates in the region and that posting with professional organizations will also attract qualified candidates. As was done four years ago, the Executive Committee is recommending that the Board appoint a Personnel Committee to assist the Executive Committee with recommendation of a candidate by reviewing all candidates and bringing their proposals to the Executive Committee for review and then presentation to the Board. Mr. Keifer stated that Mr. Leahy has volunteered to Chair the Committee, and that Ms. Raulston, Mr. McCoy, Mr. Broad, and Mr. Etheridge have offered to be members. The proposed timeline would be to receive applications in January with the hope of being able to present a candidate to the Board in April or May. Mr. Keifer also added that the position is being advertised at a compensation of \$175,000 - \$190,000 depending on qualifications. The Executive Committee feels this is an appropriate level based on Ms. DeVary's starting salary and the salaries for some Deputy City Manager positions in the region.

Mr. Keifer moved, seconded by Mr. Hansen, to authorize that the Executive Director position be advertised primarily on a regional basis at a proposed compensation of \$175,00 to \$190,000 annually. The motion was adopted by a unanimous vote in favor.

Mr. Keifer moved, seconded by Mr. Keaton, to authorize the formation of a Personnel Committee to assist the Executive Committee with a recommendation to the Board for the next SPSA Executive Director and appoint Mr. Leahy as Chair, and Ms. Raulston, Mr. McCoy (until the expiration of his term), Mr. Broad, and Mr. Etheridge as members. The motion was adopted by a unanimous vote in favor.

Chairman Baugh added that if anyone else was interested in joining the Personnel Committee that the membership could be amended. There were no additional volunteers. He thanked the Personnel Committee and noted that the Board has high expectations of them to do their job expeditiously and present an excellent candidate.

Chairman Baugh announced that the next matter of business involved discussion of specific personnel and would take place in closed session.

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding the resignation of the Executive Director and for discussion and/or consideration of prospective candidates for the position of Executive Director, Treasurer, and related positions to be filled on an interim or permanent basis as a result of the resignation of the Executive Director in accordance with Virginia Code Section 2.2 3711(A)(1).

Mr. Broad moved, seconded by Mr. Hansen, to enter into a closed session to discuss the resignation of the Executive Director and for discussion and/or consideration of prospective candidates for the position of Executive Director, Treasurer, and related positions to be filled on an interim or permanent basis, as presented. A roll call vote was taken of all voting members present, which included all members (and Mr. Martin acting as an alternate) noted above. The motion was adopted by a unanimous vote of in favor.

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..

Mr. Hansen moved, seconded by Ms. Jarratt, to certify the closed session as presented.

A roll call vote was taken of all voting members present, which included all members (and Mr. Martin acting as an alternate) noted above. The motion was adopted by a unanimous vote in favor.

Chairman Baugh announced that the next item would be to appoint an Interim Executive Director.

Mr. Keifer moved, seconded by Mr. Stromberg, that Mr. Dennis Bagley be appointed as Interim Executive Director as of January 1, 2022 with a 10% increase to his current compensation. The motion was adopted by a unanimous vote in favor.

Chairman Baugh congratulated Mr. Bagley and Mr. Bagley thanked the Board. Chairman Baugh continued that the next subject was SPSA's CFO function and that Mr. Keaton would be leading the discussion.

Mr. Keaton stated that when Ms. DeVary was promoted to Executive Director it made sense, under the circumstances, that she served as both Executive Director and CFO. The Executive Committee discussed that while this worked in the past with Ms. DeVary's skill set, they feel that it is in SPSA's best interests to return to having a separate CFO position to eliminate the risk that if one person leaves the organization, there aren't two positions that need to be filled. The Executive Committee recommends reinstating the position and advertising immediately so that when the new Executive Director comes on board they can make a selection. Mr. Keaton explained that this would require the addition of an FTE to the budgeted list of employees. Mr. Leahy added that, while SPSA has done an excellent job slimming down the organization, looking at SPSA's current situation, Ms. DeVary's departure effectively cuts executive leadership in half, but with an Executive Director and two Deputy positions to manage finance, administration, and operations, there is back up and resiliency in times of emergency.

Mr. Keaton moved, seconded by Mr. Leahy, to authorize the addition of a Chief Financial Officer position to the FY 2022 Budget. The motion was adopted by a unanimous vote in favor.

Chairman Baugh stated that the next topic for discussion regarding due diligence in the interim period involved the Audit Committee. He asked Mr. Keaton to lead the discussion. Mr. Keaton said that SPSA has an active Audit Committee, chaired by Ms. Lowe, and they serve as a very important part of SPSA's Committee structure. The Executive Committee recommends that, until a CFO is hired, the Audit Committee assist staff with SPSA's investments and other financial matters. Mr. Keaton went on to say that Ms. DeVary has done quite a bit of work on investments and that SPSA has a large cash balance that

requires monitoring to ensure that SPSA is getting the maximum return with the safest investments.

Mr. Keaton moved, seconded by Ms. Jarratt, to authorize the Audit Committee to assist staff with review of SPSA investments and other financial issues. The motion was adopted by a unanimous vote in favor.

12. OTHER BUSINESS

Chairman Baugh read aloud the following resolution:

RESOLUTION OF APPRECIATION TO LIESL R. DEVARY IN RECOGNITION OF HER SERVICE TO THE SOUTHEASTERN PUBLIC SERVICE AUTHORITY

WHEREAS, Liesl R. DeVary has faithfully served the Southeastern Public Service Authority for 12 years, eight years as Deputy Executive Director and Chief Financial Officer and four years as Executive Director and Chief Financial Officer, where she has significantly contributed to the environmental and fiscal health of the region with her innovative leadership and tireless commitment to efficiency, transparency, and excellence; and,

WHEREAS, it is the desire of the Board of Directors to convey their sincere appreciation and gratitude for her years of dedicated and commendable service to the Authority, its member communities and the citizens of Chesapeake, Franklin, Isle of Wight, Norfolk, Portsmouth, Southampton, Suffolk and Virginia Beach; and,

WHEREAS, Liesl R. DeVary successfully lead the Authority in such a manner so that it became free from debt in 2017 and instituted a culture of fiscal responsibility that significantly reduced municipal tipping fees resulting in a great financial benefit to SPSA's member communities; and,

WHEREAS, Liesl R. DeVary has achieved and maintained a standard of performance for the Authority resulting in its being the recipient of the Virginia Department of Environmental Quality's Virginia Environmental Excellence Program designation as an Exemplary Environmental Enterprise; and,

NOW THEREFORE BE IT RESOLVED, that on this occasion, Ms. DeVary's last Board meeting as Executive Director, the members of the Board of Directors of the Southeastern Public Service Authority of Virginia hereby express their gratitude, respect and appreciation for her outstanding service to the Authority and to the citizens of southeastern Virginia; and,

BE IT FURTHER RESOLVED, the Southeastern Public Service Authority of Virginia presents this Resolution of Appreciation to Liesl R. DeVary as a token of its esteem and gratitude and orders a copy be spread upon the Minutes of this meeting.

Mr. Keifer moved, seconded by Mr. McCoy, to approve the resolution, as presented. The motion was adopted by a unanimous vote in favor.

Ms. DeVary said that she was honored to have served as the Executive Director of “SPSA 2.0” and that she knows it will continue to have a great, bright future. She thanked everyone sitting around the table and all the Board Members for the support and confidence that they have shown her over the years.

Chairman Baugh asked Mr. Bagley to come forward to make his comments. Mr. Bagley spoke about Ms. DeVary’s uncanny memory for facts and details, likening her mind to the computer, Watson, which was built to beat Jeopardy contestants. He commented that everyone knows about Ms. DeVary’s financial prowess, but only those who work closest with her are aware of her great skills in any conversation whether on the waste stream, insurance, or legal matters. Mr. Bagley called Ms. DeVary’s knowledge incredibly well-rounded, and noted that whoever becomes SPSA’s next Executive Director, they could never be what she is. He commented that SPSA has been very fortunate to have Ms. DeVary turn operations around and that everyone wishes her good luck with whatever she chooses to do in the future. Mr. Bagley presented Ms. DeVary with gifts of appreciation on behalf of everyone at SPSA.

Mr. Keifer commented that it is a rare pleasure to work with someone as talented and competent as Ms. DeVary, calling his time with her a highlight of his career. Mr. McCoy stated that Ms. DeVary’s resignation is a true loss for the organization, but that she leaves the organization in a good place and he thanked her for her leadership. Mr. McCoy also said that he has enjoyed working with her and wishes her the best. Mr. Hansen commented that he has enjoyed working with Ms. DeVary even before she was Executive Director and before he was on the Board, noting that he has always valued her input and that the Board will miss her. He went on to say that he appreciates all that she has done and values her friendship.

Chairman Baugh asked if there was any further business to come before the Board but there was none. He invited those in attendance to stay for lunch and cake in Ms. DeVary’s honor.

13. ADJOURN MEETING

There being no further business to come before the Board of Directors, the regular meeting was adjourned at 12:32 p.m.

Dennis L. Bagley
Interim Executive Director

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

5. Personnel Committee Report

The Personnel Committee met on January 12th and January 19th. Committee Chairman Tom Leahy will deliver a brief update to the Board about those meetings.

The Executive Director recruitment brochure was updated to remove overly restrictive language that might screen out some candidates that are otherwise qualified for consideration. The submission due date was also extended to January 31, 2022.

RECOMMENDED ACTION: Approve updates to the Executive Director recruitment, as presented.

MOTION: Do I hear a motion to approve the updates to the Executive Director recruitment, as presented.

6. Flyover Oversight Committee Report

VDOT Flyover Project Presentation from Mr. Mike Davis

Flyover Oversight Committee Minutes – October 7, 2021

Flyover Oversight Committee Minutes
Southeastern Public Service Authority of Virginia
October 7, 2021

A meeting of the SPSA Flyover Oversight Committee was held at 9:30 a.m. in the Regional Boardroom of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Committee Chairman L.J. Hansen. Other Committee Members present at this meeting were Mr. Robert Lewis and Mr. Earl Sorey, who arrived at 10:00 a.m. Mr. Chris Hall and Mr. Mark Davis were present representing VDOT, and Ms. Claudia Walsh, HDR Project Manager was also present. Also in attendance were SPSA Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley, and Executive Administrator, Tressa Preston.

Discussion of the VDOT/SPSA Flyover Project

Chairman Hansen called the meeting to order at 9:42 a.m. After introductions and determining there were no public comments, Chairman Hansen stated that the purpose of the Flyover Oversight Committee was to give confidence to the Board that the project can achieve its desired outcome on schedule and on budget, particularly given that it appears that the Navy's plans for their power plant are moving forward. Chairman Hansen went on to say that he hopes that this regular communication between three of SPSA's member communities' public works departments and VDOT will allow them to proactively address any budget or scheduling issues and to advise SPSA leadership appropriately.

Mr. Hall said that he appreciated Chairman Hansen's comments and that he welcomes the Committee's involvement. Mr. Hall called the flyover a fantastic project and noted that it is a rare opportunity to work with a regional entity like SPSA. He added that VDOT is committed to the success of this project and that accountability and transparency make for a better product.

After discussion, it was determined that the Committee would begin participating in the regular monthly meetings already set up with SPSA and VDOT. Because all Committee business constitutes a public meeting, these meetings will have proper public notice and follow all other FOIA requirements for public meetings. The Committee will meet in person at SPSA's offices and VDOT may participate electronically or in person as is deemed appropriate for each meeting.

Ms. DeVary commented that she would like Chairman Hansen to guide the process, but that at some point, she would like VDOT to make a presentation at a Board of Directors Meeting, as the last update given was when the project agreement was signed. Mr. Hall commented that once the Army Corps of Engineers gives VDOT a definitive answer on their plans, they will be in a position to present with greater confidence. The Committee agreed to discuss a time frame for the Board presentation later in the meeting.

As an update on where the project currently stands, Mr. Davis reported that the \$39.62 million project estimate is currently holding, but VDOT hopes to realize greater savings. They have reached 30% design completion and will make sure that the Committee is on the email distribution list for those designs. VDOT's meetings with the Army Corps of Engineers'

environmental staff are going well and the Corps is pleased that the flyover project does not encroach on SPSA's wetlands mitigation site. The Geotech field work is complete and VDOT is running tests and narrowing the survey scope. There was discussion of the project's wetlands impacts including that the majority of the impacts will be temporary and the quality of the wetlands that will be impacted is low.

Continued discussions included physical specifications of the project such as drainage pipes and ditch construction options, the optimal radius for a curved bridge accommodating 35 mph traffic, the assumed use of Mechanically Stabilized Earth (MSE) walls and 2:1 fill slopes, and the construction of a long crossover weave to eliminate sideswipe potential while also avoiding impacts to existing utilities. Ms. Walsh also reported that VDOT is updating operating and safety numbers based on the most recent traffic analysis.

Chairman Hansen asked if there have been concerns raised by the Department of the Interior and Ms. Walsh responded that there have been no major issues. There are a few protected species and time of year restrictions to be aware of, but Mr. Sorey added that phasing the work, particularly in tree clearing, can generally be used to avoid any issues. Mr. Lewis asked about any concerns from the Department of Fish and Wildlife regarding isolation of the land situated inside the loop of the flyover. Ms. Walsh responded that designs are keeping a contingency plan for any needed critter crossings or additional drainage, but as of yet questions from that department have been minimal.

Because the flyover is a phased project, Mr. Bagley asked that VDOT remain watchful that the work being done in Phase I will not have to be changed or removed to accomplish Phase II. Ms. Walsh responded that the current Phase I designs do not preclude the work envisioned for Phase II. There was discussion of the access road and Ms. Walsh explained that the current plan is for an asphalt apron to control unravelling, but they can work with SPSA to determine the appropriate width for the access road based on the type of vehicles that will be using it. Guardrails were discussed, including a suggestion from Mr. Lewis that VDOT work to create a co-project for the necessary guardrails for the flyover project alongside the City of Suffolk's funded plan for adding more guardrails.

Chairman Hansen asked VDOT what they have been experiencing in terms of project cost escalations and what they foresee as potential escalations for the flyover project. Mr. Hall said that 2.4% is a typical escalation, but in the current market and due to the fact that the construction portion of the project is still two years away, it is impossible to project specific escalations with any accuracy. However, Mr. Hall reported that VDOT is monitoring the costs of labor and materials very closely to see if any impacts can be anticipated.

After a question was raised by Mr. Davis, it was clarified that at the completion of Phase I of the flyover project, the current crossover entrance to the Regional Landfill should be completely closed with the removal of all asphalt and recreation of the ditch. Mr. Davis also brought up the subject of public outreach. Chairman Hansen suggested that VDOT post the flyover project notice as a Willingness to hold a public hearing, meaning that no public hearing is scheduled, but questions will be answered individually and a public hearing will be held if the need arises. Mr. Davis anticipates the Willingness to be posted in February of 2022. Chairman Hansen commented that, since it is not blocking access and does not involve eminent domain, he hopes that the public will not take issue with the project. Mr. Lewis agreed and added that the public should see the project as a much-needed improvement. Ms. DeVary encouraged VDOT to be deliberate about the language they use to describe the project

because the flyover itself is not directly related to landfilling and references to the Regional Landfill may generate unrelated questions or comments.

Because it is probable that the Corps will request time to respond after their upcoming meeting with VDOT, it is likely that the best time for VDOT to present to the Board of Directors would be at the February 2022 meeting and then present again in August of 2022 when 60% designs are completed. Ms. DeVary added that the most appropriate way for VDOT to stay in touch with the Committee is to reach out to her and she will contact them to ensure that there is no appearance of an electronic meeting taking place.

It was determined that the next meeting of the Flyover Oversight Committee will take place on December 6, 2021 at 3:00pm, which is a previously scheduled meeting time for VDOT and SPSA. VDOT will attend in person. Ms. DeVary asked Chairman Hansen if he wants the Committee to be involved in a proposed meeting to discuss how the billing process between VDOT and SPSA will take place. Chairman Hansen expressed interest and Ms. DeVary told him she would reach out about scheduling when she had more information.

Chairman Hansen thanked VDOT for their willingness to participate with the Committee. Mr. Hall responded that the flyover is a great project and is representative of the collaborative work that VDOT should be doing with the region.

Having no further business, Chairman Hansen adjourned the meeting at 10:34 a.m.

7. Interim Executive Director Updates

Attachments:

- Landfill Operational Summary
- Executive Committee Minutes – October 20, 2021, November 3, 2021, November 16, 2021

Landfill Operational Summary

SPSA Regional Landfill Operational Summary		KEY:			
Period	December 1, 2021 to December 31, 2021		Change Since Last Report		
			All Is Well		
			Working On		
			Noted Issue		
Item	Metric Item	Metric	Performance/Comment	Status Code	Comments/Corrective Actions
1	Regulatory Compliance				
1.1	Notice of Violations	None	In Compliance		No issues during the reporting period.
1.2	Environmental compliance and reporting	Compliance	All submissions made.		DEQ Warning Letter for Outfall 002 Monitoring Results: will report <QL for nondetectable results and the lab will utilize lower RL thresholds on COAs.
1.2.1	Solid waste operations	Compliance	In Compliance		No issues during the reporting period.
1.2.2	Title V	Compliance	In Compliance		New EPA regulations have been issued. Still awaiting VDEQ's final decision on whether they will accept those regulations as written or enforce more stringent limits as allowed by the new EPA rules. Warning Letter on 12/10/2021 from 1st half Semi-Annual Report
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.
2	Landfilling Operations				
2.1	Tonnage Landfilled	Actual Tons	27,554		
2.2	No. staff	13.5	7.5		6 vacancies: 2 Landfill Equipment Operators, 1 Solid Waste Assistant, 1 Environmental Tech, 1 L&E Support Specialist, 1 L&E Compliance Specialist
2.2	Equipment Utilization	Key equipment fully operational and deployed	All equipment operating and deployed with appropriate spares		
3	Cover Operations				
3.1	Total Cover Material Received	Actual Tons	14,328		
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.

4	Leachate Management				
4.1	Pump stations operational during period	100 % Operational	All pump stations are operational, pump performance is being monitored, and repairs/replacements made as necessary.		All vaults are operational.
4.2	SCADA system operational during period	100 % Operational	Fully operational		SCADA is fully operational. Low Flow to meters to HRSD, FIT-0301, and FIT-0401 were calibrated on 12/28 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		727,517.0	From 12/1 to 12/31
4.5.1.1	Cell V, Sumps 1-4	x gallons		305,643	From 12/1 to 12/31
4.5.1.2	Cell VI, Sumps 5-8	x gallons		522,631	From 12/1 to 12/31
4.5.2	Quantity of leachate hauled for disposal during period	x gallons		481,945	From 12/1 to 12/31
4.5.3	Disposal costs in period: \$		\$	20,507	From 12/1 to 12/31
4.5.4	Any issues relative to leachate quality and acceptance at WWTPs?	No constraints	No constraints		
5	Landfill Gas Management	Compliance	In compliance		
6	Odor Complaints	No complaints		0	From 12/1 to 12/31
7	HRSD Force Main	Contract Schedule	None provided to date.		Working with HRSD.

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 – October 20, 2021

Executive Committee Minutes
Southeastern Public Service Authority of Virginia
October 20, 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 Dale Baugh, who was participating electronically for personal reasons from Nashville, TN. There were no objections to his electronic attendance. The other Committee Members present at this meeting were Ms. Sheryl Raulston, Mr. John Keifer, and Mr. Randy Keaton. Also in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley, and Executive Administrator, Tressa Preston, and General Counsel, Brett Spain.

Items for Discussion:

1. Review and approve Executive Committee Minutes of September 15, 2021

Ms. Raulston moved, seconded by Mr. Keaton, to approve the minutes of September 15, 2021. The motion was adopted by a unanimous vote in favor.

2. Chairman's Comments

Chairman Baugh commented that there are many new and ongoing topics that will be covered in the agenda and that he continues to be impressed by the excellent work of Ms. DeVary and her staff. He went on to say that he has completed his tours of all of the SPSA Transfer Stations and has been pleased in what he saw in terms of cleanliness, safety, leachate management, and employee morale. Chairman Baugh noted that the Chesapeake Transfer Station is especially busy, that Scalehouse Operators are broadly skilled, and that SPSA's capital equipment is worked hard, making tire maintenance particularly important. Chairman Baugh said that SPSA has a full plate of important activities that will shape the future of the organization for many years to come. He encouraged the Executive Committee to pay attention and contribute whenever there is opportunity to provide input. He also stated that SPSA has an outstanding staff that is capable of balancing all of the activities ahead.

3. Closed Session

Motion to Approve Request for Closed Meeting.

Chairman Baugh read the following closed session motion:

I move that a closed session be held for discussions regarding the status of the proposed amendment to the Waste Disposal and Services Agreement between Wheelabrator Portsmouth Inc. (now WIN Waste) and SPSA in accordance with (a) Virginia Code Section 2.2 3711(A)(29) for the purpose of considering the negotiation and award of a public contract involving the expenditure of public funds and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body; and (b) 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.

Mr. Keifer moved, seconded by Ms. Raulston, to approve the closed session motion as read. The motion was adopted by a unanimous roll call vote in favor.

Motion to Approve Certification after Closed Meeting.

The Executive Committee 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.

Ms. Raulston moved, seconded by Mr. Keifer, to approve certification as read. The motion was adopted by a unanimous roll call vote in favor.

4. Executive Director Reports

a) New Items:

i. Presentation to Virginia Beach City Council

On September 28, 2021, Ms. DeVary met with the Virginia Beach City Council during one of their work sessions. The meeting went well and SPSA Board Members L.J. Hansen and Tom Leahy were present. The City Council's primary concerns are cost related. There were several questions about Wheelabrator's future plans and anticipating tip fee changes.

ii. Audit Committee Meetings

The Audit Committee met twice, first in September with Ms. Lowe and Mr. Leahy to go over the financial statements in detail with Ms. DeVary, and then again with Ms. Lowe, Mr. Leahy, and Mr. Maxwell meeting with staff and Laura Booth, the auditor from Cherry Bekaert to complete a full review. The Auditors will present at the October Board Meeting and the Audit Committee minutes from both meetings are included in the Board Agenda. The Audit Committee voted to allow Ms. Lowe to review and approve the minutes from the second meeting on behalf of the Committee. The Audit Committee also voted to recommend that the Board approve the audited financial statements.

iii. Meeting with Columbia Gas

Ms. DeVary and Mr. Bagley met with representatives from Columbia Gas to discuss the possibility of moving the gas line that runs through the middle of the landfill at the same time Columbia Gas expands the gas line. While it was originally thought that perhaps the existing gas line could be moved to meet Columbia Gas' needs, as well as potentially create more landfill space, it was discovered that there are actually two gas lines that run along the easement. Moving two lines is not in the scope of the Columbia Gas project and would be incredibly costly. Ms. DeVary and Mr. Bagley will

continue to meet with Columbia Gas to discuss their needs and plans for expansion and will bring that information to the Board at a later date when their plans are more solid. Based on a question from Mr. Keifer, Ms. DeVary clarified that Columbia Gas has an easement on the Regional Landfill property that was in place before SPSA purchased the land.

b) Ongoing Items:

i. Flyover / VDOT Oversight Committee Meeting

On October 7, 2021, the Flyover Oversight Committee met and, moving forward, there will be a set place on the agenda for the Committee to inform the Board of new information. The meeting went well and there is another meeting planned for December 6, 2021, as well as plans for the Committee to help review invoices from VDOT. VDOT has reported that they are seeing some savings, but are not reducing their estimate at this time. Ms. DeVary has been very clear with VDOT that the cost estimate needs to not increase.

ii. Wetlands Permitting

As a part of the Environmental Impact Statement (EIS) process, a Phase 1A cultural resource study was done on the proposed sites for Cells VIII and IX. This study was similar to the one conducted on Cell VII in 2007 and 2008. While there is a low probability that there were historical inhabitants in the area, it is being recommended that a full cultural resource assessment be conducted at an estimated cost of \$85,000. This was discussed during a recent third-party consulting call with the Army Corps of Engineers, VHB, DEQ, EPA, and a number of Tribal Representatives. Ms. DeVary commented that there will likely need to be more funds allocated for this project in the future, but not at this time.

Regarding the selection of off-site alternatives for the EIS, the Corps has yet to decide which sites will be included, and until that decision is made, they cannot give an estimate on when the draft EIS will be completed. The Corps feels that the letter from the Virginia Attorney General was unclear regarding the possible exceptions that can be made to allow a new landfill to be sited on a location that will impact more than two acres of wetlands. The Corps plans to reach out to DEQ with questions about whether or not the specific possible off-site alternatives could be considered as an exception to the legislation prohibiting new landfill sites impacting more than two acres of wetlands. Ms. DeVary went on to say that this process continues to be challenging, but that she understands the Corps' need for thorough and detailed documentation to support their findings.

iii. Landfill Gas Agreement

As has been previously reported to the Board, Ms. DeVary reminded the Committee that Mas Energy was responsible for missed gas well readings over the summer and that SPSA submitted a revised Title V Semi-Annual Report to DEQ after some of that data was recaptured. A meeting was held on October 13, 2021 to discuss Title V Compliance at the Regional Landfill. John Brandt from DEQ and representatives from HDR were present. Michael Hall from Mas Energy participated electronically and took full responsibility for all of the issues with gas well monitoring at the Regional Landfill.

Mr. Brandt had previously thought that SPSA would be receiving a warning letter due to the missed readings, but after discussion with his colleagues, he believes it is likely that SPSA will be receiving a Notice of Violation (NOV) and a civil penalty, but no regulatory correction. Mr. Brandt commented that he and DEQ are very impressed with SPSA's steps to correct the issue, including additional quality control measures, third-party testing, shadowing, and purchasing its own equipment for internal spot testing. If a fine and NOV are issued, they will come to SPSA, but Mas will pay for everything and the NOV will not include a public notice, but will be listed on DEQ's website.

Ms. DeVary believes it is in SPSA's best interests to continue to move forward with the Amended and Restated Landfill Gas Agreement with Mas Energy. Both she and Mr. Bagley have seen remarkable improvement in the work being done. Mas has a weekly meeting with Regional Landfill staff and has a plan to replace all of the wellfield system in Cells V and VI. Ms. DeVary is confident that Mas knows how to run a renewable natural gas facility efficiently and effectively. She and legal counsel have taken this opportunity to add additional compliance standards to the contract and include the new protocol that is now working well at the facility. Ms. DeVary will discuss this in her Executive Director Report at the October Board Meeting with the hopes of bringing the agreement to the Board for approval at the December Meeting.

iv. Proposed General Assembly Legislation

Ms. DeVary reported that she had a call scheduled for later in the day to speak with attorney Meade Spotts about the proposed legislation imposing a \$3 per ton tax on landfilled waste. The HRPDC is aware of this proposal and at their Legislative Committee Meeting, which Ms. DeVary attended, it was discussed that they would include this proposed legislation in their work and join with the coalition against this tax. As discussed at SPSA's September Board Meeting, there is no correlation between taxing landfills and funding parks and any new charges would undoubtedly be passed on to citizens with a disproportional impact to lower income residents.

v. HRSD Force Main Project

Ms. DeVary informed the Committee that she is preparing to issue a bid for a leachate evaporation system. There has also been a task order issued for HDR to prepare the bid specifications. Ms. DeVary will speak with Ted Henifin at HRSD and the Board once the bid has been issued.

5. Other Business

Mr. Keifer asked about the recent COVID-19 testing mandates that have been implemented for staff that is not fully vaccinated or declines to disclose their vaccination status. Ms. DeVary reported that 15 SPSA staff members are unvaccinated and one person has resigned due to the testing requirement. Employees must submit their tests on the same day each week and, for the most part, testing has been free to employees. The Committee discussed respecting the choices of staff while at the same time ensuring that the safety of all employees is maintained.

6. Meeting Adjourned at 11:47 a.m.

Executive Committee Minutes – November 3, 2021

Executive Committee Minutes
Southeastern Public Service Authority of Virginia
November 3, 2021

A special meeting of the Executive Committee was held at 8:00 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman Dale Baugh. The other Committee Members present at this meeting were Ms. Sheryl Raulston, Mr. John Keifer, and Mr. Randy Keaton. Also in attendance were Executive Director, Liesl R. DeVary, Deputy Executive Director, Dennis Bagley, Executive Administrator, Tressa Preston, General Counsel, Brett Spain, and Board Members Mr. Luke McCoy, Mr. Thomas Leahy, and Mr. L.J. Hansen.

Items for Discussion:

1. Review SPSA Current Status

Chairman Baugh reminded the Committee that, following the October Board Meeting, Ms. DeVary tendered her resignation, effective December 31, 2021. He went on to say that operations continue as usual, staff remains in place to continue the good work that they do, and that the fiscal year 2022 budget is solidly in place.

2. Decisions Needed

Chairman Baugh stated that SPSA will need to begin the process of finding a new Executive Director and Board Treasurer. He suggested that the Executive Committee look at the existing job description and see if they would like to make any changes, determine how they would like to go about recruiting, assess the timeline, discuss the best ways for the Board to support SPSA in the interim, and schedule a Board Meeting to offer their recommendations.

3. Review of Current Organizational Structure and Job Descriptions

Chairman Baugh asked Ms. DeVary to describe the current organizational structure and job descriptions. Ms. DeVary provided copies of SPSA's organizational chart for those present, explaining that the structure has been in place for 12 years. There is one Deputy that manages operations and the Executive Director handles finances and administration. She explained that when Mr. Taylor, her predecessor, was Executive Director, the chart was essentially flipped, with the Executive Director overseeing operations and the Deputy Executive Director managing the financial and administrative departments. Ms. DeVary went on to say that the current structure works well as a streamlined operation, particularly given that the sale of the Waste to Energy plant in the spring of 2010 reduced the workforce from 400 employees to 139 employees and multiple layers of management are not needed. Ms. DeVary also clarified that she has served as Chief Financial Officer since the beginning of her employment at SPSA and, at her request, she retained that role when she became Executive Director. Ms. DeVary also made it clear to the Committee that her choice to resign was in no way related to a workload issue and that she had no difficulty in performing the roles of Executive Director and Chief Financial Officer simultaneously.

The Committee discussed whether or not it was in SPSA's best interests to separate the roles of Executive Director and Chief Financial Officer moving forward. They determined that while Ms. DeVary has done an excellent job in both roles and that SPSA has a multitude of internal controls in place to ensure fiscal accountability, they agreed to keep the roles separate and seek both an Executive Director and a Chief Financial Officer. There was discussion of additional organizational restructuring, but it was decided that it will be more valuable to evaluate the candidates and their skill sets before making suggestions of that nature.

The discussion turned to the role of Board Treasurer as defined in the SPSA Bylaws. Ms. DeVary has served as Treasurer since her employment began. The Board will need to elect a new Treasurer, which can be a SPSA staff member. While the Committee does not think it will be necessary to do so, the Board has the ability to change the Bylaws to reflect different responsibilities for the Treasurer, if they so choose.

4. Consider "Personnel Committee"

Chairman Baugh suggested that Personnel Committee be appointed to oversee the hiring of a new Executive Director. The Committee agreed with that suggestion and discussed details on the formation of that committee. It was also mentioned that other committees could be formed as needed to assist with large operational issues, if necessary.

Before moving into closed session, Chairman Baugh summarized the group's consensus to have a Chief Financial Officer role that is separate from the role of Executive Director, to use the existing Executive Director job description for recruiting, that the Board would consider appointing committees to provide assistance in operations, that a Personnel Committee should be appointed to oversee the hiring process, and that the existing organizational structure would remain intact for now, but that the new Executive Director may restructure if they determine that to be necessary.

Ms. DeVary said that she would work on a Chief Financial Officer job description to provide to the Committee. It was also determined that, while not a matter to conflate with Executive Director recruitment, the Executive Committee recommends looking into creating a Director of Environmental Compliance role in the future.

5. Closed Session

Mr. Hansen left the meeting prior to the beginning of the closed session.

Motion to Approve Request for Closed Meeting.

Chairman Baugh read the following closed session motion:

I move that a closed session be held in accordance with (a) Virginia Code Section 2.2 3711(A)(1) for discussion regarding the resignation of the Executive Director and for discussion and/or consideration of perspective candidates for the position of Executive Director.

Mr. Keifer moved, seconded by Ms. Raulston, to approve the closed session motion as read. The motion was adopted by a unanimous roll call vote in favor.

The participants in the closed session were limited to Mr. Baugh, Ms. Raulston, Mr. Keifer, Mr. Keaton, Mr. Leahy, Mr. McCoy, and Mr. Spain. The Committee also determined that the limited participation of Ms. DeVary and Mr. Bagley would reasonably aid the Committee in its consideration of the topics to be discussed in closed session. Mr. DeVary was asked to be present at the beginning of the closed session. After she left, Mr. Bagley participated in the next part of the meeting and then left, leaving only the board members and counsel.

Motion to Approve Certification after Closed Meeting.

The Executive Committee 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.

Mr. Keifer moved, seconded by Ms. Raulston, to approve certification as read. The motion was adopted by a unanimous roll call vote in favor.

6. Action Items

Chairman Baugh summarized the recommendations that the Committee likely will be making to the Board of Directors. They included assigning an Interim Executive Director, seeking an Interim Chief Financial Officer under a 1099 contract until a permanent hire is found, advertising for the position of Executive Director state-wide, and that a Personnel Committee be established to assist the hiring process. It was suggested that Mr. Leahy Chair the Committee, with Mr. McCoy and possibly Mr. Broad as members.

The Executive Committee planned to have another meeting in the near future to continue to prepare recommendations, in addition to their regularly scheduled meeting on December 1, 2021. The Committee intends to make their recommendations to the full Board at the regularly scheduled December Board Meeting.

7. Meeting Adjourned at 11:35 a.m.

Executive Committee Minutes – November 16, 2021

Executive Committee Minutes
Southeastern Public Service Authority of Virginia
November 16, 2021

A special meeting of the Executive Committee was held at 9:00 a.m. in the second-floor conference room of the SPSA Regional Office Building in Chesapeake, Virginia and was called to order by Chairman Dale Baugh. The other Committee Members present at this meeting were Ms. Sheryl Raulston, Mr. John Keifer, and Mr. Randy Keaton. Also in attendance were Deputy Executive Director, Dennis Bagley, Executive Administrator, Tressa Preston, General Counsel, Brett Spain, and Board Members Mr. Luke McCoy and Mr. Thomas Leahy.

Items for Discussion:

1. Review SPSA Current Status

Chairman Baugh reported that there have been no changes in Ms. DeVary's plans to depart at the end of December. He asked Mr. Bagley to report on the status of SPSA operations.

Mr. Bagley informed the Committee that SPSA operations continue as usual. A power issue at Wheelabrator that occurred the day before has now been resolved and they are up and running. Mr. Bagley informed the Committee that on December 7th the Army Corps of Engineers will be touring the Regional Landfill with their third-party consultants, which include representatives from environmental groups and local tribal nations. SPSA has rented a passenger bus so that they will all receive the same information when Mr. Bagley leads the tour. Jeff Murray from HDR Engineering will be at the tour to talk about the landfill liner. There will be a tent set up to demonstrate the SCADA system that monitors leachate and there will be presentation boards that show details of the inner workings of the landfill liner system. Mr. Bagley sees this as an excellent opportunity to dispel some misconceptions and demonstrate SPSA's commitment to running an environmentally sound, state-of-the-art operation. It was determined that Ms. Raulston will attend the tour to lend her expertise and represent the Board of Directors. Mr. Bagley also briefly mentioned receiving documents from VDOT regarding the flyover project, including their first invoice. The next meeting of the Flyover Oversight Committee will take place on December 6, 2021.

2. Recommendations Needed

Chairman Baugh informed the Committee that he would like them to determine what their recommendations to the Board will be for addressing vacancies and personnel needs resulting from Ms. DeVary's resignation, and how best to present those recommendations. Once those determinations are reached, he would also like the Committee to individually reach out to Board Members who do not attend Committee meetings to inform them of what the Committee intends to recommend at the December Board Meeting. The Committee will also be meeting again on December 1, 2021, at their regular meeting, ahead of the Board Meeting on December 8, 2021.

As they did at the previous meeting, the Committee agreed that the current Executive Director job description, as defined by the Bylaws, is sufficient for the new recruitment. They also

agreed that the role of Chief Financial Officer should be separate from the role of Executive Director.

At the request of the Committee, Ms. Preston created an Executive Director recruitment brochure based on the one used in the most recent Executive Director search in 2017. The Committee reviewed the brochure, made suggestions on language, and determined that a section on "Challenges and Opportunities" would be added to highlight that the new Executive Director will be responsible for the ongoing landfill permitting process, the flyover project, and the upcoming changes to the waste stream at the conclusion of the Wheelabrator contract. The Committee agreed to list the salary range as \$175,000 to \$190,000 depending on qualifications and experience. They also determined that applicants will submit their information to Ms. Preston to compile for the Personnel Committee to review. With the assistance of Mr. Leahy and Ms. Raulston, Ms. Preston will update the brochure and present a suggested list of organizations and publications with which to advertise the position at the December 1, 2021 Executive Committee Meeting.

Regarding the Personnel Committee, it was determined that Chairman Baugh would recommend Mr. Leahy to Chair the Personnel Committee, along with Ms. Raulston, Mr. McCoy, and Mr. Richard Broad as members. Mr. McCoy will only serve until his tenure on the Board is completed on December 31, 2021, but has offered to be available if needed.

Chairman Baugh had not yet reviewed the CFO job description from Ms. DeVary, however, after the November 3, 2021 Executive Committee Meeting, Mr. Leahy and Mr. Keaton reached out to some contacts inquiring about the possibility of identifying a candidate for interim CFO. Unfortunately, they were unable to find individuals that were both interested and able to dedicate the time required to the role. With no other options readily available, it was determined that operations will need to continue with current staff, noting that staff will continue to report line-item transfers and procurements to the Board via Board Meeting agendas. It was also suggested that perhaps it would be advantageous for the Audit Committee to meet and discuss SPSA's investments with Ms. DeVary prior to her departure. Mr. Bagley added that, as work on the FY 2023 Budget is already underway, with the assistance of the Board in investment matters, the interim workload could be covered by internal delegation of existing staff.

The Committee briefly discussed the options of allowing the person appointed Interim Executive Director internal restructuring responsibility, versus waiting for a permanent hire to oversee any necessary restructuring.

3. Closed Session

Motion to Approve Request for Closed Meeting.

Chairman Baugh read the following closed session motion:

I move that a closed session be held in accordance with (a) Virginia Code Section 2.2 3711(A)(1) for discussion regarding the resignation of the Executive Director and for discussion and/or consideration of prospective candidates for the position of Executive Director, Treasurer, and related positions to be filled on an interim or permanent basis as a result of the resignation of the Executive Director.

Mr. Keifer moved, seconded by Ms. Raulston, to approve the closed session motion as read. The motion was adopted by a unanimous roll call vote in favor.

The participants in the closed session were limited to Mr. Baugh, Ms. Raulston, Mr. Keifer, Mr. Keaton, Mr. Leahy, Mr. McCoy, and Mr. Spain.

Motion to Approve Certification after Closed Meeting.

The Executive Committee 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.

Mr. Keifer moved, seconded by Mr. Keaton, to approve certification as read. The motion was adopted by a unanimous roll call vote in favor.

4. Action Items

Chairman Baugh summarized that the Executive Committee plans to recommend that the Board take action on the following: advertise for an Executive Director using the current job description; approve the formation of a Personnel Committee to oversee the hiring process; address the issue of hiring a CFO and appointing a Treasurer, as necessary; approve an interim leadership plan; and offer additional Board support as needed. Some of these discussions will take place in closed session.

Each Board Member present at Executive Committee committed to reaching out to individual Board Members to inform them of the work the Committee has been doing. However, before these conversations occur, Chairman Baugh and Mr. Spain will discuss proper protocol for reaching out individually to Board Members to inform them of the Committee's pending recommendations.

5. Meeting Adjourned at 11:42 a.m.

8. WIN Waste Innovations – Portsmouth Monthly Report

Presented by Mr. Clint Stratton, Plant Manager

January 13, 2022

Dennis Bagley
Southeastern Public Service Authority
723 Woodlake Drive
Chesapeake, VA 23320

Dear Mr. Bagley:

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				THIRD PARTY		OUT-OF-STATE		OUTSIDE-AREA		TOTAL		RDF WASTE				RESIDUE		MW SOLD TO THE GRID (MWh)
	ACCEPTABLE WASTE (TONS)	ACCEPTABLE WASTE (TONS)	ACCEPTABLE WASTE (TONS)	ACCEPTABLE WASTE (TONS)	ACCEPTABLE WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	ALL WASTE ACCEPTED AT RDF (TONS)	NP REMOVED FROM RDF (TONS)	PROHIBITED WASTE	DIVERTED TO LANDFILLS (TONS)	PROCESSED WASTE (CALC)	PROCESSED FORMULA	
JAN	40,450.18	12,657.54	1,557.04	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	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	1,899.70	-	58,088.09	36,893	58,088.09	7,544.22	-	-	50,543.87	50,341.98	12,484.66	14,908				
APR	52,509.39	6,460.51	1,568.10	1,568.10	-	60,538.00	35,622	60,538.00	5,254.43	-	-	55,283.57	52,563.11	16,823.69	16,513				
MAY	40,946.36	2,422.43	887.66	887.66	-	44,256.45	40,928	44,256.45	4,700.58	-	-	39,555.87	42,248.11	12,112.68	14,005				
JUN	50,768.38	4,286.10	1,111.15	1,111.15	-	56,165.63	38,450	56,165.63	6,208.16	-	-	49,957.47	45,696.58	11,801.59	15,483				
JUL	52,029.37	7,582.82	1,090.31	1,090.31	-	60,702.50	31,836	60,702.50	6,166.98	-	-	54,535.52	55,173.95	15,604.26	16,617				
AUG	50,149.24	5,738.92	1,205.70	1,205.70	-	57,093.86	31,046	57,093.86	7,307.72	-	-	49,786.14	52,774.15	13,897.73	16,168				
SEP	52,165.39	3,044.97	1,000.53	1,000.53	-	56,210.89	24,798	56,210.89	4,424.63	-	-	51,786.26	48,908.11	13,624.64	13,457				
OCT	48,867.29	286.28	907.52	907.52	-	50,061.09	26,307	50,061.09	4,114.20	-	-	45,946.89	46,060.03	12,815.88	13,401				
NOV	47,244.90	3,051.02	843.05	843.05	-	51,138.97	50,367	51,138.97	5,586.15	-	-	45,552.82	43,057.38	11,382.51	14,595				
DEC	45,710.48	4,262.00	969.56	969.56	-	50,942.04	65,438	50,942.04	4,339.21	-	-	46,602.83	44,099.33	15,346.03	12,517				
YTD TOTAL	566,164.47	70,571.01	14,834.08	14,834.08	-	651,569.56	528,482.00	651,569.56	66,534.47	-	-	585,035.09	573,241.30	163,436.70	172,077.00				

* 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	72.1%	192	493	97.4%	0	59
JUN	83.0%	344	144	98.8%	0	27
JUL	88.3%	0	347	99.6%	8	0
AUG	92.5%	155	67	100.0%	0	0
SEP	83.4%	117	362	100.0%	0	0
OCT	85.1%	156	286	100.0%	0	0
NOV	83.0%	114	375	98.4%	0	35
DEC	82.3%	0	527	100.0%	0	0
YTD TOTAL	86.3%	1,570.00	3,097.00	97.6%	496.00	136.00

WIN Waste Innovations
SUPPLEMENTAL INFORMATION
December 2021

Total Waste received by SPSA:	45,710 tons
Waste delivered to RDF:	50,942 tons
Total RDF processed:	44,099 tons
Residue sent to landfill:	15,346 tons*
Electric power sold:	12,517 MW
Steam sold to Navy:	65,438 K-LBS
Overall Boiler availability:	82%
Overall Generator availability:	100%
Environmental Incidents	0

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	2

General Notes:

* This total includes 1752.31 tons of non-qualifying residue delivered to the landfill this period, qualifying residue 88.58% for this period.

Unscheduled downtime due to failure of 2 ID fan bearing and rotor on 11/22/21. Unit back online as of 12-12-21.

WIN Waste Innovations

Monthly Report for the Month of December 2021

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

Environmental Issues:

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

Tests Completed:

Monthly Industrial Discharge Samples
Fuel Oil Sample
Annual Stack Tests
Quarterly Ash Test

Tests Planned:

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

Inspections:

None

Air Quality Violations:

None

Safety Issues:


OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	2
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	0

Op Stats: see attached spreadsheet

Upcoming Planned Outages:

2022 Outages

January	No outage
February 13-20	Boiler 3
March 13-20	Boiler 4
April 11-21	Boiler 1
May	No outage
June 12-19	Boiler 2
July 11-19	Boiler 3
August 15-22	Boiler 4
September 19-26	Boiler 1
October	No outage
November 14-22	Boiler 2
December	No outage

Item	Metric Item	Metric	Performance	Status	Comments
WIN Waste Innovations RDF and WTE Operational Summary Provided by WIN Waste Innovations Dec. 1, 2021 to Dec. 31, 2021 KEY: Change Since Last Report All Is Well Working On Noted Issue 					
1	Regulatory Compliance				
1.1	Notice of Violations	Compliance	In Compliance		No issues during reporting period
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
2	RDF Tipping Floor Operations				
2.1	Wait Times	<30 min			Wait times were running higher than normal, we diverted tonnage to manage floor volumes.
2.2	Floor Volume	<1,000 Tons			Floor volumes exceeded 1000 tons, the facility diverted to manage floor volumes and wait times
2.3	Equipment Utilization	Key equipment fully operational and deployed			B line shredder was unavailable, worked with Corp. Engineering to repair thrust issues with machine. Unit back online on Jan 8th, 2022
3	Ash				
3.1	Ash Delivered to RLF	Actual Tons	15,346		
3.2	Percentage of Ash Re-classified	<20%	1,752		Reclassified was 11.42%
3.3	Percentage of Ash used as ADC	> 80%	13,594		ADC was 88.58%
3.4	Rejected Loads of Ash	0	0		
4	WTE				
4.1	Boiler Availability	> 90%	82%		Downtime driven by 2 boiler ID fan rotor
4.2	TG Availability	> 90%	100%		
4.3	Ash Screener Availability	> 95 %	100%		
5	Cleanliness/Litter Control				
5.1	Citizen Complaints	0			Overall cleanliness of the facility continues to improve.
5.2	Odor Complaints	0			No issues during reporting period

Acronym Definitions

RDF - Refuse Derived Fuel, **WTE** - Waste To Energy, **VPDES** - Virginia Pollution Discharge Elimination System, **ADC** - Alternative Daily Cover, **TG** - Turbine Generator

9. Financial Report

Statement of Revenue and Expenses – Budget to Actual Comparison

For the month ending December 31, 2021, total revenues exceeded total expenses by approximately \$4.4 million as compared to \$5.3 million in the previous year.

Tipping fee revenue received FYTD reflects an increase of 7.4% or approximately \$1,735,000 as compared to fiscal year 2021. Municipal waste tons are down approximately 10.5% or 27,749 tons as compared to fiscal year 2021.

For the month ending December 31, 2021, total expenses were approximately \$22.5 million as compared to \$20.7 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 2022 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 December 31, 2021, municipal waste tonnages reflect a decrease of 10.5% or approximately 27,749 tons as compared to December 31, 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 December 31, 2021, operating cash balances were approximately \$56.8 million representing approximately \$3.4 million in the operating account, \$6.4 million in undesignated fund balance, \$3.4 million for FY 2021 Rolled Purchase Orders, \$2.5 million reserved for the HRSD Force Main, \$3.3 million for Landfill Expansion Purchase Orders and \$37.7 million designated for landfill expansion/closure.

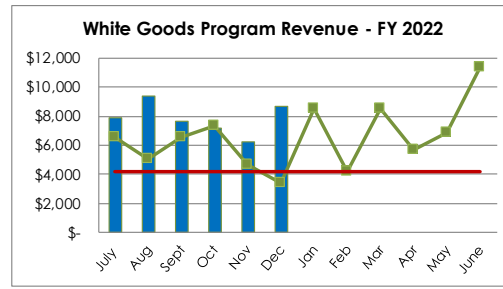
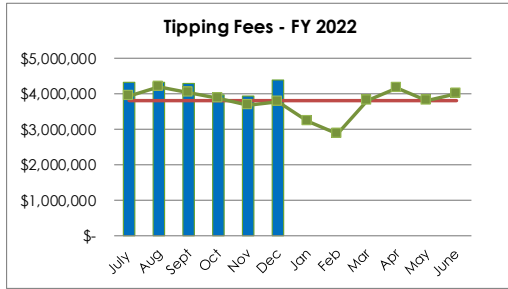
MOTION: Do I hear a motion that the SPSA Monthly Financial Reports, subject to audit be approved as presented?

Southeastern Public Service Authority Statement of Revenue and Expenses - Budget to Actual Comparison For the Period Ending December 31, 2021								
	December 2021				December 2020			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
REVENUES								
Tipping Fees	\$ 45,951,468	\$ 4,397,852	\$ 25,283,797	55.0%	\$ 41,756,055	\$ 3,774,392	\$ 23,548,628	56.4%
Tire program	600,000	64,663	418,879	69.8%	600,000	47,208	304,385	50.7%
Household Hazardous Waste Revenue	386,650	21,722	241,377	62.4%	333,000	26,239	202,659	60.9%
White Goods Program	50,000	8,696	46,999	94.0%	40,000	3,369	33,367	83.4%
Landfill Gas Recovery	260,000	7,986	46,092	17.7%	260,000	18,639	111,270	42.8%
Miscellaneous Income	268,729	72,720	215,661	80.3%	1,429,891	20,879	1,294,698	90.5%
Interest Earnings	450,000	37,594	140,651	31.3%	450,000	(2,850)	359,151	79.8%
Fund Balance / Capital / Rolled PO's	4,034,338	1,666	361,275	9.0%	2,542,284	24,624	82,225	3.2%
Fund Balance / Landfill Expansion	3,787,832	9,256	239,294	6.3%	2,273,166	22,298	233,531	10.3%
TOTAL REVENUES	\$ 55,789,017	\$ 4,622,155	\$ 26,994,025	48.4%	\$ 49,684,396	\$ 3,934,798	\$ 26,169,913	52.7%
OPERATING EXPENSES								
Administration								
Salaries / Wages	\$ 850,964	\$ 89,789	\$ 393,696	46.3%	\$ 837,565	\$ 94,891	\$ 423,579	50.6%
Employee Benefits	202,110	13,592	82,926	41.0%	212,102	15,710	92,498	43.6%
A Professional / Contracted Services	691,279	19,459	183,294	26.5%	688,063	19,277	133,696	19.4%
Other Operating Expenses	226,970	18,711	108,125	47.6%	223,872	18,002	102,971	46.0%
Materials / Supplies	19,208	-	4,321	22.5%	17,888	962	3,860	21.6%
Total Administration	\$ 1,990,531	\$ 141,552	\$ 772,363	38.8%	\$ 1,979,490	\$ 148,843	\$ 756,604	38.2%
Environmental Management								
Salaries / Wages	\$ 327,643	\$ 30,914	\$ 136,581	41.7%	\$ 319,891	\$ 33,282	\$ 148,243	46.3%
Employee Benefits	103,908	7,859	47,115	45.3%	114,101	8,334	45,614	40.0%
Professional / Contracted Services	76,150	332	31,972	42.0%	78,200	210	28,618	36.6%
Other Operating Expenses	11,192	337	2,144	19.2%	13,700	2,953	5,298	38.7%
Materials / Supplies	22,860	2,036	8,326	36.4%	22,838	889	3,739	16.4%
Total Environmental Management	\$ 541,753	\$ 41,477	\$ 226,138	41.7%	\$ 548,730	\$ 45,667	\$ 231,513	42.2%
Operations								
Salaries / Wages	\$ 5,840,179	\$ 635,868	\$ 2,685,314	46.0%	\$ 5,731,396	\$ 615,053	\$ 2,810,626	49.0%
Employee Benefits	1,949,313	162,040	898,121	46.1%	1,917,326	167,083	910,378	47.5%
A Professional / Contracted Services	3,085,143	191,355	1,166,257	37.8%	2,996,424	271,896	1,341,977	44.8%
Other Operating Expenses	1,089,685	93,668	398,426	36.6%	1,053,761	(21,561)	316,984	30.1%
Materials / Supplies	1,846,171	146,838	872,303	47.2%	1,813,457	109,479	586,208	32.3%
Total Operations	\$ 13,810,491	\$ 1,229,769	\$ 6,020,420	43.6%	\$ 13,512,364	\$ 1,141,950	\$ 5,966,174	44.2%
TOTAL OPERATING EXPENSES	\$ 16,342,775	\$ 1,412,797	\$ 7,018,921	42.9%	\$ 16,040,584	\$ 1,336,459	\$ 6,954,291	43.4%
CAPITAL PROJECTS / EQUIPMENT REPLACEMENT								
A CELLS 8/9 PERMITTING	822,725	9,256	240,273	29.2%				
A TPS - TIRE SHREDDER	74,543	-	59,650	80.0%				
A ROB - Update Lighting	61,798	3,350	8,404	13.6%				
A RLF- DEMO/CONSTRUCTION	29,193	-	24,919	85.4%				
A RLF - UST/AST REMOVAL & ADD	242,991	7,027	232,084	95.5%				
A HHW TRAILER & SCREENPRINTS	7,800	-	6,300	80.8%				
A VDOT - FLYOVER	2,767,074	110,581	110,581	4.0%				
A RLF - DESIGN BUILD PROJECT	3,420,444	1,666	15,765	0.5%				
RLF - DUMP TRUCK	442,388	-	417,388	94.3%				
RLF - PICKUP TRUCK	32,555	-	-	0.0%				
RLF - WHEEL WASH	300,000	-	-	0.0%				
TSP - ROAD TRACTORS	622,624	-	-	0.0%				
TSP - TRAILERS	630,000	-	-	0.0%				
TSP - YARD DOG	125,000	-	-	0.0%				
CTS - TIP FLOOR REPAIRS	100,000	-	-	0.0%				
HHW - PICKUP TRUCK	33,572	-	-	0.0%				
CTS - ABOVE GROUND SCALE	125,000	-	122,318	97.9%				
NTS - WHEELED EXCAVATOR	342,109	-	-	0.0%				
NTS - WHEELED LOADER	535,570	-	-	0.0%				
OTS - WHEELED LOADER	385,228	-	-	0.0%				
UNDESIGNATED	104,058	-	-	0.0%				
TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT	\$ 11,204,672	\$ 131,880	\$ 1,237,682	11.0%	\$ 9,479,133	\$ 568,732	\$ 986,581	10.4%
OTHER USES								
Contracted Waste Disposal	\$ 21,993,420	\$ 2,101,223	\$ 11,178,475	50.8%	\$ 19,820,929	\$ 1,715,278	\$ 10,682,528	53.9%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Reserves for Landfill Expansion/Closure	6,243,150	520,263	3,121,576	50.0%	4,338,750	361,563	2,169,375	50.0%
Tip Fee Stabilization Fund Refund	-	-	-	N/A	-	-	-	N/A
Virginia Beach Environmental Trust Fund	-	-	-	N/A	-	-	-	N/A
Transfer to Operating Reserve	-	-	-	N/A	-	-	-	N/A
Reserve for Tip Fee Stabilization	-	-	-	N/A	-	-	-	N/A
Contingency	-	-	-	N/A	-	-	-	N/A
TOTAL OTHER USES	\$ 28,241,570	\$ 2,621,486	\$ 14,300,051	50.6%	\$ 24,164,679	\$ 2,076,841	\$ 12,851,903	53.2%
GRAND TOTAL EXPENSES	\$ 55,789,017	\$ 4,166,163	\$ 22,556,654	40.4%	\$ 49,684,396	\$ 3,982,032	\$ 20,792,775	41.8%
NET REVENUES / (EXPENSES)	\$ -	\$ 455,992	\$ 4,437,371		\$ -	\$ (47,234)	\$ 5,377,139	
A Budget has been adjusted by \$7,349,877 for purchase orders rolled over from FY 2021, and projects related to landfill expansion.								

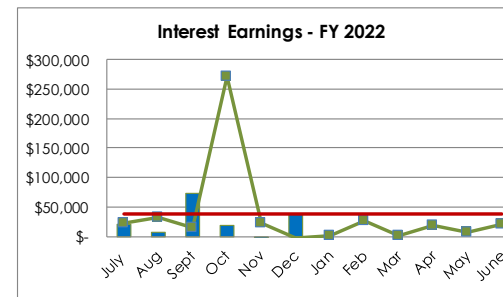
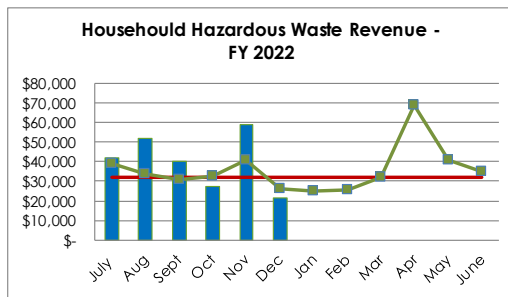
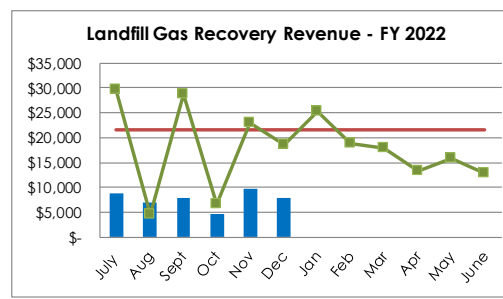
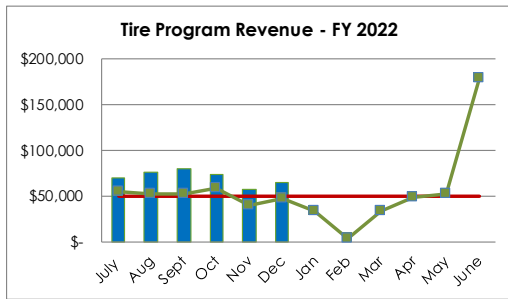
Southeastern Public Service Authority									
Monthly Expense Line Items									
Description	FY 2022 Budget	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	FYTD	From Previous Month	
								\$ Change	% Change
Salaries Exempt	\$ 2,028,362	\$ 150,180	\$ 147,501	\$ 149,814	\$ 150,886	\$ 223,681	\$ 949,954	\$ 72,795	48.2%
Salaries Non-Exempt	4,680,484	336,959	338,969	333,729	323,002	490,698	2,105,708	\$ 167,697	51.9%
Overtime	309,940	26,721	22,841	22,392	29,219	42,192	159,929	\$ 12,973	44.4%
Fica / Medicare Tax	536,936	37,538	37,227	36,212	35,926	54,797	232,569	\$ 18,871	52.5%
VRS Retirement	51,537	3,481	3,485	3,483	3,312	3,432	20,527	\$ 120	3.6%
Health Insurance	1,408,152	112,765	110,514	108,169	107,154	105,846	658,590	\$ (1,308)	-1.2%
Vrs Group Life Insurance	86,097	6,826	6,914	6,842	6,695	6,772	40,828	\$ 78	1.2%
Unemployment Insurance	3,658	33	17	30	26	75	239	\$ 49	190.1%
Workers Compensation	168,951	12,568	12,568	12,568	12,568	12,568	75,408	\$ -	0.0%
Medical Fees	12,450	325	2,365	425	655	835	4,605	\$ 180	27.5%
Security Service	85,680	5,041	10,132	6,772	6,843	8,604	42,974	\$ 1,762	25.7%
Professional Services	224,576	10,339	9,389	31,114	44	(8,123)	43,028	\$ (8,166)	-18661.8%
Engineering Services	248,000	7,697	787	41,850	6,795	14,856	71,984	\$ 8,061	118.6%
Landfill Survey	5,000	-	-	-	-	-	-	\$ -	N/A
Legal Fees	325,000	23,062	53,738	(32,137)	11,339	23,258	79,260	\$ 11,919	105.1%
Environmental Testing	103,000	19,866	1,991	872	17,019	1,267	41,311	\$ (15,752)	-92.6%
Fire Protection	9,250	-	-	-	772	2,661	3,553	\$ 1,888	244.5%
Temporary Employment Services	34,320	172	-	-	-	-	2,008	\$ -	N/A
Uniform Rental	50,608	3,678	2,973	3,623	3,005	4,381	20,960	\$ 1,376	45.8%
Maintenance Service Agreements	159,597	1,607	1,609	3,595	3,444	2,273	42,652	\$ (1,171)	-34.0%
Grounds Maintenance	106,240	-	11,281	6,720	12,139	5,640	37,963	\$ (6,498)	-53.5%
Hazardous Waste Disp/Cleanup	57,000	10,825	-	-	12,280	-	23,105	\$ (12,280)	-100.0%
Equipment Maintenance	963,050	64,889	69,523	65,210	51,200	94,145	389,180	\$ 42,946	83.9%
Building / Site Maintenance	703,641	9,919	6,414	54,690	62,945	16,456	167,586	\$ (46,489)	-73.9%
Leachate Pumping Station Maint	37,500	14,990	2,688	-	-	2,152	19,830	\$ 2,152	N/A
Advertising	9,000	-	299	299	594	-	1,786	\$ (594)	-100.0%
Trustee Expense	1,000	-	-	-	-	-	-	\$ -	N/A
Permit Fees	93,661	(13)	86,955	-	-	350	97,406	\$ 350	N/A
Suffolk Host Fee	624,000	62,685	51,466	37,800	38,913	42,391	292,333	\$ 3,478	8.9%
Electricity	207,700	10,654	13,834	15,290	13,160	12,796	65,959	\$ (364)	-2.8%
Heating/Gas/Propane	9,000	125	120	83	134	1,130	1,593	\$ 995	740.5%
Water / Sewer	43,550	1,168	2,133	2,355	10,676	3,315	21,272	\$ (7,360)	-68.9%
Leachate Treatment	380,000	-	51,893	-	-	41,155	93,048	\$ 41,155	N/A
Telephone	113,050	8,500	9,841	9,131	9,132	9,147	52,926	\$ 15	0.2%
Postage	1,860	118	73	68	118	-	445	\$ (118)	-100.0%
Radio Communication & Repair	3,500	-	1,090	-	-	-	1,090	\$ -	N/A
Insurance & Bonding	217,340	18,612	18,112	18,112	18,112	18,112	109,172	\$ -	0.0%
Landfill Fire Expenses	0	601	(23,158)	4,598	2,500	101	(10,859)	\$ (2,399)	-96.0%
Equipment Rental	57,100	20,300	190	-	10,963	4,373	37,266	\$ (6,590)	-60.1%
Land Lease Payment	3,500	292	292	292	292	292	1,750	\$ -	0.0%
Tire De-Rimming Service	5,000	-	-	-	-	-	-	\$ -	N/A
Travel And Training	31,775	1,083	792	133	196	436	3,685	\$ 240	122.1%
Road Tolls	191,940	16,308	16,894	15,548	15,309	17,838	98,388	\$ 2,530	16.5%
Membership & Professional Dues	3,200	100	-	-	450	-	929	\$ (450)	-100.0%
Bank Fees	48,332	4,016	4,205	4,087	4,288	4,021	24,882	\$ (267)	-6.2%
Awards Programs	10,000	420	66	-	6,665	-	7,151	\$ (6,665)	-100.0%
EMS Support Program	1,000	-	-	-	-	-	-	\$ -	N/A
Office Supplies	13,850	579	517	1,022	707	-	3,560	\$ (707)	-100.0%
Dues & Subscriptions	23,158	599	965	284	1,723	-	3,958	\$ (1,723)	-100.0%
Other Operating Supplies	100,900	5,041	2,572	4,532	8,997	4,748	30,531	\$ (4,249)	-47.2%
Vehicle / Equipment Fuel	911,753	67,490	114,897	69,095	75,571	77,521	469,783	\$ 1,950	2.6%
Vehicle / Equipment Tires	747,700	72,331	50,804	57,606	51,765	65,331	340,551	\$ 13,566	26.2%
Safety Apparel & Equipment	35,400	4,191	1,406	3,825	4,021	114	13,708	\$ (3,907)	-97.2%
Small Equipment	45,478	1,565	3,648	12,714	1,729	1,159	21,214	\$ (570)	-32.9%
Computer Hardware	10,000	120	39	688	797	-	1,644	\$ (797)	-100.0%
Total Operating Expenses	\$ 16,342,775	\$ 1,156,365	\$ 1,262,867	\$ 1,113,533	\$ 1,134,079	\$ 1,412,797	\$ 7,018,921	\$ 278,718	24.6%
Capital Projects/Equip Replacement	\$ 11,204,672	134,454	269,033	635,079	67,237	131,880	1,237,682	64,643	96.1%
Contracted Waste Disposal	21,993,420	1,862,113	1,916,464	1,801,188	1,788,872	2,101,223	11,178,475	312,351	17.5%
Service Fee to Wheelabrator - Adder	15,173,210	1,244,512	1,317,217	1,219,750	1,186,293	1,338,698	7,607,007	152,404	12.8%
Waste Hauling & Disposal	6,820,210	617,601	599,247	581,438	553,717	604,301	3,571,469	50,584	9.1%
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	-	\$ -	N/A
Reserves for Landfill Expansion/Closure	6,243,150	520,263	520,263	520,263	520,263	520,263	3,121,576	-	0.0%
Total Expenses	\$ 55,789,017	\$ 3,673,195	\$ 3,968,627	\$ 4,070,063	\$ 3,510,451	\$ 4,166,163	\$ 22,556,654	\$ 546,349	15.6%

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

FY 2022 (bar)
FY 2021
FY 2022 Budget

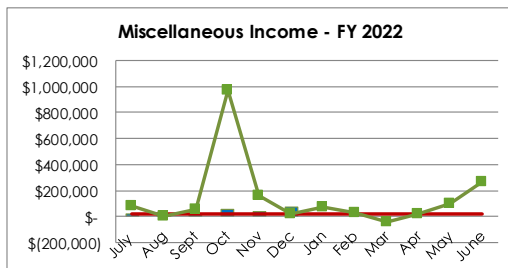


* Monthly revenue is dependent on users.



* Monthly revenue is dependent on users.

Interest payments vary based on investment date and maturity date.

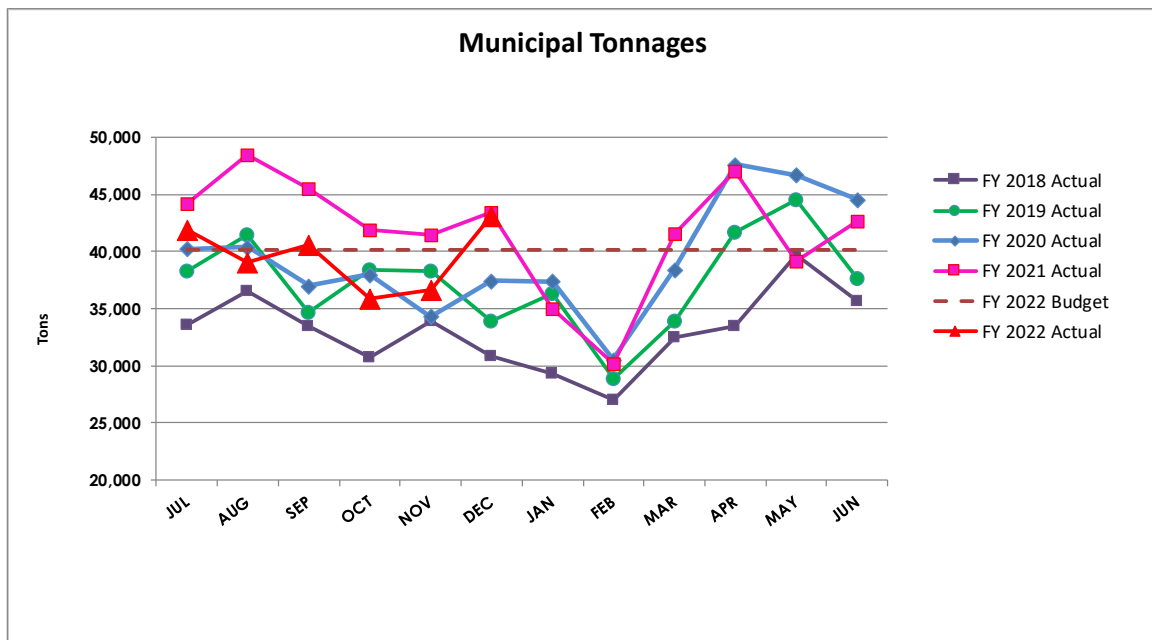




Southeastern Public Service Authority (SPSA) Waste Stream

Waste Category	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 12/31/2021	% of Budget
Waste Stream Budgeted under Tipping Fees							
Municipal Waste							
Chesapeake	90,896	105,353	112,154	114,806	110,000	55,941	50.9%
Franklin	2,698	2,955	3,276	3,499	3,300	1,953	59.2%
Isle of Wight	16,883	17,265	17,102	17,839	18,000	8,204	45.6%
Norfolk	62,587	90,129	92,423	89,209	89,000	39,354	44.2%
Portsmouth	32,769	40,222	43,829	46,339	42,000	22,368	53.3%
Southampton	8,910	10,675	9,881	10,033	10,800	4,969	46.0%
Suffolk	40,847	42,325	46,614	49,639	51,200	24,285	47.4%
Virginia Beach	127,483	138,823	147,250	169,097	157,550	80,131	50.9%
Residential (Free of Charge)	13,711	-	-	-	-	-	N/A
Total Municipal Waste	396,784	447,747	472,529	500,461	481,850	237,205	49.2%
Sludge - Norfolk	5,586	6,040	4,725	4,695	5,500	3,132	56.9%
Navy Waste	26,653	26,265	24,974	26,176	25,500	11,590	45.5%
SPSA Contracted Waste	65,936	146,442	130,777	134,044	130,000	83,550	64.3%
Construction & Demolition Debris	14,850	9,808	9,312	6,514	9,000	4,424	49.2%
Non-Contract Waste	15,469	36,682	39,588	46,616	38,000	38,909	102.4%
Total Other Waste	128,494	225,237	209,377	218,045	208,000	141,605	68.1%
Total Waste Stream	525,278	672,984	681,906	718,506	689,850	378,810	54.9%

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



Southeastern Public Service Authority (SPSA)											
Regional Landfill Waste Stream											
					July	Aug	Sept	Oct	Nov	Dec	FYTD
Types of Waste (tons)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022	FY 2022
Construction and Demolition Debris	14,850	9,807	9,312	6,515	609	636	713	1,023	765	679	4,425
Water Treatment Plant Sludge	5,717	6,039	4,725	4,694	534	528	482	398	608	582	3,132
Industrial Waste	379	295	660	603	46	2	-	-	4	13	65
Fines C&D	-	-	-	-	-	-	-	-	-	-	-
Soils for Use as Alternate Daily Cover	9,990	8,630	6,602	5,841	501	517	443	562	70	128	2,221
Brick & Block	-	-	-	-	-	-	-	-	-	-	-
Clean Fill	26,396	5,940	97,970	2,281	-	54	-	-	-	-	54
Peanut Residue/Hulls	9,366	4,023	4,907	4,555	514	230	296	308	510	256	2,114
Non-Processible Municipal Solid Waste	3,791	867	1,570	3,409	86	97	115	80	105	116	599
Navy Waste ²	154	359	237	297	23	7	10	11	8	3	62
Contract Processible Waste	-	-	-	-	-	-	-	-	-	5	5
Non-Processible Commercial Waste ²	2,631	598	650	891	104	218	206	178	133	72	911
Fluff from BiMetals	-	-	-	-	-	-	-	-	-	-	-
Concrete/Asphalt	-	133	116	-	22	-	-	-	7	-	29
Shredded Tires	4,586	5,394	6,144	6,102	709	800	808	751	569	606	4,243
Ash - Qualifying	179,361	113,979	112,585	150,882	13,658	11,883	12,114	11,665	9,912	13,594	72,826
Non-Qualifying Ash	-	52,998	58,912	16,680	1,946	2,015	1,510	1,151	1,471	1,752	9,845
Non Processible Waste (from Tsf Stations)	-	-	-	-	-	-	-	-	-	-	-
MSW from FTS, IWTS, STS	46,011	102,702	106,908	112,006	10,293	9,652	9,873	6,159	6,164	5,965	48,106
Clean Fill - Clearfield	31,709	51,540	57,872	48,453	3,287	2,795	6,143	4,555	4,895	2,873	24,548
Residual Waste - Clearfield	5,585	436	446	817	76	76	19	-	-	38	209
Diverted Processible Waste (from Tsf Station)	201	2,518	2,127	2,252	-	1,347	-	-	-	873	2,220
Total	340,727	366,258	471,743	366,278	32,408	30,857	32,732	26,841	25,221	27,555	175,614

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

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

Southeastern Public Service Authority Treasurer's Report of Cash Balances For the Month Ending December 31, 2021						
Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Payables / Transfers Out	Payroll	Ending Balance
Unrestricted and Designated Funds (see footnote below):						
Townebank Operating	\$ 2,093,979.47	\$ 8,499,729.47	\$ -	\$ 6,809,316.80	\$ 761,512.92	\$ 3,022,879.22
Townebank Money Market	21,776.28		0.18			21,776.46
Townebank CD	6,276,482.09		-			6,276,482.09
Virginia Investment Pool (VIP)	9,606,201.22	-	700.18	4,300,000.00		5,306,901.40
Raymond James & Associates Investments	38,243,423.55	3,999,000.00	-			42,242,423.55
Total Unrestricted and Designated Funds	\$ 56,241,862.61	\$ 12,498,729.47	\$ 700.36	\$ 11,109,316.80	\$ 761,512.92	\$ 56,870,462.72
Trust Funds:						
Environmental / Va. Beach Landfill	\$ 469,373.96		11.27			469,385.23
Environmental / Regional Landfill	471,743.71	-	11.09			471,754.80
Total Trust Funds	\$ 941,117.67	\$ -	\$ 22.36	\$ -	\$ -	\$ 941,140.03
GRAND TOTAL	\$ 57,182,980.28	\$ 12,498,729.47	\$ 722.72	\$ 11,109,316.80	\$ 761,512.92	\$ 57,811,602.75
Cash Balances Designated as follows:						
Operating Funds	\$ 3,464,708.71					
Undesignated (Fund Balance June 30, 2021)	6,370,616.00					
Reserved for FY 2021 Rolled Purchase Orders	69,666.01					
Reserved for FY 2021 Rolled Capital POs	3,412,269.50					
Reserved for HRSD Forcemain	2,500,000.00					
Purchase Orders for Landfill Expansion (Rolled)	583,430.43					
VDOT Flyover	2,767,074.00					
Landfill Closure (as of June 30, 2021)	19,174,086.00					
Landfill Expansion	18,528,612.07					
Total Designated Funds	\$ 56,870,462.72					

(equivalent to 2 months operating expenses)

Southeastern Public Service Authority Budget Transfer Activity For the Month Ending December 31, 2021				
Department	Object	Description	Transfer In	Transfer Out
IT	55200	Telephone	\$ 3,324.00	
IT	51100	Salaries Exempt		\$ 3,324.00
Total			\$ 3,324.00	\$ 3,324.00

10. Contracts

Professional Engineering Services

A Request for Proposals was issued for Professional Engineering Services. Staff reviewed four proposals and interviewed all four firms. The selection committee scored each firm in accordance with the criteria outlined in the RFP. HDR Engineering and SCS Engineers were determined to have provided the most advantageous proposals and both firms had excellent interviews. Negotiations were scheduled with HDR Engineering and SCS Engineers. After reviewing the best and final offers provided by both firms, it was determined by the selection committee that both firms had provided excellent proposals and each could add value in specific areas. The language in the RFP allows SPSA to award a contract to one or more firms if in the best interest of SPSA. Staff recommends awarding a contract to HDR Engineering for Landfill Gas Monitoring and Reporting, General Engineering, Permitting and Landfill Design and Construction in the amount of \$148,000. In addition, staff also recommends awarding a contract to SCS Engineers in the amount of \$100,000 for Groundwater Monitoring and General Engineering. The recommended contract awards are estimates based on the attached fee schedules for cost associated with the various types of services to be rendered under the contract.

Projects may include the evaluation, programming and design of public facilities; professional services associated in evaluation, repair and/or rehabilitation of structural, electrical and mechanical systems; professional services associated with landfills and landfill gas; professional services associated with emergencies and natural disasters, environmental and regulatory compliance, regulatory issues; professional services associated with site plans, engineering, surveying, environmental, geotechnical, construction management and inspection services necessary to perform various types of capital improvement projects; coordinating temperature issues on Cell V; handling review of groundwater data and permit coordination; Title V - Air Permit coordination; review of stormwater data and VPDES permit coordination; any waste permitting issues to include coordination with our contract lab on required sampling; and any additional on call type matters that may arise requiring professional engineering services.

Bid: RFP 01-22
Issued: 10/5/2021
Opened: 10/28/2021
Options: 1 base year with 4 option years

Budgeted: \$248,000

Vendors:

HDR Engineering
249 Central Park Avenue, Suite 201
Virginia Beach, VA 23462

SCS Engineers
2877 Guardian Lane
Virginia Beach, VA 23452

Draper Aden Associates
109 S. Lynnhaven Road, Suite 101
Virginia Beach, VA 23452

Tetra Tech
5700 Lake Wright Drive, Suite 102
Norfolk, VA 23502

RECOMMENDATION: Authorize the Interim Executive Director to award contracts to HDR Engineering and SCS Engineers for Professional Engineering Services, as presented.

MOTION: Do I hear a motion to authorize the Interim Executive Director to award contracts to HDR Engineering and SCS Engineers for Professional Engineering Services, as presented?

RFP 01-22: Professional Engineering Services
Southeastern Public Service Authority



2022 Hourly Rate Schedule

DISCIPLINE	PROPOSED 2022 RATES
Project Principal/Director	\$250.00*
Senior Technical Advisor	\$250.00*
Technical Advisor	\$242.00
Senior Project Manager	\$230.00
Project Manager IV	\$216.00
Project Manager III	\$202.00
Project Manager II	\$192.00
Project Manager I	\$158.00
Senior Engineer/Scientist	\$230.00
Engineer/Scientist IV	\$202.00
Engineer/Scientist III	\$174.00
Engineer/Scientist II	\$142.00
Engineer/Scientist I	\$120.00
Senior Geologist	\$202.00
Geologist IV	\$192.00
Geologist III	\$168.00
Geologist II	\$136.00
Geologist I	\$114.00

DISCIPLINE	PROPOSED 2022 RATES
Construction Manager IV	\$202.00
Construction Manager III	\$162.00
Construction Manager II	\$136.00
Construction Manager I	\$114.00
Senior Planner	\$215.00
Planner	\$180.00
Technician IV	\$162.00
Technician III	\$142.00
Technician II	\$114.00
Technician I	\$92.00
Clerical/Administration	\$88.00

*These Hourly Rates are below formula rate for assigned staff.

The above rates include salary, overhead, administration and profit.

Overtime work would be billed at the fixed billable rates Accounting time will not be charged.

Office copy costs will not be charged.

REIMBURSABLE COSTS	BILLING RATE
Markup on Expenses as %	0%
Markup on Subconsultants as %	5%
Mileage from Virginia Beach Office	IRS rate per mile
Mileage from Other Offices	50% of IRS rate per mile
Office Copy Costs	None
Contracted Plan Production Costs	Actual Costs Incurred
Express Mail	Per Rates by Vendor
Postage (regular mail)	US mail rates
Car Rental and Fuel	50% of Actual Costs Incurred
Air Travel	Actual Costs Incurred
Mapping, Photos, Survey	Actual Costs Incurred
Taxes	As Required



Environmental Consulting & Contracting

FEE SCHEDULE

January 1, 2022	Rate/Hour
Principal	\$250
Project Director II	\$240
Project Director I	\$215
Senior Project Advisor.....	\$195
Project Manager II.....	\$185
Project Manager I.....	\$170
Project Advisor.....	\$160
Project Superintendent.....	\$150
Senior Project Professional II	\$155
Senior Project Professional I	\$140
Project Coordinator.....	\$135
Designer.....	\$125
Project Professional II.....	\$130
Project Professional I.....	\$120
Staff Professional II.....	\$115
Staff Professional I.....	\$105
Senior Technician.....	\$100
Associate Staff Professional II.....	\$105
Associate Staff Professional I	\$95
Technician	\$80
Administrative	\$65

General Terms:

1. The hourly rates are effective through December 31, 2022. Work performed thereafter is subject to a new Fee Schedule.
2. The above rates include salary, overhead, administration, and profit. Costs for outside consultants, laboratory and subcontractors and for job related travel (current automobile mileage rate is \$0.56 per mile, or current IRS rate) and subsistence, computer and administration fee (\$4.00 per billable hour for non-field work), equipment, supplies, etc., are billed at actual cost plus 15 percent.
3. Charges for equipment usage will be invoiced in accordance with SCS' Equipment Rates schedule, plus 15 percent.
4. Invoices will be prepared monthly for work in progress, unless otherwise agreed. Invoices are due and payable upon receipt. Invoices not paid within 30 days are subject to a service charge of 1.5 percent per month on the unpaid balance.
5. Payment of SCS invoices for services performed will not be contingent upon the client's receipt of payment from other parties, unless otherwise agreed to in writing. Client agrees to pay legal costs, including attorney's fees incurred by SCS in collecting any amounts past due and owing on client's account.
6. Rates for Senior Executives and Principals of the firm and special situations, such as litigation support and expert testimony, are negotiated on a project-specific basis.

2877 Guardian Lane, Suite 1-F, Virginia Beach, VA 23452 | 757-466-3361



Yard Spotter

This IFB was issued for the purchase of one (1) replacement Yard Spotter. The original budget was \$125,000. The low bid was \$15,769.26 over the budgeted amount. Savings from other capital projects will be used to fund the difference. This Yard Spotter is used at our Operations Center to move trailers back and forth between the RDF Plant and a drop and hook lot located at the site. Utilizing drop and hook improves the overall efficiency of our operations by eliminating wait times associated with unloading waste hauling trailers. The purchase of this Yard Spotters is consistent with the capital equipment replacement schedule and funding is available in the FY-21 capital budget. The current Yard Spotter is twenty plus years old and require constant repairs. Staff recommends awarding a contract to the lowest responsible and responsive bidder, Gregory Poole Equipment Company, in the amount of \$140,769.26 to purchase one (1) replacement Yard Spotter.

Bid: IFB 02-22
 Issued: 12/9/2021
 Opened: 12/22/2021

Budgeted: \$125,000

<u>Vendors:</u>	<u>Price:</u>
Gregory Poole Equipment Co.	\$140,769.26
Southeast Industrial Equipment	\$143,500
Taylor Machine Works	\$159,00
Excel Truck Center	\$162.517

RECOMMENDATION: Authorize the Interim Executive Director to award a contract to Gregory Poole Equipment Company for a Yard Spotter, as presented.

MOTION: Do I hear a motion to authorize the Executive Director to award a contract to Gregory Poole Equipment Company for a Yard Spotter, as presented?

Compactor Refurbishment

This Caterpillar 836 H Compactor is scheduled to be replaced in FY-24 and the estimated replacement cost when it was put in the replacement plan was \$974,000. Due to the cost of steel, supply chain issues and the increase in emission restrictions placed on new equipment by the EPA, the current cost of a new compactor has increased to nearly \$1.2 million. The compactor currently has 12,000 hours on it and has exceeded the optimal replacement schedule resulting in excessive maintenance cost. The Caterpillar Certified Re-build program was designed by Caterpillar to allow customers to completely re-build their existing equipment while providing all of the benefits of a new machine to include a new serial number, all new or re-furbished parts, new paint, new decals and a factory warranty for 3 years or 5,000 hours.

This program also is a benefit from a maintenance standpoint because it allows the traditional engine to be re-built and re-used, avoiding EPA requirements for Tier IV Final Emission controls. All new equipment is required to have Tier IV final emission systems which require the use of DEF and these emission systems have proven to require extensive maintenance and are expensive to maintain. The Cat Certified Re-build program is limited to the largest Caterpillar equipment. D-10 Bulldozers and 836 Compactors are considered ideal fits for the program. The re-builds are performed by certified local Caterpillar dealers but the specific work to be performed is specified and inspected by Caterpillar. The 3-year 5,000-hour warranty is backed by the manufacturer. This is a true Caterpillar program. The total length of time the machine will be out of service is estimated to be ninety (90) days from the date the machine is delivered to the local dealer.

The FY-22 Capital budget includes the replacement of seven (7) walking floor trailers. The original estimate for these trailers provided by the manufacturer was \$630,000. Since the price was provided, steel and aluminum prices have increased dramatically and these increases have been passed along to the consumer resulting in increases of nearly \$20,000 per trailer. Staff recommends delaying the purchase of trailers until steel and aluminum prices are less volatile and trailer prices come back down to a more reasonable cost. Staff recommends the funds be used to cover the cost of placing SPSA's Caterpillar 836 H compactor in the Cat Certified Re-build program immediately. Purchase of the seven (7) trailers would be pushed out to FY-24 Taking the place of the scheduled replacement of the 836 H.

Staff estimates these changes will result in an overall savings in excess of \$500,000. Staff recommends moving forward with awarding a contract to Carter Machinery in the amount of \$584,137.05 for the purpose of placing one (1) SPSA owned Caterpillar 836 H Compactor in the Cat Certified Re-build program and using the funds already earmarked for trailers in the FY-22 Capital Budget. Staff also recommends moving the purchase of the trailers from FY-22 to FY-24 taking the place of the 836 H replacement scheduled for that same year.

Bid: Sole Source

Budgeted: 974,000 in FY 2024

Vendor:

Carter Machinery

Price:

\$584,137.05

RECOMMENDATION: Authorize the Interim Executive Director to award a contract to Carter Machinery for placing SPSA's Caterpillar 836 H compactor in the Cat Certified Re-build Program, as presented.

MOTION: Do I hear a motion to authorize the Interim Executive Director to award a contract to Carter Machinery for placing SPSA's Caterpillar 836 H compactor in the Cat Certified Re-build Program, as presented?

11. Closed Session

Proposed Modification to Wheelabrator Portsmouth (WIN) Contract

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding a proposed amendment to the Waste Disposal and Services Agreement between Wheelabrator Portsmouth Inc. (now WIN Waste) and SPSA in accordance with (a) Virginia Code Section 2.2 3711(A)(29) for the purpose of considering the negotiation and award of a public contract involving the expenditure of public funds and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body; and (b) 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.

Roll Call Vote in Open Session

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.

Roll Call Vote in Open Session

12. Other Business

13. Adjourn