

SOUTHEASTERN PUBLIC SERVICE AUTHORITY

Board of Directors ~ Regular Meeting*

Regional Board Room

723 Woodlake Drive, Chesapeake, Virginia



Wednesday, March 22, 2023 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/6715903214049233749>. Members of the public may also listen to the SPSA Board Meeting via telephone by dialing toll-free to 1-866-901-6455 and entering access code 711-293-796. 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 March 21, 2023.

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



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1. Call Meeting to Order

Pledge of Allegiance

2. Public Comment Period

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

3. Chairman's Comments

4. Approval of Minutes

The minutes of the February 22, 2023 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 February 22, 2023 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

February 22, 2023

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 ¹	(CH)
Ms. Sheryl Raulston	(FR)	Ms. Amanda Jarratt (<i>absent</i>)	(FR)
Mr. Dale Baugh	(IW)	Mr. Randy Keaton ²	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Ms. Lavonda Graham-Williams	(PO)
Mr. Tony Parnell	(SH)	Ms. Lynette Lowe	(SH)
Mr. D. Rossen S. Greene	(SU)	Mr. Albert Moor ³	(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. Jeremy Kline (VB), Mr. Michael Etheridge⁴ (IW), Mr. Robert Lewis (SU), Mr. Oliver Love, Jr.⁵ (NO), and Mr. Greg Martin (CH), SPSA executives, Mr. Dennis Bagley, Executive Director, Ms. Tressa Preston, Secretary and Director of Administration, Ms. Sandy Schreiber, Treasurer and Director of Finance, 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

Dr. Baugh, Chairman of the Board of Directors, called the February Board Meeting to order at 9:30 a.m. and led the Pledge of Allegiance.

2. PUBLIC COMMENT

Ms. Preston reported that there were no requests for public comment.

¹ Mr. Sorey left the meeting at 10:51 a.m. and Mr. Martin stepped in as the voting Ex-Officio Member from the City of Chesapeake.

² Mr. Keaton left the meeting at 11:55 a.m. during closed session.

³ Mr. Moor left the meeting at 12:00 p.m. during closed session and Mr. Lewis stepped in as the voting Ex-Officio Member from the City of Suffolk.

⁴ Mr. Etheridge left the meeting at 11:25 a.m. before closed session.

⁵ Mr. Love left the meeting at 12:00 p.m. during closed session.

3. CHAIRMAN'S COMMENTS

Chairman Baugh commented that, from his perspective in meetings with the Executive Committee, he is excited about the positive things that are happening at SPSA and the path forward for the organization. He mentioned that for quite a while there was a great deal of uncertainty and redirection, but with the leadership team's excellent work in dealing with the complexity of issues at hand while still planning for the future, there is much to look forward to. Chairman Baugh briefly previewed the meeting's agenda.

4. APPROVAL OF MINUTES

The minutes of the January 25, 2023 Board Meeting had been distributed. Chairman Baugh asked if there were any additions or changes and there were none.

Mr. Keaton moved, seconded by Mr. Leahy, to approve the January 25, 2023 minutes of the SPSA Board of Directors, as presented. The motion was adopted by a unanimous vote in favor.

5. FLYOVER OVERSIGHT COMMITTEE UPDATE

Mr. Hansen, Chair of the Flyover Oversight Committee, informed the Board that the Committee met with representatives from VDOT and their contractor on February 13, 2023. He reported that the meeting was short and the report continues to be favorable. The project remains on schedule, with the exception of a month extension to allow extra advertising time, which Mr. Hansen does not believe will negatively impact completion. The project is also on budget, but Mr. Hansen was careful to caution the Board that earlier savings seen in the project have been absorbed and while contingencies and escalators are built into the budget, that additional buffer is no longer available. Overall, the project is doing very well, at this time. Mr. Hansen asked if Mr. Sorey and Mr. Lewis, the other members of the Committee, had any comments to add, but they did not. He then offered to answer any questions. Mr. Leahy asked when the project was anticipated to go out to bid. Committee members and staff commented that they believed the bid would go out at the end of the year but would need to refer to their materials from VDOT for confirmation. There were no further questions.

6. EXECUTIVE DIRECTOR UPDATES

Mr. Bagley recognized Lead Mechanic at the Landfill Heavy Equipment Shop, Mr. Carl Stubbs, as the SPSA Values in Action Employee of the Month. Having come to SPSA in 2023 as a CAT certified mechanic, Mr. Stubbs' skills and dedication, including in coaching new mechanics and heavy equipment operators, have been an incredible asset over the years. Mr. Baugh presented Mr. Stubbs with a certificate and lapel pin as a token of the Board's appreciation.

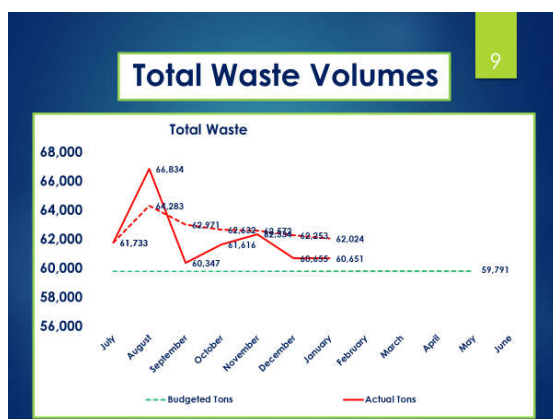
As Mr. Bagley moved on to regular updates, he commented that, while he is eager to complete many of the items to be discussed, they are marathons rather than sprints in terms of duration and stamina is required for completion. Regarding the future Portsmouth Transfer Station and the WIN Waste update, Mr. Bagley and SPSA counsel met with WIN's senior leadership and counsel on February 16, 2023 and he will give details on that negotiation in closed session. One item that did come to light in that meeting was that WIN

Waste does not intend to re-build the conveyor that was destroyed in the December 16, 2022 fire.

Regarding wetland permitting, staff continues to have weekly meetings with the Army Corps of Engineers and monthly meetings with Colonel Hallberg. Staff has received some of the revised chapters of the Draft Environmental Impact Statement (EIS) and most of SPSA's comments have been incorporated sufficiently, however, the most substantial and technical chapter has not yet been sent to SPSA for review. Having spoken at length with Ms. Lowe and the Southampton County Administrator about the Corps' plan to include SH-30, a site in Ivor, as an off-site alternative in the EIS, staff will brief the Southampton County Board of Supervisors at their meeting on February 28, 2022. The Board of Supervisors will be considering a resolution in opposition to a landfill being sited at that location and in favor of expansion at the Regional Landfill. The Corps is planning to hold public meetings on the proposed expansion project in both Ivor and Suffolk. EPA Region 3 Administrator and staff have agreed to a virtual meeting with SPSA staff and counsel on March 14, 2023 and staff looks forward to the opportunity to deliver their message of the need for this project and how passionate SPSA is about the quality of service it provides to the region. The target release date for the draft EIS is still June 8, 2023 with a public comment period to follow.

Mr. Bagley reviewed municipal and commercial waste volumes for the reporting period, as well as total waste volumes and tons diverted. As the graphs show, municipal waste is slightly below the anticipated average and commercial waste is slightly above the expected average for the reporting period. As Mr. Bagley noted, this pattern is typical for winter waste streams. Mr. Bagley also pointed out that, in terms of total waste volumes, SPSA remains comfortably above the budgeted tonnage which indicates better than anticipated total revenues.





Mr. Henry Strickland delivered the operations report stating that in the month of January 693,792 gallons of leachate, the equivalent of 150 tanker loads, was hauled to HRSD, and 585,904 gallons were pumped, thereby avoiding 127 tanker loads. Construction at the Regional Landfill continues with a temporary certificate of occupancy being issued for the Administrative building with a final certificate of occupancy contingent on landscape plan completion. The HHW building temporary certificate of occupancy could be issued by the end of the week and staff still plan to begin servicing customers in late February. The storage and fleet buildings should have inspectors on site later in the week to issue the temporary certificate of occupancy.

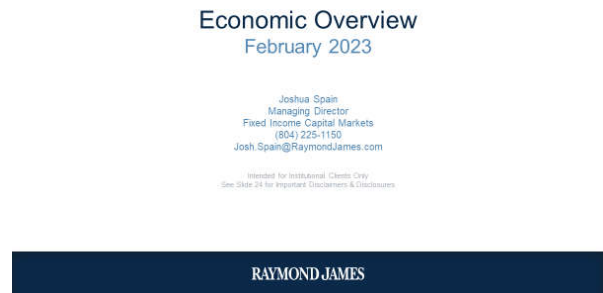
The leachate evaporator construction skids are nearing completion at the manufacturer's plant site and work is underway. Utilities are being identified and geotechnical work is being done to see what may have to be moved to accommodate the slab being poured. SCADA system data integration is being evaluated to ensure that the new system can interlock and mirror the existing system. As mentioned at the January meeting, the critical path on this project is potential permitting delays. The renewable natural gas company expects the Regional Landfill facility to be commissioned with gas production in mid-April. While Mr. Strickland thinks this date is ambitious, he confirmed that the company is working diligently to meet that date. He also reported that the survey of the TC Energy Gas Line easement has been provided to counsel. Mr. Bagley reminded the Board that, at an earlier meeting, the Board voted to allow the Executive Director, in consultation with counsel, to approve the amended landfill gas agreements to reflect accurate easements. There is a meeting scheduled for later in the week where all parties and their attorneys will be present to hopefully resolve this long-standing discrepancy regarding exact delineation of easement locations. Mr. Spain reiterated that the main document of the agreement has never been in question and that this meeting, which will also include a real estate attorney, should help resolve these final matters of ensuring that parties' individual surveys lineup appropriately.

7. CAPITAL PLANNING

Mr. Bagley's intent with the next portion of the meeting was to ensure that each Board Member had a full understanding of the plan to fund the landfill expansion, flyover project, and the future closure of landfill Cells V, VI, and VII. In discussions with staff on how best to present this information it was suggested that Mr. Josh Spain, Managing Director of Fixed Income Capital Markets with Raymond James and SPSA's financial advisor begin the presentation by talking about SPSA's investments and how they impact future funding streams. After Mr. Spain's update, Mr. Bagley would then present anticipated tip fees for the

coming years and how those tip fees would produce the cash needed to fund large projects on the horizon.

Mr. Josh Spain made his presentation on the state of the financial market noting the economy showing signs of weakness but that the labor market is still solid. He reported that interest rates are likely to see further hikes and that signs are pointing to an economic recession. However, because SPSA's investment strategy has always followed the conservative hierarchy of safety first, liquidity second, and yield as the third priority, and because SPSA follows the strong statutes of the Virginia State Code for Investing Public Funds, SPSA's current investment portfolio is expected to generate in excess of \$450,000 annually.



In General

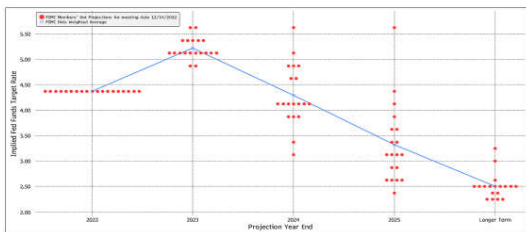
- The economy is showing signs of weakness, but labor market is still tight.
- The Fed is tightening into a weakening economy and will sacrifice jobs to control inflation.
- Inflation is expected to drop over the next 2-years. Shelter to remain headwind.
- The very front end of the curve will rise as the Fed hikes. The rest of the curve should moderate.
- A recession is gaining momentum and markets anticipate an upcoming easing cycle.
- Interest rates historically peak before, or with, the Fed stopping interest rate hikes.

More Hikes Coming

Region: United States		Instrument: Fed Funds Futures			
Target Rate	4.50	Pricing Date			01/17/2023
Effective Rate	4.33	Cur. Imp. O/N Rate			4.331
Needing	#Hikes/Cuts	Yield/Cut	Imp. Rate &	Implied Rate	A.R.M.
02/01/2023	-1,994	+109.4%	+0.271	4.605	0.250
03/22/2023	+1,865	+77.1%	+0.466	4.798	0.250
05/03/2023	+2,264	+39.9%	+0.566	4.897	0.250
06/14/2023	+2,313	-4.9%	+0.578	4.909	0.250
07/26/2023	+2,495	-21.8%	+0.524	4.885	0.250
09/20/2023	+1,705	-39.0%	+0.426	4.758	0.250
11/01/2023	+1,167	-53.8%	+0.292	4.623	0.250
12/19/2023	+0,390	-77.7%	+0.098	4.429	0.250
01/31/2024	-0,515	-90.5%	-0.129	4.293	0.250

- The Fed has raised rates by 425bps since March (most aggressive since 1980).
- The market now has **2-3** more 25bp hikes priced into the market for 2023. The terminal rate is now expected to be around 5.00% in March.
- Job market is strong and the Fed will continue to raise rates to fight inflation at the expense of jobs. Signs of recession are increasing.
- The Fed is trying to drain more liquidity through shrinking their balance sheet. So far, the impact has been minimal. Sales possible, but later.

FOMC Dot Plot



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SPSA Investment Overview

- Pooled funds (LGIP and VIP) are paying over 4.50% for overnight liquidity at the moment and that should be the case for a good while longer, as the Fed continues to fight inflation by increasing the Fed Funds rate.
- As the bond investments in SPSA's portfolio mature, my recommendation would be to compare rates on bond reinvestment options to the current yield on the pooled funds. If we can put the maturing proceeds into a permissible investment that has a higher rate of return than the pooled funds, we can do that. However, if the yield on the pooled funds is greater than what we can get in bank CD's or other approved investments, I would transfer the cash over to the pooled funds.
- At some point we may believe a recession is looming and the FOMC will need to take the necessary steps to back off and begin to cut rates. At that point, it may make sense to "lock-in" investments because we would expect the pooled fund rates to drop lower. In that case I will work with the SPSA team to select investment vehicles that will mature before the cash is needed to be drawn, according to the pay schedules that have been established by the SPSA team.
- The current investment portfolio is expected to generate in excess of \$450,000 annually
- Allowing the near term maturities to roll over into cash with overnight liquidity will put SPSA in a good position to meet capital increases for construction of cell VII and the flyover

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DISCLAIMERS AND DISCLOSURES

The information contained herein is based on sources considered to be reliable but is not represented to be complete and its accuracy is not guaranteed. The opinions expressed herein reflect the judgment of the author at this date and are subject to change without notice and are not a complete analysis of every material fact respecting any company, industry or security. Raymond James & Associates, Inc. and affiliates and their officers, directors, shareholders and employees and members of their families may make investments in a company or securities mentioned herein before, after or concurrently with the publication of this report. Raymond James & Associates, Inc. may from time to time perform or seek to perform investment banking or other services for or solicit investment banking or other services from any company, person or entities mentioned herein. Neither the information nor any opinion expressed herein constitutes a solicitation for the purchase or sale of any security. Raymond James & Associates, Inc. makes no representation as to the legal, tax, credit, or accounting treatment of any transactions mentioned herein, or any other effects such transactions may have on you and your affiliates or any other parties to such transactions and their respective affiliates. You should consult with your own advisors as to such matters.

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**Southeastern Public Service Authority
Investment Strategic Review (02.22.23)**

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Portfolio Summary

Sector	Coupon	Maturity	Par (000s)	Portfolio %	Book Price	Book Yield	Market Price	Market Yield	Gain/Loss \$ (000s)	%	WAL	Dur	Effective	AFS
Callable Agency (2)	0.75	2.5 yrs	26,525	62.2	100.00	0.75	90.46	4.78	2,592.6	-8.55	2.59	2.49	-0.11	100
Treasury Agency (12)	0.75	2.5 yrs	26,525	62.2	100.00	0.75	90.46	4.78	2,592.6	-8.55	2.59	2.49	-0.11	100
Revenue (1)	1.26	2.4 yrs	2,000	4.7	101.01	0.63	91.77	4.97	-184.8	-8.15	2.38	2.29	0.03	100
Lease-Rent (1)	3.75	2.3 yrs	3,025	7.1	106.89	0.72	97.48	4.92	-280.6	-8.80	2.29	2.17	0.03	100
Municipal (2)	2.76	2.3 yrs	5,025	11.8	104.55	0.76	95.21	4.94	-470.4	-8.94	2.32	2.21	0.03	100
Industrial (2)	3.17	2.8 yrs	1,840	4.3	106.03	1.00	96.06	4.68	-193.5	-8.41	2.82	2.66	0.04	100
Utility (1)	3.94	3.0 yrs	2,000	4.7	105.44	1.22	95.05	4.81	-207.9	-8.86	3.04	2.86	0.05	100
Finance (2)	3.55	0.6 yrs	3,000	7.0	100.84	2.06	99.30	4.79	-46.2	-1.53	0.56	0.57	0.00	100
Other Corporate (1)	0.00	0.3 yrs	1,575	3.7	97.40	9.61	100.00	0.00	41.0	2.67	0.28	0.14	-0.14	100
Corporate (6)	2.68	1.6 yrs	8,415	19.7	102.43	2.96	97.71	3.85	-396.7	-4.60	1.64	1.46	-0.01	100
CD (11)	1.29	1.8 yrs	2,680	6.3	99.96	1.33	95.80	3.89	-111.6	-4.16	1.77	1.69	-0.04	100
Other (11)	1.29	1.8 yrs	2,680	6.3	99.96	1.33	95.80	3.89	-111.6	-4.16	1.77	1.69	-0.04	100
TOTAL (91)	1.40	2.3 yrs	42,955	100.0	101.02	1.23	92.78	4.55	-3,511.2	-8.15	2.32	2.19	-0.07	100

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staff flexibility to move between funds as needed and it gives the Board comfort that each of the components are being addressed. Mr. McCoy agreed.

Balance in Restricted Reserves 33

Account Name	Balance
FY-22 Rolled Purchase Orders	\$ 8,337
Landfill Expansion Purchase Orders	\$202,956
Leachate Evaporation System	\$899,300
FY-22 Rolled Capital Purchase Orders	\$960,198
Operating Funds	\$5,540,848
Undesignated Fund Balance	\$6,200,000
Landfill Expansion Reserves	\$11,967,428
Flyover Reserves	\$12,590,653
Landfill Closure Post Closure	\$20,454,610
Total Reserves	\$58,824,330

Balance in Landfill Closure Reserve Fund 34

Landfill Closure	\$45,012,691
➤ Construction of Cell VII Phase 1	\$11,967,428
➤ Flyover	\$12,590,653
➤ Closure of Cells V - VII	\$20,454,610

Mr. Bagley reviewed the estimated costs for each of SPSA's major capital projects, which total \$101,500,000, and the balance on those projects, as of December 31, 2022, which was \$97,490,625. His presentation indicated that funding for the flyover project and construction of Cell VII have already begun and payments to vendors have already been made.

Capital Projects 35

Project	Est. Cost
▶ 13/58/460 Flyover	\$39,000,000
▶ Construction of Cell VII Phase 1	\$31,000,000
▶ Closure of Cells V – VII	\$31,500,000
▶ Total	\$101,500,000

Remaining Balance on Capital Projects as of December 31, 2022 36

Project	Balance
▶ 13/58/460 Flyover	\$37,171,663
▶ Construction of Cell VII	\$28,818,962
▶ Closure of Cells V – VII	\$31,500,000
▶ Total	\$ 97,490,625

There was extensive discussion on inflation rates in the contribution and pay schedule. Engineering projects like the flyover and landfill construction and closure have escalation costs built in to project plans by the project designers, or in the case of closure, the regulatory authorities. In regard to SPSA's operational costs 1.5% is the historical escalation used in previous budget years but can be adjusted to a higher percentage if deemed necessary.

Capital Projects Timing 37

<p>Project</p> <ul style="list-style-type: none"> ▶ 13/58/460 Flyover ▶ Construction of Cell VII ▶ Closure of Cells V – VII 	<p>Completion</p> <p>April 2026</p> <p>April 2026</p> <p>April 2027 – April 2040</p>
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Based on the following:

- Current Cell V and VI closure schedule
- 450,000 TPY
- 90 Tons MSW per CY in Cells V and VI
- 70 Tons MSW per CY in Cell VII
- No additional capacity for Cells V – VII was used

Contribution and Pay Schedule 38

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Beginning Balance	\$45,012,681	\$40,686,745	\$39,859,240	\$39,220,088	\$38,181,475	\$21,181,475	\$13,181,475	\$20,681,475	\$26,681,475	\$32,681,475
Contributions	\$8,000,000	\$9,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$9,500,000	\$6,000,000	\$6,000,000	\$6,000,000
Flyover Construction	(\$3,361,444)	(\$6,894,015)	(\$12,851,652)	(\$12,821,645)						
Landfill Construction	(\$9,965,502)	(\$1,932,500)	(\$18,787,500)	(\$7,216,968)						
Cell V – VII Closure						(\$19,000,000)	(\$2,000,000)			(\$10,000,000)
Ending Balance	40,686,745	39,859,240.00	39,220,088.00	\$38,181,475	\$21,181,475	\$13,181,475	\$20,681,475	\$26,681,475	\$32,681,475	\$38,681,475

Mr. Bagley reviewed the assumptions used to calculate the figures from the presentation, including that they do not include any liquidated damages from early termination of the WIN Waste contract at this time.

Assumptions Used 39

- ▶ 1.5% increase in operational expenses
- ▶ \$450,000 in annual interest from investments
- ▶ WIN Waste continues to take 1,000 TPD MSW until June 30, 2024
- ▶ WIN Waste closes June 30, 2024, and all MSW is disposed of at the RLF
- ▶ Does not take into account liquidated damages from WIN Waste's early termination of their contract
- ▶ All commercial waste to be hauled by 3rd party to Waste Management facilities
- ▶ No increase in MSW
- ▶ Maintain .7 tons / CY compaction at the RLF
- ▶ 1% increase in Commercial waste annually

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WASTE SOLUTIONS

Thanks, we'll take it from here

QUESTIONS/COMMENTS

Mr. Hansen thanked Mr. Bagley for putting all of this information together and commented that he appreciates the many moving pieces that go into calculating these figures. He went on to say that he has concerns that projecting future tip fees based on the relative lower cost of landfilling municipal solid waste, which is at this time SPSA's only available option, could present a funding challenge if and when an alternative disposal method at a higher cost becomes available in the future. Mr. Bagley agreed that Mr. Hansen made an excellent point and that if the Board makes other decisions about how to manage the waste stream in the future it would definitely impact future tip fee schedules reiterating that today's projections are contingent on the outlined assumptions.

Mr. McCoy commented that he would like to remind the Board of the amazing turnaround that has taken place at SPSA in the last ten years and that the safeguards that the Board has put into place are now starting to bear fruit. He went on to say that to have a balance sheet as positive as SPSA has in today's economy is an incredible feat, he believes the organization is on the right track, and he applauds the members of the Board who have helped to make that change happen.

Mr. Moor asked Mr. Bagley if municipalities planning their FY 2024 budgets should plan on his recommendation of a \$67 tip fee for FY 2024, rather than the previously discussed \$69

tip fee. Mr. Bagley confirmed that he would be recommending the Board approve the FY 2024 Budget and Schedule of Fees and Charges with a \$67 municipal tip fee.

8. QUARTERLY FINANCIAL REPORT

Ms. Schreiber presented the quarterly financial report, reminding the Board that although the financial reports in the Board Agenda reflect data from the reporting period through January 31, 2023 the quarterly financials ended December 31, 2022 and their presentation was postponed from the January Meeting due to more pressing matters.

Starting with revenues, Ms. Schreiber listed second quarter revenues from the current budget and year to date numbers, along with second quarter actuals from FY 2022 and FY 2021 so that comparisons could be more accurate. She noted revenue highlights to put the figures into better context, as well as reporting that for the second quarter revenues were at 53.8% of the annual budget.

Revenues 42

	Fiscal Year 2023 – Quarters 1 & 2			Historical Comparison	
	Budget	YTD	% of Budget	FY - 22	FY - 21
Revenues					
Tipping Fees	\$50,145,512	\$26,715,531	53.3%	\$25,283,797	\$23,548,628
Tires/HHW/White Goods	\$1,255,000	\$801,681	63.9%	\$707,255	\$540,411
Miscellaneous	\$848,729	\$584,512	68.9%	\$402,404	\$1,765,118
Total Operating Revenue	\$52,249,241	\$28,101,724	53.8%	\$26,393,456	\$25,854,157

- ### Revenue Highlights 43
- In fiscal year 2023, the Municipal Tip Fee Increased from \$61 to \$65.
 - Year to Date Municipal tonnages are up by 6,186 tons and Commercial tonnages have increased by 6,734 tons compared to the 2nd quarter of fiscal year 2022. The result is an overall increase in tipping fee revenue of approximately \$1.5 million.
 - Year to date interest earnings as of December 31, 2022 are \$506 thousand, as compared to \$141 thousand last year. The increase is due to the current market interest rates.

Moving on to expenditures, Ms. Schreiber took the same approach of comparing FY 2023 second quarter budget and December 31, 2022 expenses with second quarter actuals from FY 2022 and FY 2021 broken out by expenditure type. At the request of Mr. Keifer, capital expenditures have been broken out of this chart. Ms. Schreiber also included expenditure highlights that put year over year changes into better context and noted that operational expenses are at 49.1% of the annual budget for the second quarter of FY 2023.

Expenditures 44

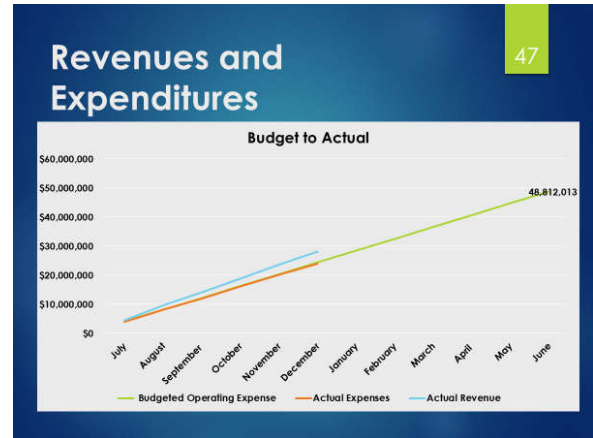
	Fiscal Year 2023 - Quarters 1 & 2			Historical Comparison	
	Budget	YTD	% of Budget	FY - 22	FY - 21
Expenditures					
Salaries/Wages and Employee Benefits	\$7,896,311	\$6,076,228	77.0%	\$4,243,753	\$4,430,938
Professional/Contracted Services	\$3,441,744	\$1,440,798	42.0%	\$1,381,523	\$1,504,291
Other Operating Expenses	\$1,249,040	\$554,978	43.9%	\$508,495	\$425,253
Materials/Supplies	\$2,274,804	\$1,179,682	51.4%	\$884,950	\$973,607
Waste Disposal and Hauling	\$23,705,192	\$11,493,311	48.5%	\$11,178,475	\$10,482,428
Other	\$8,005,000	\$4,000,000	50.0%	\$3,121,576	\$2,147,375
Total Expenditures	\$48,812,013	\$23,984,997	49.1%	\$21,318,972	\$19,806,192

- ### Expenditure Highlights 45
- FY 2023 salaries include a 5% salary increase for employees. Year to Date Salary/Employee Benefit expenses are high. The increase can be attributed to overtime costs associated with waste diverted to the Landfill.
 - Materials and Supplies include Fuel Costs, which remain significantly higher than they were during the first half of the previous year. In addition to higher fuel costs, the cost of parts to maintain our equipment has increased over the past several months.
 - Other Expenses is the amount set aside each month for the Flyover project.

Ms. Schreiber also presented revenues versus expenditures in chart and graph form.

Revenues vs. Expenditures 46

	Fiscal Year 2023 Budget	Fiscal Year 2023 – Quarters 1 & 2 YTD		Historical Comparison	
	Budget		%	Q1 FY-22	Q1 FY-21
Total Revenue	\$52,249,241	\$28,101,724	53.8%	\$26,393,456	\$25,854,157
Total Expenses	\$48,812,013	\$23,986,996	49.1%	\$21,526,058	\$19,806,193
Net Revenue / Expenses	-0-	\$4,114,728		\$4,867,398	\$6,047,964



Capital expenditures were listed year to date and cash balances were broken down by fund and amount as of December 31, 2022.

Capital Expenditures 48

	Budget	Year to Date
Total Capital Expenditures	\$13,923,258	\$5,191,000
Current Year	\$3,500,000	\$809,722
Rolled Capital Projects from Prior Year	\$10,423,258	\$4,381,278



Ms. Schreiber offered to answer any questions but there were none.

Mr. Keifer moved, seconded by Ms. Graham-Williams, to approve the quarterly financial reports as presented, pending audit. The motion was adopted by a unanimous vote in favor.

9. CONTRACTS

Ms. Preston presented a contract that was originally brought before the Board at the January 25, 2023 Board of Directors Meeting. In performing due diligence on the contract SPSA special counsel Mr. Speaker Pollard discovered that the entity that should be named in the contract was the Davis Mitigation Bank. During the time that due diligence was being performed, Mr. Bagley was able to renegotiate the price of the contract. In the new contract, the name of the agency has been changed from the Great Dismal Swamp Restoration Bank to the appropriate entity, the Davis Mitigation Bank, and the cost per credit has been reduced from \$45,000 per credit to \$42,000 per credit. Ms. Preston offered to answer any questions but there were none.

Mr. Hansen moved, seconded by Mr. Broad, to authorize the Executive Director to execute an agreement with Davis Mitigation Bank for 76 wetlands mitigation credits at \$42,000 per credit for a total cost of \$3,192,000, as presented. The motion was adopted by a unanimous vote in favor.

Ms. Preston was also pleased to present to the Board that after further negotiations with Res, the only other organization that holds wetlands mitigation bank credits in the same hydrologic unit code as the Regional Landfill, SPSA has secured an opportunity to purchase 83 wetlands credits at \$35,000 per credit. Ms. Preston went on to say that these credits, along with the 76 credits from the Davis Mitigation Bank go a long way toward achieving the goal of 220 wetlands credits to include in the Joint Permit Application for landfill expansion and to reference in the Environmental Impact Statement. She also assured the Board that all contracts have been extensively reviewed by Mr. Pollard to ensure that they are in SPSA's best interests and will be executed under his oversight. Ms. Preston offered to answer any questions. Mr. McCoy commented that the purchase price is significantly less than previously thought. Mr. Bagley affirmed that the new cost is significantly lower because it does not include any permittee responsible mitigation which would involve new land purchase, as well as wetland development. Mr. McCoy asked Mr. Greene to comment in his capacity as an attorney, as well as the representative from City of Suffolk. Mr. Greene said that he believes this purchase is a good deal, particularly considering that the supply of wetlands credits in the bank is so limited. Mr. Leahy commented that permitting Landfill Cells VIII and IX are among the most critical challenges SPSA must face in the near future and that purchasing these wetlands credits is one of the smartest things that staff and the Board can do to help move the project forward with low-risk, as the credits can be reallocated, if necessary.

Mr. Hansen moved, seconded by Ms. Raulston, to authorize the Executive Director to execute an agreement with Chesapeake Wetland Mitigation Bank for 83 wetlands mitigation credits at \$35,000 per credit for a total cost of \$2,905,000, as presented. The motion was adopted by a unanimous vote in favor.

Ms. Preston reminded the Board that the property directly abutting the Regional Landfill, known as the Nahra property, has been discussed for many years as a potential investment opportunity. The property has approximately 212 acres and at one time the asking price was as high as \$7 million. Through continued negotiation with Mr. Bagley and Mr. Strickland, Mr. Nahra has agreed to a purchase price of \$2,375,000 and an agreement has been drawn up by a real estate attorney in Mr. Brett Spain's office. The land will serve as a buffer and prevent development that would negatively impact the Regional Landfill and will also serve as a source of environmental credits for the Joint Permit Application and Environmental Impact Statement. Ms. Preston added that it should be a great comfort to the community that lives around the regional landfill to know that the property will never be developed and will be earmarked for environmental preservation. Ms. Preston offered to answer questions. Mr. Moor asked for confirmation that an environmental easement would be placed on the land. Mr. Bagley confirmed and also mentioned that he would like to continue conversations with Mr. Moor about clean-up efforts around the surrounding area. Mr. Hansen asked if the cost for the Nahra property was included in the \$8.7 million anticipated for landfill expansion and Mr. Bagley confirmed that it was. He also asked if the easement on the property precluded recreational activity. Mr. Bagley responded that it would be SPSA's intention that the easement allow recreational activity such as trails and bike paths, going on to say that part of the goal of purchasing the property is to provide that service to the community. Mr. McCoy commented that he thinks it would be appropriate to work with the City of Suffolk to

announce this plan to the general public at the proper time and let people know about the positive steps being taken. He asked if Mr. Moor agreed. Mr. Moor confirmed that he did agree. There was further discussion of the property itself and opportunities and strategies for future enhancement.

Following this discussion, Ms. Preston read aloud the following proposed resolution:

**RESOLUTION APPROVING THE EXECUTION OF A PURCHASE AGREEMENT TO
BUY THE NAHRA PROPERTY**

WHEREAS, pursuant to Section 15.2-5114(6) of the Virginia Code, the Southeastern Public Service Authority of Virginia (“SPSA”) has the power to “acquire by gift, purchase or the exercise of the right of eminent domain lands or rights in land or water rights in connection” with the operation of its refuse collection and disposal system; and

WHEREAS, there is a certain tract of land adjacent to the Regional Landfill totaling approximately 212 acres titled in the name of Ralph J. Nahra and Debbie M. Nahra (collectively, the “Nahras”), which currently provides a buffer between the Regional Landfill and the neighboring community (the “Nahra Property”); and

WHEREAS, from time-to-time, the Nahras have approached SPSA concerning the possible acquisition by SPSA of the Nahra Property, seeking as much as seven million dollars (\$7,000,000) for the Nahra Property; and

WHEREAS, in recent discussions, the Nahras have agreed to sell the Nahra Property for two million three hundred seventy-five thousand and 00/100 (\$2,375,000) dollars (the “Purchase Price”); and

WHEREAS, acquisition of the Nahra Property would serve multiple public purposes including (1) securing an essential buffer between the Regional Landfill and the neighboring community; (2) ensuring that no development occurs on the Nahra Property that would impact the ability of SPSA to operate the Regional Landfill; and (3) offering a source of environmental mitigation credits to compensate for impacts associated with construction of Cells VIII and IX of the Regional Landfill; and

WHEREAS, SPSA has sufficient funds in its Reserves for Landfill Closure/Expansion (the “Reserve Fund”) to purchase the Nahra Property for the Purchase Price; and

WHEREAS, SPSA’s staff with the assistance of counsel have been negotiating with Ralph J. Nahra concerning the terms of a purchase agreement to buy the Nahra Property for the Purchase Price, subject to the completion of standard due diligence matters and the satisfaction of certain pre-purchase conditions (the “Purchase Agreement”); and

WHEREAS, the Board has determined that the proposed Purchase Agreement serves an important public purpose and the long-term interests of SPSA relating to the operation of the Regional Landfill.

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, (a) to finalize, with the assistance of counsel,

the Purchase Agreement to buy the Nahra Property in accordance with the terms described above and such other customary terms applicable to such transactions; and (b) to pay the Purchase Price and any associated deposits and costs utilizing funds from the Reserve Fund.

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 he deems necessary or desirable to carry out the intent and purposes of the foregoing resolution and to effect the purposes of such resolution.

Adopted this 22nd day of February, 2023

Attest: _____
Dale E. Baugh, Chair

Ms. Raulston moved, seconded by Ms. Graham-Williams, to adopt the Resolution Approving the Execution of a Purchase Agreement to Buy the Nahra Property, as presented. The motion was adopted by a unanimous vote in favor.

10. CLOSED SESSION

Chairman Baugh informed those present there was a closed session on the agenda for a presentation to talk about AMP robotics and the proprietary technology being used in their pilot waste sorting program in Portsmouth, which, given to the time spent in the day's meeting discussing capital planning, would be presented by Mr. Bagley. Before that there would also be discussion about the WIN Waste contract to seek advice from counsel. Chairman Baugh announced that only Board Members, SPSA executive staff (Dennis Bagley, Tressa Preston, Sandy Schreiber and Henry Strickland), and SPSA legal counsel (Brett Spain) would be present for the closed session. There were no objections to that plan.

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding (a) the development by AMP Robotics of proprietary technology to sort recyclable materials in the waste stream, in accordance with Virginia Code Section 2.2-3711(A)(39) for the purpose of discussion or consideration of information subject to the exclusion in subdivision 3 of Virginia Code Section 2.2-3705.6. and (b) the impact of the recent fire at the WIN Waste facility on WIN Waste's continued performance under the Waste Disposal and Services Agreement executed by SPSA and WIN Waste's predecessor on September 18, 2018, in accordance with Virginia Code Section 2.2-3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel;

Mr. Leahy moved, seconded by Ms. Lowe, to enter closed session, as presented. The motion was adopted by a unanimous roll call vote in favor. The closed session began at 11:20 a.m.

Once back in open session at 12:19 p.m. both in person and electronically the following motion took place.

Motion to Approve Certification after Closed Meeting.

The Board hereby certifies that, to the best of each member's knowledge: (i) only public business matters lawfully exempted from open meeting requirements by Virginia law under the Virginia Freedom of Information Act; and (ii) 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. Graham-Williams moved, seconded by Ms. Raulston, to certify the closed session, as presented. The motion was adopted by a unanimous roll call vote in favor.

11. WRITTEN REPORTS

Chairman Baugh asked if there were any questions regarding the written WIN Waste Report but there were none.

12. OTHER BUSINESS

Chairman Baugh asked if there was any other business, but there was none.

13. ADJOURN MEETING

There being no further business to come before the Board of Directors, the regular meeting was adjourned at 12:23 p.m.

Dennis L. Bagley
Executive Director

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

5. Presentation of the July 1, 2023 – June 30, 2024 Budget

Mr. Bagley and Ms. Schreiber will present the FY 2024 Operating and Capital Budgets.

Resolution Setting Public Hearing for Schedule of Fees & Charges

RESOLUTION TO ADOPT PRELIMINARY SCHEDULE OF FEES AND CHARGES FOR THE SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA AND SETTING DATE FOR PUBLIC HEARING ON SAME

WHEREAS, the Board of the Southeastern Public Service Authority of Virginia (sometimes referred to herein as “**SPSA**”) desires to change certain rates, fees or charges previously fixed by SPSA for the services available through its refuse collection and disposal system by increasing rates payable for disposal of municipal solid waste and non-municipal solid waste, and by changing rates for tire disposal, with such changes to be effective July 1, 2023; and

WHEREAS, in connection with proposed changes to existing rates, fees or charges and proposed fixing of new rates, fees or charges to be levied by SPSA for the disposal of solid waste at its facilities, Section 15.2-5136(G) and Section 15.2-5136(H) of the Virginia Water and Waste Authorities Act (the “**Act**”) require (i) the adoption by SPSA of a resolution setting forth a preliminary schedule fixing and classifying such rates, fees and/or charges, (ii) SPSA to set and hold a public hearing with respect to such preliminary schedule where all users of the systems or facilities and all other interested parties have an opportunity to be heard concerning the proposed rates, fees and charges set forth therein, (iii) notice of such public hearing, setting forth the proposed schedule of rates, fees and charges, to be given by two publications, at least six days apart, in a newspaper having a general circulation in the area served by SPSA’s refuse collection and disposal system, with the second notice being published at least 14 days before the date fixed in such notice for the hearing, and (iv) a copy of such notice to be mailed to the governing bodies of all localities in which such refuse collection and disposal system or any part thereof is located;

NOW, THEREFORE, BE IT RESOLVED, that the Board of the Southeastern Public Service Authority of Virginia hereby adopts the Preliminary Revised Schedule of Fees and Charges for Solid Waste Management setting forth such rates, fees and charges to be levied by SPSA for the disposal of solid waste at its facilities, with the changed and new rates reflected in such Schedule to be effective July 1, 2023, as set forth on the attached page; and

FURTHER RESOLVED, that the Board of the Southeastern Public Service Authority of Virginia hereby (i) establishes April 26, 2023 at 9:30 a.m. as the date and time for the public hearing on the Preliminary Revised Schedule of Fees and Charges for Solid Waste Management and (ii) authorizes and directs SPSA executive staff to provide notice of such public hearing, as required under and in accordance with the applicable provisions of Section 15.2-5136(G) of the Act, by publication and with copies by mail to the governing bodies of SPSA’s member localities.

Adopted by the Board this 22nd day of March, 2023.

Attest: _____
Dale E. Baugh, Chairman



**SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
Fees and Charges for Solid Waste Management**

Proposed Effective July 1, 2023

WASTE DISPOSAL - TRANSFER STATIONS	
Waste Delivered to All Disposal Points:	Rate
Municipal Solid Waste (delivered by or on behalf of any SPSA Member Community directly to a SPSA Transfer Station or directly to the WPI RDF Facility)	\$65 per ton \$67 per ton
Contract Non-Municipal Customers (minimum 50,000 tpy)	\$56 per ton \$58 per ton
Non-Contract Non-Municipal Customers	\$76 per ton \$78 per ton
U.S. Navy Waste under contract with SPSA	Per Contract
Residential Solid Waste Delivered in accordance with Residential Guidelines (Billed to SPSA Member Community)(Minimum fee does not apply)	\$65 per ton \$67 per ton
Certified Weight	\$20
Regulated Medical Waste is Prohibited at all SPSA Facilities. A Penalty will be charged Per Occurrence of \$250, Plus any Costs Incurred/Revenues Lost	

WASTE DISPOSAL - LANDFILL ONLY	
Waste Delivered to SPSA's Regional Landfill:	Rate
Municipal Solid Waste Unacceptable at Transfer Stations (delivered by or on behalf of any SPSA Member Community)	\$65 per ton \$67 per ton
Industrial Process Waste (accepted only with prior approval)	\$76 per ton \$78 per ton
Solid Waste Unacceptable at Transfer Station (non-municipal customer)	\$76 per ton \$78 per ton
Dead Animals Bagged or Unbagged (household pets only, i.e. dogs and cats)	\$20 each
Water Treatment Plant Sludge from any Member Community Transported by SPSA	\$55 per ton
Construction and Demolition Waste	\$55 per ton
Campers/trailers (minimum fee \$204 each)	\$204 per ton
Boats (minimum fee \$84 each) (All liquids must be removed prior to delivery and disposal)	\$84 per ton
Special Handling Waste (accepted only with prior approval)	Handling Cost plus 25%

TIRES - LANDFILL ONLY	
Whole Tires Accepted at SPSA's Regional Landfill Only:	Rate
Automobiles and Light Truck	\$92.50 per ton
Automobile and Light Industrial (up to 24.5" rim diameter)	\$100 per ton
Automobile and Light Truck DIRTY LOAD	\$150 per ton
Truck and Light Industrial (up to 24.5" rim diameter)	\$145 per ton
Heavy Equipment and Off-the-Road	\$160 each
Tires With Rims	Add \$3 per tire

HOUSEHOLD HAZARDOUS WASTE	
User Fees:	Rate
Rate Per Resident Visit (Billed to SPSA Member Community)	\$37 per visit
Waste Accepted at SPSA's Regional Landfill (from Businesses)	Rate
Batteries (lead & rechargeable)	\$60 per ton
Alkaline Batteries	\$0.75 / lb.
SPSA reserves the right to reject certain quantities of batteries dependent on storage availability.	
E=Waste	
User Fees:	Rate
Rate Per Resident Visit (Billed to SPSA Member Community)	\$15 per visit

MISCELLANEOUS	
Appliances with CFC Disposed at SPSA's Regional Landfill:	Rate
SPSA Member Community or Residents (Billed to SPSA Member Community)	\$16 each
Businesses	\$16 each
White Goods Containers (rental rate plus haul cost)	(Includes pull \$75 - \$125 per pull)

SOILS FOR USE AS ALTERNATIVE DAILY COVER (ADC)

Material Type	Disposal Rate
	Per Ton
ADC10	\$10.00
ADC15	\$15.00
ADC20	\$20.00
ADC25	\$25.00

General Rate Explanation: Those wishing to dispose of soils as ADC must receive prior approval from the Landfill and Environmental Manager or his/her designee. At a minimum, SPSA requires the submission of specified analytical results prior to delivery and acceptance of any soils. No soils will be considered for use as ADC containing rebar or with debris containing rebar. Material with a higher than desirable moisture content will be charged the ADC25 rate.

- ADC10 (\$10 rate) applies to material of screen quality
- ADC15 (\$15 rate) applies to material with manageable amounts of 1' or smaller debris such as brick, concrete, or asphalt
- ADC20 (\$20 rate) applies to material that contains a manageable amount of debris such as brick, concrete, or asphalt between 1' and 2' in size
- ADC25 (\$25 rate) applies to material that contains a manageable amount of debris such as brick, concrete, or asphalt, larger than 2' or high moisture content

For any category of Waste Disposal which is based on weight, the Minimum Fee is \$20.00, unless otherwise noted above.

6. Executive Director Updates

Attachments:

- Landfill Operational Summary
- Executive Committee Minutes – January 18, 2023

Landfill Operational Summary

SPSA Regional Landfill Operational Summary			KEY:		
Period	February 1, 2023 February 28, 2023		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.		No issues during the reporting period.
1.2.1	Solid waste operations	Compliance	In Compliance		GP-1s exceedance for methane 5/18 reported on 5/19 Last Monthly Monitoring 9/26 Returning to quarterly monitoring
1.2.2	Title V	Compliance	Response to DEQ submitted 6/15		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 issued on 6/28/2022 Timeline approved by DEQ for completion by 3/13/2023 project complete waiting on reinspection.
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	25,295		
2.2	No. staff	13.5	11.5		2 vacancies: , 1 LDF HEO, 1 Environmental Tech
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	22,814		
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 2023
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	443,881		From 2/1 to 2/28
4.5.1.1	Cell V, Sumps 1-4	x gallons	496,304		From 2/1 to 2/28
4.5.1.2	Cell VI, Sumps 5-8	x gallons	406,337		From 2/1 to 2/28
4.5.2	Quantity of leachate hauled for disposal during period	x gallons	1,047,268		From 2/1 to 2/28
4.5.3	Disposal costs in period: \$		20,879		From 2/1 to 2/28
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 2/1 to 2/28
7	HRSD Force Main	Contract Schedule	None provided to date.		HRSD has reported that the project is delayed two years.

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 – January 18, 2023

**Executive Committee Minutes
Southeastern Public Service Authority of Virginia
January 18, 2023**

A regular 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. The other Executive Committee Members present at this meeting were Mr. Randy Keaton, Mr. John Keifer, Mr. Tom Leahy, and Ms. Sheryl Raulston. Also in attendance were Executive Director, Dennis Bagley, Director of Finance, Sandy Schreiber, Director of Administration, Tressa Preston, Director of Operations, Henry Strickland, General Counsel, Brett Spain, and Special Counsel Brad Nowak. Board Member Luke McCoy was present to observe the meeting.

Items for Discussion:

1. Review and approve Executive Committee Minutes of December 7, 2022.

Mr. Keifer moved, seconded by Mr. Leahy, to approve the minutes of December 7, 2022. The motion was adopted by a unanimous vote in favor by all Executive Committee members present.

2. Executive Director Updates

- a) Ongoing Update Items

Mr. Bagley commented that it had been a very eventful time since the last meeting, but he assured the Committee that staff is doing an excellent job managing operations in the wake of the December 16, 2022 fire on the conveyor at WIN Waste. He reported that staff are becoming more efficient each day and went through a timeline of events as they impacted SPSA operations and how SPSA has responded to ensure that municipalities were minimally impacted. Of particular interest is that SPSA has entered into an emergency procurement agreement with RDS to safeguard that the City of Portsmouth has a local facility for their municipal collection trucks to utilize for offloading municipal waste. Mr. Bagley will present a full report on the operational timeline, steps taken, and potential short- and long-term impacts at the January Board Meeting. Legal and contractual matters related to WIN Waste will be addressed in closed session both in Executive Committee and at the January Board Meeting.

The 2022 Airspace Utilization Report has been completed by HDR and shows that staff has done an excellent job recovering airspace and that compaction rates are well above industry average levels. Due to errors in previous years, Mr. Bagley engaged SCS Engineers to do a comparison airspace report and their findings are very close to HDR's findings. Mr. Bob Gardner of SCS Engineers will be present at the January meeting to talk through any discrepancies as well as inform the Board that he and his associates believe that they can propose a redesign of Cells V and VII that will allow considerably increased capacity not realized in earlier designs.

As he informed the Executive Committee at a previous meeting, Mr. Bagley has, with the assistance of counsel, signed a nondisclosure agreement (NDA) on behalf of SPSA with AMP Robotics. AMP is working on a pilot project in the region that has the potential to change the way the region processes waste. With successful post-recycling facilities in Georgia and Colorado they are working on setting up a test facility that will utilize robotics to sort a portion of SPSA's waste using proprietary methods and technology. Mr. Bagley and staff are very excited about the talent and passion of the AMP Robotics team and what their work could mean for the region's solid waste flow. Members of their team will brief the Board about their proprietary methods and technology via webinar in closed session at the January Board Meeting and then attend the February Board Meeting in person.

b) Upcoming Board Meeting New Agenda Items

Mr. Bagley updated the Committee that the draft Environmental Impact Statement (EIS) process continues. He is in regular contact with Southampton County about the eventual public hearing in Ivor regarding the proposed off-site alternative. He will present to the Southampton County Board of Supervisors at their meeting on February 28, 2023. Attorney Speaker Pollard is working with their County Attorney on a resolution of non-support for siting a landfill in their county. Mr. Pollard has also spoken with counsel from the Army Corps of Engineers regarding how SPSA should proceed on mitigation plans. That matter will be discussed in closed session at both the Executive Committee and the January Board Meeting.

Regarding the Portsmouth Transfer Station, WIN Waste has requested a delay on reviewing the previously submitted term sheet in the aftermath of the fire. Mr. Bagley and counsel agree that in February those conversations need to move forward, as they are legal, rather than operational, and one shouldn't impede the other.

Ms. Preston reminded the Committee that the employee appreciation Trash Bash would be taking place on Saturday, January 28, 2023 and she thanked those who had responded with their plans to attend.

c) February Board Meeting Agenda

The agenda originally planned for the January Board Meeting has now been moved to the February Board Meeting. The agenda will include an in-depth discussion of future projected tip fees, as well as investments and the pay schedule for construction of the flyover and future landfill cells.

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 (a) the impact of the recent fire at the WIN Waste facility on WIN Waste's continued performance under the Waste Disposal and Services Agreement executed by SPSA and WIN Waste's predecessor on September 18, 2018, in accordance with Virginia Code Section

2.2-3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel; and (b) the potential acquisition of real property for wetlands mitigation in conjunction with the permitting process for Cells VIII and IX, in accordance with Virginia Code Section 2.2-3711(A)(3) for the purpose of discussion or consideration of the acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body.

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 by all Executive Committee members present. Board Members, SPSA staff, and counsel referenced above attended the closed session.

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. Keaton, to approve certification as read. The motion was adopted by a unanimous roll call vote in favor by all Executive Committee members present.

4. Meeting Adjourned at 11:51 a.m.

7. Contracts

Side Dump Trailer

The FY 2023 Capital Replacement Plan anticipated needing to replace two specialty side-loading dump trailers for the transportation division to use for hauling and off-loading sludge, dirt, or any acceptable daily cover product. Reassessment of the capital plan, taking into account current operational needs, determined that only one side-loading trailer was needed at this time. Remaining budgeted funds are being reallocated for trailer top systems. (See following contract.)

Bid: IFB 01-23
Issued: February 1, 2023
Opened: February 18, 2023

Vendor: Mid-Atlantic Waste Systems, Inc.

Budgeted: \$195,000 (for two)

Total Price: \$69,930 (for one)

RECOMMENDATION: Authorize the Executive Director to execute a contract with Mid-Atlantic Waste Systems for a side loading trailer, as presented.

MOTION: Do I hear a motion to Authorize the Executive Director to execute a contract with Mid-Atlantic Waste Systems for a side loading trailer, as presented?

Trailer Top Systems

SPSA staff has completed a two-year study on an effective top system that will reduce litter caused by wind extruded debris with the current net top system. This contract would be to purchase 15 systems to be installed on 15 recently delivered trailers. This procurement is being funded with reallocated savings from the FY 23 Capital Replacement Plan. (See previous contract.)

Contract: VA Sheriff's Association Cooperative Contract #22-03-721R

Vendor: Mid-Atlantic Waste Systems, Inc.

Reallocated Budget: \$125,070

Total Price: \$113,019

RECOMMENDATION: Authorize the Executive Director to execute a contract with Mid-Atlantic Waste Systems for 15 trailer top systems, as presented.

MOTION: Do I hear a motion to authorize the Executive Director to execute a contract with Mid-Atlantic Waste Systems for 15 trailer top systems, as presented?

8. Closed Session

Motion to Approve Request for Closed Meeting.

I move that a closed session be held for discussions regarding (a) the development by AMP Robotics of proprietary technology to sort recyclable materials in the waste stream, in accordance with Virginia Code Section 2.2-3711(A)(39) for the purpose of discussion or consideration of information subject to the exclusion in subdivision 3 of Virginia Code Section 2.2-3705.6. and (b) the impact of the recent fire at the WIN Waste facility on WIN Waste's continued performance under the Waste Disposal and Services Agreement executed by SPSA and WIN Waste's predecessor on September 18, 2018, in accordance with Virginia Code Section 2.2-3711(A)(8) for the purpose of consulting with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel;

Motion to Approve Certification after Closed Meeting.

The Board hereby certifies that, to the best of each member's knowledge: (i) only public business matters lawfully exempted from open meeting requirements by Virginia law under the Virginia Freedom of Information Act; and (ii) 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.

9. Financial Report (written only)

Statement of Revenue and Expenses – Budget to Actual Comparison

For the month ending February 28, 2023, total revenues exceeded total expenses by approximately \$86 thousand as compared to \$188 thousand in the previous year.

Tipping fee revenue received in February reflects an increase of 9.9% or approximately \$323 thousand as compared to February 2022.

Total expenses for the month ending February 28, 2023 were approximately \$7.0 million as compared to \$3.6 million incurred in the previous fiscal year. The significant increase in the current year expenses was due to the purchase of wetlands credits.

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 2023 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 February 28, 2023, municipal waste tonnages reflect an increase of 8.3% or approximately 2,502 tons as compared to February 28, 2022. Municipal tonnages year to date through February 28, 2023 have increased 4.6% compared to the previous fiscal year.

Treasurer's Report of Cash Balances

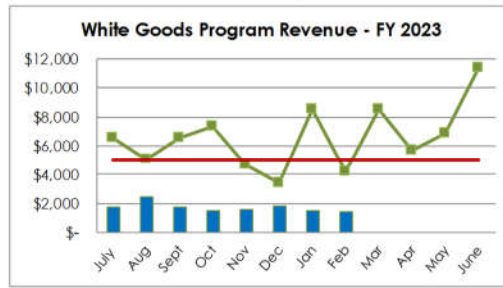
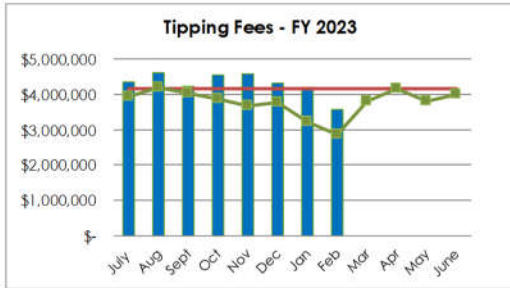
This report captures the monthly activity in each of the depository accounts grouped as either unrestricted and designated funds or trust funds. As of February 28, 2023 cash balances were approximately \$57.4 million representing approximately \$4.8 million in the operating account, \$6.8 million in undesignated fund balance, \$2 thousand for FY 2022 Rolled Purchase Orders, \$899 thousand reserved for the Leachate Evaporation System, \$198 thousand for Landfill Expansion Purchase Orders, \$20.4 million designated for landfill closure and \$24.3 million for Landfill Expansion and flyover.

**Southeastern Public Service Authority
Statement of Revenue and Expenses - Budget to Actual Comparison
For the Period Ending February 28, 2023**

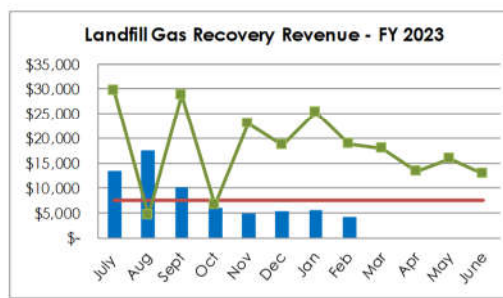
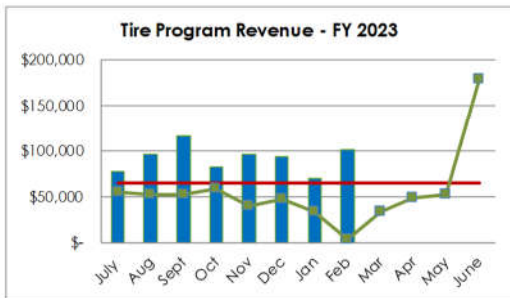
	FEBRUARY 2023				FEBRUARY 2022			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
REVENUES								
Tipping Fees	\$ 50,145,512	\$ 3,585,349	\$ 34,520,690	68.8%	\$ 45,951,468	\$ 3,261,904	\$ 31,983,687	69.6%
Tire program	770,000	100,342	728,906	94.7%	600,000	127,331	611,610	101.9%
Household Hazardous Waste Revenue/Ewaste	425,000	25,672	286,315	67.4%	386,650	22,675	282,593	73.1%
White Goods Program	60,000	1,418	13,691	22.8%	50,000	5,425	56,262	112.5%
Landfill Gas Recovery	90,000	4,199	67,083	74.5%	260,000	9,802	63,469	24.4%
Miscellaneous Income	500,000	7,562	97,326	19.5%	268,729	37,314	318,338	118.5%
Interest Earnings	258,729	98,376	670,073	259.0%	450,000	6,784	171,480	38.1%
Fund Balance / Capital / Rolled PO's	10,327,095	350,091	4,481,485	43.4%	4,034,338	-	517,910	12.8%
Fund Balance / Landfill Expansion	158,935	2,919,880	3,274,194	2060.1%	3,787,832	34,619	292,036	7.7%
TOTAL REVENUES	\$ 62,735,271	\$ 7,092,888	\$ 44,139,762	70.4%	\$ 55,789,017	\$ 3,505,854	\$ 34,297,385	61.5%
Administration								
Salaries / Wages	\$ 909,222	\$ 71,750	\$ 597,877	65.8%	\$ 850,964	\$ 49,986	\$ 493,858	58.0%
Employee Benefits	206,944	17,497	127,931	61.8%	202,110	12,524	108,888	53.9%
Professional / Contracted Services	508,616	15,278	360,015	70.8%	691,279	\$ 17,049	223,636	32.4%
Other Operating Expenses	239,178	39,047	210,947	88.2%	226,970	\$ 15,755	141,412	62.3%
Materials / Supplies	17,352	730	18,778	108.2%	19,208	\$ 4	5,029	26.2%
Total Administration	\$ 1,881,312	\$ 144,302	\$ 1,315,548	69.9%	\$ 1,990,531	\$ 95,318	\$ 972,823	48.9%
Environmental Management								
Salaries / Wages	\$ 331,367	\$ 23,927	\$ 195,927	59.1%	\$ 327,643	\$ 18,911	\$ 174,503	53.3%
Employee Benefits	120,383	7,794	51,094	42.4%	103,908	6,819	60,775	58.5%
Professional / Contracted Services	71,772	10,891	36,893	51.4%	76,150	2,646	47,463	62.3%
Other Operating Expenses	10,201	454	3,839	37.6%	11,192	333	2,812	25.1%
Materials / Supplies	25,604	2,175	13,606	53.1%	22,860	1,451	11,064	48.4%
Total Environmental Management	\$ 559,327	\$ 45,241	\$ 301,358	53.9%	\$ 541,753	\$ 30,159	\$ 296,617	54.8%
Operations								
Salaries / Wages	\$ 6,287,407	\$ 446,505	\$ 4,368,815	69.5%	\$ 5,840,179	\$ 404,221	\$ 3,500,714	59.9%
Employee Benefits	2,040,988	156,022	1,269,077	62.2%	1,949,313	145,495	1,184,886	60.8%
Professional / Contracted Services	2,861,558	227,786	1,885,125	65.9%	3,085,143	187,453	1,547,404	50.2%
Other Operating Expenses	1,019,681	87,764	582,378	57.1%	1,089,685	70,292	538,060	49.4%
Materials / Supplies	2,251,548	155,865	1,517,289	67.4%	1,846,171	134,018	1,153,903	62.5%
Total Operations	\$ 14,461,182	\$ 1,073,942	\$ 9,622,683	66.5%	\$ 13,810,491	\$ 941,480	\$ 7,924,967	57.4%
TOTAL OPERATING EXPENSES	\$ 16,901,821	\$ 1,263,485	\$ 11,239,589	66.5%	\$ 16,342,775	\$ 1,066,957	\$ 9,194,407	56.3%
CAPITAL PROJECTS / EQUIPMENT REPLACEMENT								
RLF-CELLS 8/9 PERMITTING	532,517	2,909,880	3,200,118	600.9%	822,725	34,619	293,015	
RLF-CELL VII PERMIT MODIFICATION		(7,800)	106,988			-	-	
TPS - TIRE SHREDDER			28,996	N/A	74,543	-	59,650	
TPS-DOORS	28,996				61,798	-	-	
ROB - Upgrade Lighting				N/A	29,193	-	8,404	
ROB - HVAC CONTROLS					242,991	-	-	
RLF - DEMO/CONSTRUCTION				N/A	7,800	-	24,919	
RLF - UST/AST REMOVAL & ADD				N/A	2,767,074	-	232,084	
HHW TRAILER & SCREENPRINTS				N/A	3,420,444	-	6,300	
VDOT - FLYOVER			589,594	N/A	442,388	482,997	606,645	
RLF-Low Voltage for Admin Bldg			10,075			-	-	
RLF - DESIGN BUILD PROJECT	1,936,111	312,547	1,497,823	77.4%	32,555	-	154,238	
RLF - DUMP TRUCK				N/A	300,000	-	417,388	
RLF - PICKUP TRUCK	34,500				622,624	-	-	
RLF - PICKUP TRUCK	35,600			0.0%	630,000	-	-	
RLF-FUEL ISLAND CONCRETE	16,450				125,000	-	-	
RLF-FUEL CANOPY	76,812				100,000	-	-	
RLF-COMPACTOR REFURB	584,137				33,572	-	-	
RLF-NAHRA PROPERTY		10,000				-	-	
RLF-DOZER	596,288				125,000	-	-	
RLF - WHEEL WASH				N/A	342,109	-	-	
TSP - ROAD TRACTORS	622,624		622,624	100.0%	535,570	-	-	
TSP-MSW TRAILERS	1,575,900				385,228	-	-	
TSP -SLUDGE TRAILERS	195,000			0.0%	104,058	-	-	
TSP-ROLLOFF TRUCK	375,000					-	-	
TSP - YARD DOG	140,769		140,769	100.0%		-	-	
FLT-FASTER SOFTWARE	3,000			0.0%		-	-	
FLT-SERVICE TRUCK	165,000					-	-	
RLF-PICKUP TRUCK	35,000					-	-	
RLF-LEACHATE EVAP SYSTEM	6,299,100	2,928	1,402,728	22.3%		-	-	
HHW - PICKUP TRUCK	33,424			0.0%		-	-	
CTS - ABOVE GROUND SCALE				N/A		-	122,318	
LOW-SCALES	121,888					-	-	
NIS - WHEELED EXCAVATOR				N/A		-	342,109	
NIS - WHEELED LOADER				N/A		-	-	
NIS-EPOXY FLOORING	21,367					-	-	
LIS-BOBCAT SKIDSTEER	45,000					-	-	
OTS-DROP & HOOK PAVING	82,631					-	-	
CAT COUPLER		16,892				-	-	
ROB BARRIER GATES						-	-	
OTS - SKIDSTEER	45,000			0.0%		-	-	
UNDESIGNATED	321,685			0.0%		-	-	
TOTAL CAPITAL PROJECTS/EQUIPMENT REPLACEMENT	\$ 13,923,258	\$ 3,244,367	\$ 8,665,377	62.2%	\$ 11,204,672	\$ 517,615	\$ 2,267,070	20.2%
OTHER USES								
Contracted Waste Disposal	\$ -		\$ -	N/A	\$ -	\$ 1,589,377	\$ 14,616,454	N/A
Service Fee to Wheelabrator Addendum 6	15,445,192	1,146,902	9,266,404	60.0%	\$ 14,259,449	1,033,514	9,748,952	68.4%
Waste Hauling & Disposal	8,460,000	593,877	5,287,363	62.5%	\$ 6,820,210	440,221	4,486,458	65.8%
Atlantic Waste Disposal		91,296	409,941		\$ 913,761	115,642	381,043	41.7%
Suffolk Environmental Trust Fund	5,000			0.0%	5,000			0.0%
Reserves for Landfill Exponion/Closure	8,000,000	666,667	5,333,333	66.7%	6,243,150	520,263	4,162,102	66.7%
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	\$ 31,910,192	\$ 2,498,742	\$ 20,297,042	63.6%	\$ 28,241,570	\$ 2,109,640	\$ 18,778,556	66.5%
GRAND TOTAL EXPENSES	\$ 62,735,271	\$ 7,006,594	\$ 40,202,008	64.1%	\$ 55,789,017	\$ 3,694,212	\$ 30,240,033	54.2%
NET REVENUES / (EXPENSES)	\$ -	\$ 86,294	\$ 3,937,754		\$ -	\$ (188,358)	\$ 4,057,352	

Southeastern Public Service Authority														
Monthly Expense Line Items														
Description	FY 2023										From Previous Month		FYTD	
	Adjusted Budget	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	FYTD	\$ Change	% Change		% of Budget
Salaries Exempt	\$ 2,224,272	\$ 229,376	\$ 158,741	\$ 159,773	\$ 178,664	\$ 156,991	\$ 234,575	\$ 169,018	\$ 165,570	\$ 1,452,709	\$ (3,448)	-1.5%	65.3%	
Salaries Non-Exempt	4,877,914	511,630	339,431	339,240	360,160	337,833	510,779	354,787	345,333	3,099,193	\$ (9,454)	-1.9%	63.5%	
Overtime	425,810	90,926	62,335	66,617	68,959	79,684	126,579	84,339	31,279	610,718	\$ (53,059)	-41.9%	143.4%	
Fica / Medicare Tax	574,737	62,434	41,565	41,971	45,270	41,824	64,075	45,238	40,083	382,460	\$ (5,155)	-8.0%	66.5%	
VRS Retirement	60,741	3,569	3,573	3,764	3,874	4,076	4,084	5,108	5,093	33,141	\$ (15)	-0.4%	54.6%	
Health Insurance	1,475,605	113,805	109,130	105,539	108,376	116,764	111,016	114,847	118,821	898,298	\$ 3,974	3.6%	60.9%	
Vis Group Life Insurance	91,092	6,898	7,022	6,928	6,772	6,917	6,935	7,128	7,168	55,766	\$ 40	0.6%	61.2%	
Unemployment Insurance	3,724	42	65	89	70	57	86	977	591	1,977	\$ (385)	-44.7%	53.1%	
Workers Compensation	162,416	9,558	9,558	9,558	9,558	9,558	9,558	9,558	9,558	76,460	\$ -	0.0%	47.1%	
Medical Fees	11,872	-	590	1,280	2,694	2,130	713	1,354	897	9,658	\$ (457)	-64.1%	81.4%	
Security Service	70,529	4,482	5,737	5,799	7,350	7,545	5,787	5,959	4,633	47,293	\$ (1,326)	-22.9%	67.1%	
Professional Services	86,656	29,185	11,132	9,953	9,408	14,418	9,421	38,088	214	112,819	\$ (37,873)	-402.0%	130.2%	
Engineering Services	248,000	-	15,034	3,634	4,192	1,796	16,261	17,793	2,546	61,256	\$ (15,247)	-93.8%	24.7%	
Landfill Survey	2,000	-	-	-	-	-	-	-	-	-	\$ -	-	N/A	0.0%
Legal Fees	225,000	-	23,865	-	5,533	32,539	6,973	3,870	5,501	78,282	\$ 1,631	23.4%	34.8%	
Environmental Testing	90,700	3,162	20,800	1,266	3,053	16,425	1,515	821	23,889	70,930	\$ 23,069	152.3%	78.2%	
Fire Protection	9,700	690	-	-	(410)	8,447	-	(1,467)	-	7,260	\$ 1,467	N/A	74.8%	
Temporary Employment Services	30,000	-	-	-	1,863	2,672	3,605	4,506	3,299	15,945	\$ (1,207)	-33.5%	53.2%	
Uniform Rental	50,727	1,967	3,583	3,005	3,596	3,622	3,583	3,933	4,609	27,899	\$ 675	18.9%	55.0%	
Maintenance Service Agreements	170,990	1,620	41,356	4,096	3,552	8,116	6,685	61,308	6,371	135,103	\$ (54,937)	-632.6%	79.0%	
Grounds Maintenance	109,480	975	2,815	15,576	7,265	4,845	2,925	-	26,917	61,318	\$ 26,917	990.2%	56.0%	
Hazardous Waste Disp/Cleanup	56,500	-	-	1,205	11,800	6,245	-	-	10,730	29,980	\$ -	0.0%	53.1%	
Equip Maintenance-Parts	476,250	11,494	62,071	94,670	69,797	40,557	84,614	73,048	58,644	494,895	\$ (14,404)	-17.0%	103.9%	
Equip Maintenance-Service	349,650	34,190	32,462	(955)	79,159	2,034	38,785	3,424	34,563	223,664	\$ 31,139	80.3%	64.0%	
Scale Maintenance	93,150	14,370	1,031	(10,913)	-	850	501	-	-	7,840	\$ -	0.0%	8.4%	
Building / Site Maintenance	548,912	11,364	36,555	38,947	35,140	37,581	25,369	72,683	34,711	292,351	\$ (37,927)	-149.7%	53.3%	
Leachate Pumping Station Maint	30,000	550	23,058	200	8,359	83	88	-	1,192	33,530	\$ 1,192	1349.5%	111.8%	
Advertising	7,860	2,245	1,224	-	-	-	2,992	-	-	6,461	\$ -	0.0%	82.2%	
Trustee Expense	1,000	-	-	-	-	-	-	-	-	-	\$ -	-	N/A	0.0%
Permit Fees	96,042	10,538	3,856	78,064	-	-	-	-	-	92,458	\$ -	-	N/A	96.3%
Suffolk Host Fee	610,000	61,824	53,801	45,952	53,991	56,302	84,024	81,959	35,238	473,092	\$ (46,721)	-55.6%	77.6%	
Electricity	244,805	259	12,137	12,578	20,040	14,322	14,941	17,172	15,936	107,387	\$ (1,236)	-8.3%	43.9%	
Heating/Gas/Propane	9,000	37	127	120	101	920	1,684	3,352	3,552	9,893	\$ 200	11.9%	109.9%	
Water / Sewer	43,550	1,428	1,183	2,200	2,715	11,118	4,246	2,171	1,481	26,543	\$ (690)	-16.3%	60.9%	
Leachate Treatment	300,000	-	13,611	19,192	44,553	-	21,755	16,637	28,982	144,730	\$ 12,345	56.7%	48.2%	
Telephone	116,374	8,253	10,908	8,234	13,838	12,210	10,622	10,713	10,764	85,543	\$ 50	0.5%	73.5%	
Postage	1,840	118	68	118	68	215	68	218	68	941	\$ (150)	-220.6%	50.6%	
Radio Communication & Repair	2,400	67	-	128	284	228	364	602	1,693	238	\$ 238	104.4%	65.1%	
Insurance & Bonding	212,402	17,700	18,200	17,700	17,700	17,700	17,700	17,700	17,700	142,100	\$ -	0.0%	66.9%	
Landfill Fire Expenses	0	3,672	3,676	3,676	3,672	3,676	3,672	3,676	3,676	29,396	\$ -	0.0%	0.0%	
Equipment Rental	30,000	1,530	-	210	-	396	385	3,780	-	6,300	\$ (3,780)	-982.7%	21.0%	
Land Lease Payment	3,500	292	292	292	292	292	292	292	292	2,333	\$ -	0.0%	66.7%	
Tire De-Rimming Service	1,000	-	-	-	-	-	-	-	11	11	\$ 11	N/A	1.1%	
Travel And Training	25,250	4,126	936	1,709	2,034	934	5,337	19,749	20,264	55,089	\$ 515	9.6%	218.2%	
Road Tolls	210,019	18,338	19,342	17,566	18,563	17,766	9,810	11,009	17,811	130,207	\$ 6,802	69.3%	62.0%	
Membership & Professional Dues	3,200	12	558	50	700	-	300	904	245	2,769	\$ (659)	-219.7%	86.5%	
Bank Fees	52,000	5,541	4,954	5,551	5,026	6,414	5,318	4,971	5,417	43,193	\$ 446	8.4%	83.1%	
Awards Programs	12,500	635	76	267	-	6,786	597	211	463	9,036	\$ 252	42.3%	72.3%	
EMS Support Program	1,000	-	-	-	-	-	-	-	-	-	\$ -	-	N/A	0.0%
Office Supplies	11,650	1,094	1,318	581	979	1,228	773	1,584	553	8,110	\$ (1,031)	-133.3%	69.6%	
Dues & Subscriptions	25,818	109	1,247	948	301	1,704	433	1,842	2,218	8,802	\$ 377	87.0%	34.1%	
Other Operating Supplies	93,000	3,118	8,140	7,416	4,406	7,105	8,357	5,624	4,212	48,380	\$ (1,412)	-16.9%	52.0%	
Vehicle / Equipment Fuel	1,286,652	145,556	144,812	132,047	129,154	125,405	78,338	138,592	98,187	992,091	\$ (40,406)	-51.6%	77.1%	
Vehicle/Equipment DEF	31,500	1,206	3,322	3,200	3,002	2,947	3,503	5,780	2,417	25,377	\$ (3,363)	-96.0%	80.6%	
Vehicle / Equipment Tires	779,600	7,678	87,410	52,483	61,859	59,126	49,925	55,411	49,229	423,121	\$ (6,182)	-12.4%	54.3%	
Safety Apparel & Equipment	27,340	121	1,949	1,183	1,541	997	4,024	2,201	1,054	13,070	\$ (1,146)	-28.5%	47.8%	
Small Equipment	29,900	3,742	2,886	6,769	(3,194)	48	200	-	136	10,588	\$ 136	68.1%	35.4%	
Furniture	23,050	-	297	-	7,960	1,370	2,025	-	350	12,001	\$ 350	17.3%	52.1%	
Computer Hardware	10,000	-	902	32	1,395	5,034	171	186	413	8,132	\$ 227	1	81.3%	
Total Operating Expenses	\$ 16,858,899	\$ 1,443,543	\$ 1,408,737	\$ 1,310,382	\$ 1,424,881	\$ 1,297,910	\$ 1,608,233	\$ 1,482,418	\$ 1,263,485	\$ 11,239,590	\$ (218,933)	\$ (0)	66.7%	
Capital Projects/Equip Replacement	\$ 13,923,258	330,998	440,324	1,817,953	1,586,296	693,958	321,471	230,010	3,244,367	8,665,377	\$ 3,014,356	937.7%	62.2%	
Contracted Waste Disposal-Atlantic	0	622	148,674	7,570	81,822	79,957	0	0	91,296	409,941	\$ 91,296	N/A	100.0%	
Service Fee to Wheelabrator - Adder	15,445,192	1,151,916	1,327,033	1,176,250	1,273,694	1,286,365	922,550	981,695	1,037,951	9,157,453	\$ 56,256	6.1%	59.3%	
Waste Hauling & Disposal	8,460,000	660,949	698,981	676,720	649,517	654,527	696,165	656,627	702,828	5,396,314	\$ 46,200	6.6%	63.8%	
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	-	-	-	-	\$ -	0.0%	0.0%	
Reserves for Landfill Expansion/Closure	8,000,000	666,667	666,667	666,667	666,667	666,667	666,667	666,667	666,667	5,333,334	\$ (0)	0.0%	66.7%	
Total Expenses	\$ 62,692,349	\$ 4,254,695	\$ 4,690,415	\$ 5,655,542	\$ 5,682,877	\$ 4,679,383	\$ 4,215,086	\$ 4,017,417	\$ 7,006,594	\$ 40,202,009	\$ 2,989,177	\$ 1	64.1%	

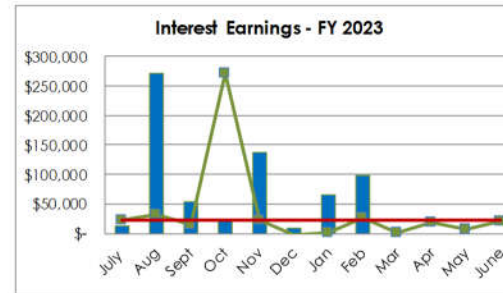
**Southeastern Public Service Authority
Monthly Comparison of Revenues and Expenses**



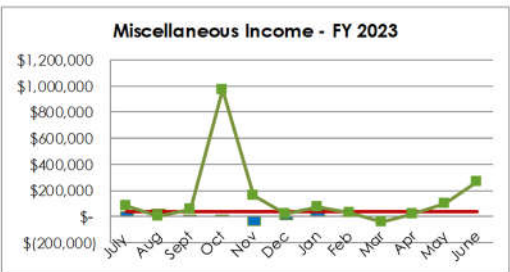
* Monthly revenue is dependent on users.

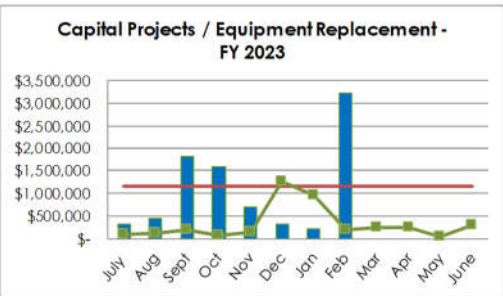
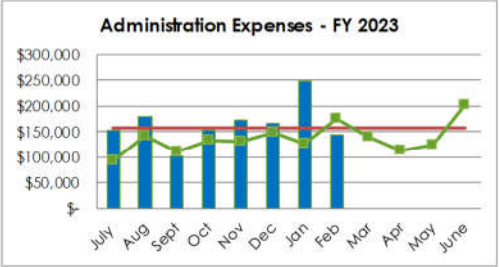


* Monthly revenue is dependent on users.



Interest payments vary based on investment date and maturity date.

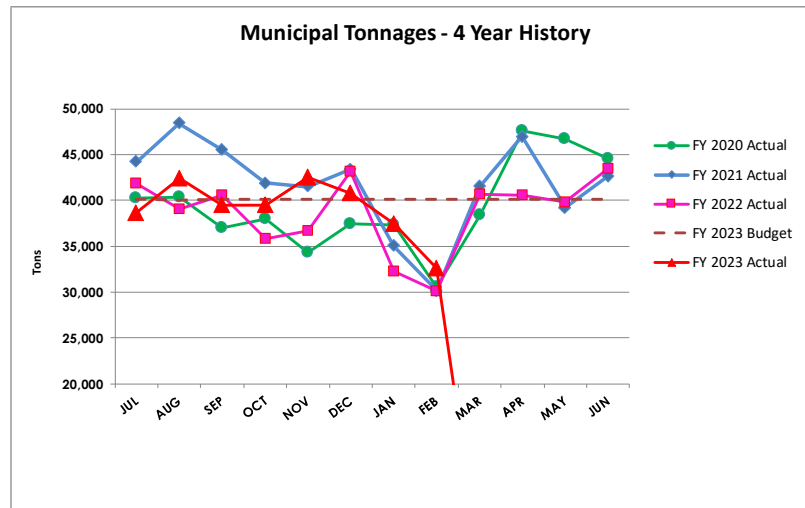
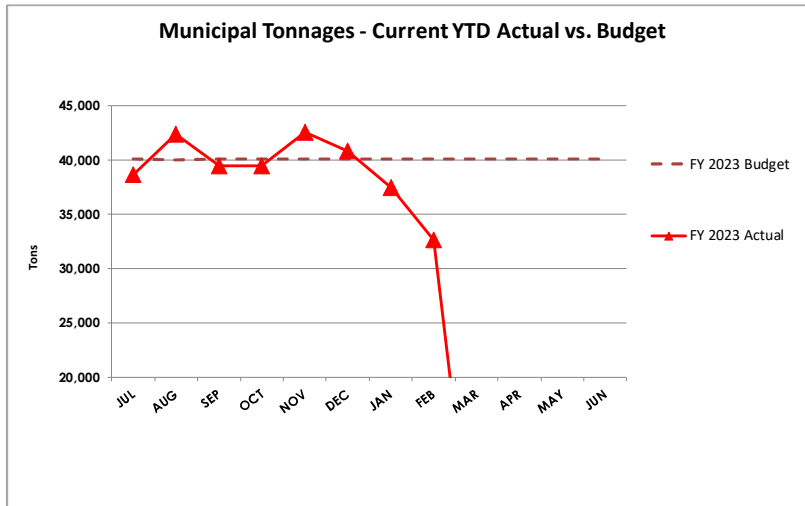




**Southeastern Public Service Authority (SPSA)
Waste Stream**

Waste Category	FY 2020	FY 2021	FY 2022	FY 2023	FY 2023	
	Actual (Tons)	Actual (Tons)	Actual (Tons)	Budget	Actual (Tons) as of 2/28/2023	% of Budget
Waste Stream Budgeted under Tipping Fees						
Municipal Waste						
Chesapeake	112,154	114,806	108,633	110,000	79,568	72.3%
Franklin	3,276	3,499	3,952	3,300	2,551	77.3%
Isle of Wight	17,102	17,839	16,561	18,000	10,752	59.7%
Norfolk	92,423	89,209	77,291	89,000	50,491	56.7%
Portsmouth	43,829	46,339	43,584	42,000	27,278	64.9%
Southampton	9,881	10,033	9,972	10,800	6,501	60.2%
Suffolk	46,614	49,639	47,185	51,200	29,846	58.3%
Virginia Beach	147,250	169,097	157,055	157,550	106,481	67.6%
Residential (Free of Charge)	-	-	-	-	-	N/A
Total Municipal Waste	472,529	500,461	464,233	481,850	313,468	65.1%
Sludge - Norfolk	4,725	4,695	6,352	5,500	4,790	87.1%
Navy Waste	24,974	26,176	23,128	25,500	14,814	58.1%
SPSA Contracted Waste	130,777	134,044	165,485	160,000	130,638	81.6%
Construction & Demolition Debris	9,312	6,514	8,074	9,000	5,245	58.3%
Non-Contract Waste	39,588	46,616	77,909	58,000	41,974	72.4%
Total Other Waste	209,377	218,045	280,948	258,000	197,461	76.5%
Total Waste Stream	681,906	718,506	745,181	739,850	510,929	69.1%

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



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

	FYTD	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	FYTD
Types of Waste (tons)	FY 2022	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023	FY 2023
Construction and Demolition Debris	8,075	664	630	711	666	681	553	723	617	5,245
Water Treatment Plant Sludge	6,352	659	673	605	609	570	540	574	559	4,789
Industrial Waste	75	10	-	-	-	19	1	17		47
Fines C&D	-	-	-	-	-	-	-	-	-	-
Soils for Use as Alternate Daily Cover	4,294	255	530	674	370	521	310	623	359	3,642
Brick & Block	-	-	-	-	-	-	-	-	-	-
Clean Fill	27,887	1,335	48	-	-	804	3,365	1,030	1,206	7,788
Peanut Residue/Hulls	4,046	303	220	497	330	233	217	315	364	2,479
Non-Processible Municipal Solid Waste	1,275	138	164	201	157	97	50	64	29	900
Navy Waste ²	216	41	38	46	19	27	58	2	4	235
Contract Processible Waste	5	-	-	-	20	-	15	52	71	158
Non-Processible Commercial Waste ²	1,941	215	331	227	324	198	223	402	410	2,330
Non Contract/Non Municipal	-	-	-	-	4	-	6	4	8	22
Concrete/Asphalt	29	-	-	-	9	-	-	-	-	9
Shredded Tires	7,175	785	1,028	740	899	685	832	827	725	6,521
Ash - Qualifying	129,761	6,225	9,039	12,006	19,318	17,324	12,994	8,523	5,317	90,746
Non-Qualifying Ash	26,227	1,299	1,888	718	2,398	2,472	1,549	2,071	718	13,113
Non Processible Waste (from Tsf Stations)	-	-	-	-	-	-	-	-	-	-
MSW from FTS, IWTS, STS	86,232	5,361	6,042	5,742	5,940	6,317	6,071	5,981	5,053	46,507
Clean Fill - Clearfield	53,770	4,366	4,649	5,160	3,175	4,876	4,253	3,119	9,167	38,765
Residual Waste - Clearfield	569	95	95	95	85	76	47	76	113	682
Diverted Processible Waste (from Tsf Station)	9,803	5,829	2,593	2,292	2,268	3,018	9,942	9,006	575	35,523
Total	367,732	27,580	27,968	29,714	36,591	37,918	41,026	33,409	25,295	259,501

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 February 28, 2023**

Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Payables / Transfers Out	Payroll	Ending Balance
Unrestricted and Designated Funds (see footnote below):						
Townebank Operating	\$ 4,243,776.32	\$ 12,344,283.13	\$ -	\$ 11,793,167.66	\$ 535,664.07	\$ 4,259,227.72
Townebank Money Market	21,778.83	0.16	0.16			21,778.99
Townebank CD	6,318,905.32	-	32,181.97	3,181,766.92		3,169,320.37
Virginia Investment Pool (VIP)	7,693,597.82	6,750,000.00	38,896.82	5,000,000.00		9,482,494.64
Raymond James & Associates Investments	40,503,366.24				-	40,503,366.24
Total Unrestricted and Designated Funds	\$ 58,781,424.53	\$ 19,094,283.13	\$ 71,078.95	\$ 19,974,934.58	\$ 535,664.07	\$ 57,436,187.96
Trust Funds:						
Environmental / Va. Beach Landfill	\$ 477,993.04		1,578.11			479,571.15
Environmental / Regional Landfill	\$ 486,390.39	-	1,603.81	-	-	487,994.20
Total Trust Funds	\$ 964,383.43	\$ -	\$ 3,181.92	\$ -	\$ -	\$ 967,565.35
GRAND TOTAL	\$ 59,745,807.96	\$ 19,094,283.13	\$ 74,260.87	\$ 19,974,934.58	\$ 535,664.07	\$ 58,403,753.31

Cash Balances Designated as follows:

Operating Funds	\$ 4,193,682
Undesignated (Fund Balance June 30, 2022)	\$ 6,801,000 (equivalent to 2 months operating expenses)
Reserved for FY 2022 Rolled Purchase Orders	\$ 2,400
Reserved for FY 2022 Rolled Capital POs	\$ 561,075
Reserved for Leachate Evaporation System	\$ 4,899,300
Leachate to be paid by HRSD	\$ (4,000,000)
Purchase Orders for Landfill Expansion (Rolled)	\$ 197,533
Reserve for Landfill Closure (as of June 30, 2022)	\$ 20,454,609
Reserve for Landfill Expansion and Flyover	\$ 24,326,589
Total Designated Funds	\$ 57,436,188

**Southeastern Public Service Authority
Budget Transfer Activity
For the Month Ending February 28, 2023**

Department	Object	Description	Transfer In	Transfer Out
Landstown TS	51100	Salaries Exempt	\$ 20,000.00	
Landstown TS	51110	Salaries Non-Exempt		\$ 20,000.00
Chesapeake TS	53401	Equipment Maint-Service	\$ 1,000.00	
Chesapeake TS	53400	Equipment Maint-Parts	\$ 1,200.00	
Chesapeake TS	55510	Travel and Training		\$ 1,000.00
Chesapeake TS	53410	Safety Apparel and Equipment		\$ 1,200.00
Capital	62310	RLF-Leach Evaporation System	\$ 2,928.00	
Capital	62399	Undesignated		\$ 2,928.00
Capital	62319	RLF - Light Towers	\$ 21,200.00	
Capital	62399	Undesignated		\$ 21,200.00
Chesapeake TS	53400	Equipment Maint-Parts	\$ 3,000.00	
Chesapeake TS	53401	Equipment Maint-Service	\$ 3,000.00	
Chesapeake TS	53410	Building/Site Maintenance		\$ 6,000.00
Other	59135	Waste Disposal - RDS	\$ 700,000.00	
Other	59125	Waste Disposal Service Agreement		\$ 700,000.00
HR	56300	Safety Apparel & Equipment	\$ 140.00	
HR	53600	Advertising		\$ 140.00
Norfolk TS	53400	Equipment Maintenance-Parts	\$ 1,000.00	
Norfolk TS	56140	Other Operating Supplies		\$ 1,000.00
Operations	56110	Dues & Subscriptions	\$ 2,016.00	
Operations	53410	Building/Site Maintenance		\$ 2,016.00
Capital	61926	Cell 8/9 Permitting	\$ 6,097,000.00	
Fund Balance	49200	Transfer from Fund Balance		\$ 6,097,000.00
Capital	62320	Land - RLF Nahra Property	\$ 2,375,000.00	
Fund Balance	49200	Transfer from Fund Balance		\$ 2,375,000.00
Total			\$ 9,227,484.00	\$ 9,227,484.00

10. WIN Waste Innovations – Portsmouth Monthly Report (written only)

March 15, 2023

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 2023

MONTH	SPSA				THIRD PARTY		OUT-OF-STATE		OUTSIDE-AREA		TOTAL TONNAGE	RESIDUE				MW SOLD TO THE GRID (MWHr)
	ACCEPTABLE WASTE (TONS)	ACCEPTABLE WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	ACCEPTABLE WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)	WASTE (TONS)		NAVY STEAM DELIVERED (K-LBS)	ALL WASTE ACCEPTED AT RDF (TONS)	NP REMOVED FROM RDF (TONS)	PROHIBITED WASTE	
JAN	28,107.19	1,171.76	9.36	-	29,288.31	51,518	29,288.31	4,140.78	-	26,406.15	10,593.86	3,202				
FEB	31,320.87	2,694.78	-	-	34,015.65	53,801	34,015.65	4,609.83	-	26,146.82	6,034.25	4,827				
MAR																
APR																
MAY																
JUN																
JUL																
AUG																
SEP																
OCT																
NOV																
DEC																
YTD TOTAL	59,428.06	3,866.54	9.36	-	63,303.96	105,319.00	63,303.96	8,750.61	-	52,552.97	16,628.11	8,029.00				

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

**WIN Waste Innovations
AVAILABILITY
CALENDAR YEAR 2023**

MONTH	BOILER AVAILABILITY (%)	BOILER PLANNED OUTAGES (HRS)	BOILER UNPLANNED OUTAGES (HRS)	TURBINE AVAILABILITY	TURBINE PLANNED OUTAGES (HRS)	TURBINE UNPLANNED OUTAGES (HRS)
JAN	98.5%	0	46	100%	0	0
FEB	92.0%	204	12	100.0%	0	0
MAR						
APR						
MAY						
JUN						
JUL						
AUG						
SEP						
OCT						
NOV						
DEC						
YTD TOTAL	95.3%	204.00	58.00	100.0%	-	-

WIN Waste Innovations
SUPPLEMENTAL INFORMATION
February 2023

Total Waste received by SPSA:	31,321 tons
Waste delivered to RDF:	34,016 tons
Total RDF processed:	26,147 tons
Residue sent to landfill:	6,034 tons*
Electric power sold:	4,827 MW
Steam sold to Navy:	53,801 K-LBS
Overall Boiler availability:	92%
Overall Generator availability:	100%
Environmental Incidents	0

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

General Notes:

Continuing to truck shredded material between RDF and SPP to maintain plant operations.

WIN Waste Innovations

Monthly Report for the Month of February 2023

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
Storm water Sample(s)
Quarterly GHG Test
Quarterly Ash Test

Tests Planned:

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

Inspections:

None

Air Quality Violations:

None

Safety Issues:



















OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	0
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 20-27	Boiler 4
March 13-21	Boiler 1
April	No outage
May	No outage
June	Boiler 2
July	Boiler 3
August	Boiler 4
September	Boiler 1
October	Boiler 2
November	Boiler 3
December	Boiler 4

WIN Waste Innovations RDF and WTE Operational Summary			KEY:		 PERFORMANCE FOR THE PLANET
Provided by WIN Waste Innovations			Change Since Last Report		
Feb. 1 - Feb 28, 2023			All Is Well		
			Working On		
			Noted Issue		
Item	Metric Item	Metric	Performance	Status	Comments
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			
2.2	Floor Volume	<1,500 Tons			Floor volumes remaining manageable
2.3	Equipment Utilization	Key equipment fully operational and deployed			C33 fire rendered conveyor OOC.
3	Ash				
3.1	Ash Delivered to RLF	Actual Tons	6,034		
3.2	Percentage of Ash Re-classified	<20%	718		Reclassified was 11.99%
3.3	Percentage of Ash used as ADC	> 80%	5,317		ADC was 88.11%.
3.4	Rejected Loads of Ash	0	0		
4	WTE				
4.1	Boiler Availability	> 90%	92%		
4.2	TG Availability	> 90%	100%		
4.3	Ash Screener Availability	> 95 %	95%		
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

11. Other Business

12. Adjourn