

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

March 27, 2024

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

Mr. John Maxwell	(CH)	Mr. Earl Sorey	(CH)
Ms. Sheryl Raulston	(FR)	VACANT	(FR)
Dr. Dale Baugh	(IW)	Mr. Randy Keaton <sup>1</sup>	(IW)
Mr. John Keifer	(NO)	Mr. Richard Broad <sup>2</sup>	(NO)
Mr. C.W. "Luke" McCoy	(PO)	Ms. Lavonda Graham-Williams <sup>3</sup>	(PO)
Mr. Tony Parnell	(SH)	Ms. Lynette Lowe <sup>4</sup>	(SH)
Mr. D. Rossen S. Greene	(SU)	Mr. Albert Moor	(SU)
Mr. Thomas Leahy	(VB)	Mr. L.J. Hansen	(VB)

(CH) Chesapeake; (FR) Franklin; (IW) Isle of Wight; (NO) Norfolk; (PO) Portsmouth, (SH) Southampton County; (SU) Suffolk; (VB) Virginia Beach

Others present at the meeting included Alternate Ex-Officio Members Mr. Michael Etheridge (IW), Mr. Jeremy Kline (VB), Mr. Robert Lewis (SU), Mr. Oliver Love, Jr. (NO), Mr. Greg Martin (CH), and Mr. Brian Thrower (SH), SPSA executives, Mr. Dennis Bagley, Executive Director, Ms. Tressa Preston, Secretary and Director of Administration, 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. Dale E. Baugh, Chair of the Board of Directors, called the March Board Meeting to order at 9:30 a.m. and then he led the Pledge of Allegiance.

## 2. PUBLIC COMMENT

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

---

<sup>1</sup> Mr. Keaton was absent. Mr. Etheridge served as voting Ex-Officio Member for Isle of Wight County.

<sup>2</sup> Mr. Broad was absent. Mr. Love served as voting Ex-Officio Member for the City of Norfolk.

<sup>3</sup> Ms. Graham-Williams arrived at 9:37 a.m.

<sup>4</sup> Ms. Lowe was absent. Mr. Thrower served as voting Ex-Officio Member for Southampton County.

3. **CHAIRMAN'S COMMENTS**

Chairman Baugh informed the Board that the Closed Session scheduled for the end of the day's meeting would not need to take place. It was included on the agenda in the event that the update on the Environmental Impact Statement (EIS) process would need to include consultation with legal counsel, but the Executive Director will be able to give that update in open session. Because of this change, he noted that the meeting may conclude earlier than anticipated. He also thanked the member communities that have hosted, or are scheduled to host, Mr. Bagley with their City Council or Board of Supervisors to discuss the RFP for Waste Disposal and SPSA's role in the future of waste solutions for the region. Chairman Baugh went on to say that those meetings have been beneficial, and that he and Mr. Bagley are grateful for the time and attention being allowed for him to present those ideas.

4. **APPROVAL OF MINUTES**

The minutes of the February 28, 2024 Board Meeting had been distributed. Chairman Baugh asked if there were any additions or changes and there were none.

**Mr. McCoy moved, seconded by Mr. Etheridge, to approve the February 28, 2024 minutes of the SPSA Board of Directors, as presented. The motion was approved by a unanimous vote in favor.**

5. **APPOINTMENT OF THE RFP REVIEW/NEGOTIATING COMMITTEE**

Mr. Bagley informed the Board that he was bringing a matter back to them for further consideration. As the Board is aware, SPSA's current Request for Proposals for Waste Disposal has attracted considerable attention, and it is SPSA's intention to ensure that every aspect of that process is carried out with the utmost consideration. Regarding the RFP Review/Negotiation Committee that Chairman Baugh previously appointed, it is the opinion of Mr. Spain that, because this is an evaluation formed to review proposals and advise the Board, the most appropriate course of action is to have the Board formally appoint the Committee and its members, based on the recommendation of the Chairman. The Committee will be kept to five people—Mr. Tom Leahy, Mr. Richard Broad, Mr. Earl Sorey, Mr. Dennis Bagley, and Mr. Henry Strickland—with others like Mr. Brad Novak, Mr. Brett Spain, Mr. Bob Gardner, and Ms. Angie Hutchins serving in an advisory capacity but not as actual members, to avoid unnecessary complications to other non-RFP business-related matters. Once the Committee is formed, a meeting of three or more members constitutes a Public Meeting that must be appropriately noticed and follow all other FOIA guidelines.

**Mr. Keifer moved, seconded by Mr. McCoy, to appoint the RFP Review/Negotiating Committee, as presented. The motion was adopted by a unanimous vote in favor.**

6. **FLYOVER OVERSIGHT COMMITTEE REPORT**

Mr. Lewis, Chairman of the Flyover Oversight Committee, reported that the Committee met on March 21, 2024 to discuss the status of the contract bid process and that Mr. Mike Davis, Deputy District Engineer for the Virginia Department of Transportation was present to share that information with the full Board.

Mr. Davis updated the Board on the status of the Flyover Project, focusing on a project readvertisement after no bids were received after an initial bid letting. Mr. Davis reported that

conversations with contractors indicated that they would bid on the project if posted again. The contract documents were reviewed, and it was determined that the project could absorb a two-month reduction in time and still meet substantial and fixed completion dates. Mr. Davis also reviewed new contracting dates, completion incentives, and the current project budget status.

VDDOT

## SPSA FLYOVER ENTRANCE OVER US 13/58/460

### Project Status Update

Mike Davis, PE, CCM Deputy District Engineer  
VDDOT - Hampton Roads District

March 27, 2024

## SPSA Project Update

SPSA Flyover entrance over US 13/58/46)

VDDOT | Virginia Department of Transportation

## SPSA Project Update

### Right of Way – Utility Relocation

- Dominion Energy started July 7, 2023, and finished September 6, 2023.
- All other utility relocations started on December 12, 2023. Scheduled to finish by September 6, 2024.
  - Remaining utilities to relocate
    - Cox Communications
    - Verizon
    - AT&T

VDDOT | Virginia Department of Transportation

## SPSA Project Update

### Project Advertisement

- Project Advertised on 1/3/2024
- Plan holders included:

Plan Holders	
CURTIS CONTRACTING, INC.	
JOSEPH B. FAY CO.	
Adkins Construction Company	
Eschling Construction Company, Inc.	
CHRYSLER CONSTRUCTION COMPANY	
BRATMAN CONSTRUCTION CORPORATION	
Brascome Inc.	
Lynch Construction Corporation	
FAY Southeast	
THORNTON CONSTRUCTION COMPANY, INC.	
SOBEK Enterprises	
BRANCH CIVIL, INC.	
Recher Western Construction, LLC	
Mcclean Contracting Company	
WEWIT INFRASTRUCTURE SOUTH CO.	

- Letting was held on 2/28/24
- Zero Bids Received
- Reached out to the following Contractors:
  - Curtis Contracting
  - Kokosing Construction
  - Lane Construction
  - Fay Southeast
  - Branch Civil

VDDOT | Virginia Department of Transportation

## SPSA Project Update

### Project Re-advertisement

- Reviewed Contract Documents to update to new start date
- Reviewed Contract Time Determination to ensure project can absorb 2-month reduction in time.
- Held substantial completion date of July 31, 2026. Roadway open to traffic.
- Held Fixed Completion date of 12/4/2026.
- Coordinated with Chief Engineer and Contracts Division to readvertise quickly.

VDDOT | Virginia Department of Transportation

## SPSA Project Update

### Project Re-advertisement:

- Project Re-advertised on March 12, 2024
- Letting to be held on May 22, 2024
- Notice To Award - June 7, 2024
- Contract Execution on June 28, 2024\*
- Substantial Completion - July 31, 2026
- Fixed Completion - December 4, 2026

VDDOT | Virginia Department of Transportation

**SPSA Project Update**

**Substantial Completion – July 31, 2026**

- The incentive of \$6,250 per day on or before the substantial completion date. The cap is \$500,000 (80 days).

80 days early	60 days early	40 days early	20 days early	0 days early
5/12/2026	6/1/2026	6/21/2026	7/11/2026	7/31/2026
\$500,000	\$375,000	\$250,000	\$125,000	\$0

- Disincentives accrue the day after substantial completion date for a rate of \$6,250 per day. This disincentive is capped at \$1,000,000 (160 days).

1 day late	40 days late	80 days late	120 days late	160 days late
8/1/2026	9/9/2026	10/19/2026	11/28/2026	1/7/2027
\$6,250	\$250,000	\$500,000	\$750,000	\$1,000,000

VDOT | Virginia Department of Transportation 10

**SPSA Project Update**

**Project Budget Status:**

Phase	Budget	Spent to Date	Projected at Completion
PE	\$5,300,000	\$4,051,992	\$5,300,000
RW	\$2,482,570	\$336,128	\$2,482,570

Estimate (Reduced PE, current RW/UT estimate and no contingency)	
PE	\$5,300,000
RW	\$2,482,570
Base CN	\$25,424,803
Risk/Management Contingency (10%)	\$0
Construction Design Services	\$500,000
CEI	\$4,720,776
Construction Contingency (10%)	\$0
Incentive	\$500,000
Escalation (8%)	\$2,021,512
Total CN	\$33,167,091
<b>Total</b>	<b>\$40,949,661</b>

- Budget was increased from \$39.2M to \$40.9 (\$1.7M increase) per letter dated August 28<sup>th</sup> from SPSA.
- The budget will need to be finalized once bids are received which is anticipated in the May 2024 timeframe.

VDOT | Virginia Department of Transportation 11

Mr. Davis offered to answer any questions. Mr. Leahy asked if any of the contractors Mr. Davis had spoken to voiced concerns about being able to complete the project within the given time frame. Mr. Davis stated that he has not been told that the timeframe is posing an issue to contractors and that VDOT’s internal schedule is conservative. Mr. McCoy asked if VDOT has system in place to eliminate contractors with a history of poor performance on past contracts. Mr. Davis replied that previous contract performance evaluation is measured on the state level at the Central Office and low scores can cause a bidder to be removed from the VDOT approved bidders list. He also said that there are mechanisms in place to evaluate, monitor, and ensure appropriate performance mid-contract. Mr. Bagley asked Mr. Davis to confirm that the funding incentives for early project completion are already built into the budget for the Flyover Project. Mr. Davis confirmed that they are. There were no further questions and Chairman Baugh thanked Mr. Davis for his time and the information he shared.

**7. EXECUTIVE DIRECTOR UPDATES**

Mr. Bagley recognized Ms. Dell Pelzel, Human Resources Administrator, as the SPSA Values in Action Employee of the Month. Mr. Bagley commented that Ms. Pelzel has been with SPSA for 15 years and is incredibly considerate and dependable in her work, which affects all of SPSA’s employees, often in times of challenge. Chairman Baugh presented Ms. Pelzel with a certificate and lapel pin as tokens of the Board’s appreciation.

Mr. Bagley was excited to report that everything with the RDF Facility is on track for the July 1, 2024 closing. He also mentioned that staff is working closely with the Navy and staff at the Jordan Bridge to improve the appearance of the Victory Boulevard and Elm Avenue corridor, which has been in need of attention for quite some time. Mr. Bagley looks forward to seeking partnership with the City of Portsmouth and presenting more information on that project in the future.

Regarding the Army Corps of Engineers’ Environmental Impact Statement (EIS) required for proposed expansion at the Regional Landfill, Mr. Bagley said that staff is working hard to bring the project to completion by early July. Ethnobotany and ethnography studies should be complete by April 15, 2024 and parties can assess their impact on the path forward. Staff and consultants have a meeting scheduled with the Corps to discuss the mitigation plan submitted with the DEQ Joint Permit Application. Mr. Bagley noted that there will likely need to be changes made to that plan, but with the assistance of attorneys from Butler Snow, SPSA continues to

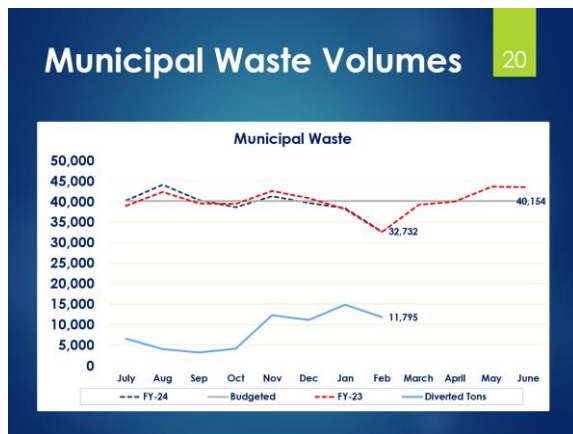
apply pressure toward a programmatic agreement to resolve any outstanding EIS issues and, ultimately, a Record of Decision before the end of the summer.

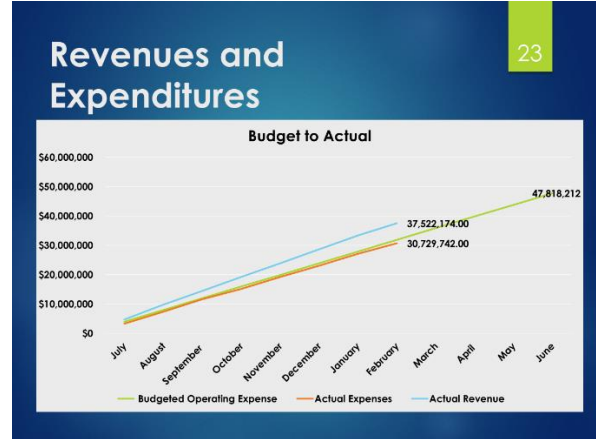
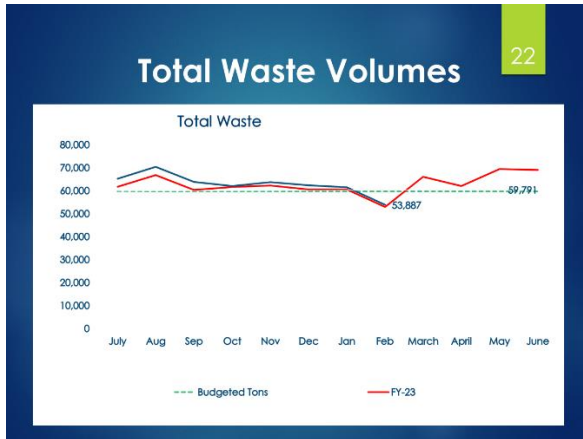
Bids for the Request for Proposals for Waste Disposal are due on May 1, 2024. Mr. Bagley has met with the City Councils for Norfolk, Virginia Beach, and Franklin and has scheduled to meet with Suffolk and Southampton County. He is still trying to make arrangements to meet with the City of Portsmouth and Isle of Wight County. Mr. Bagley said those presentations have gone well and led to other conversations and site tours with local leaders. He is excited with the positive feedback he is getting from individuals and the media on SPSA’s involvement in the community and the future of waste.

Mr. Bagley had one contract to present for consideration. He informed the Committee that SPSA has been in discussions with Bay Disposal for several months regarding reestablishing their commercial business relationship with SPSA. During this period, TFC has sold their front-loader and roll-off business to Bay. Bay has now signed this commercial contract following the same model as SPSA’s commercial contracts with GFL and Waste Management, which have already been approved. Mr. Bagley asked that the Board approve a standard Contract Commercial Agreement with Bay Disposal in which they will be required to guarantee delivery of 30,000 tons annually to SPSA transfer stations.

**Mr. Sorey moved, seconded by Ms. Raulston, to authorize the Executive Director to execute a standard Contract Commercial Hauling and Disposal Agreement with Bay Disposal LLC. The motion was adopted by a unanimous vote in favor.**

Mr. Bagley reviewed municipal and commercial waste volumes for the reporting period, as well as total waste volumes and tons diverted, noting that municipal waste volumes are following the same trends as they usually do this time of year, and commercial tons are still higher than budgeted.





Mr. Bagley also presented a slide showing current actual revenues and expendedures compared to budget, indicating revenue exceeding expenses.

## 8. DISASTER DEBRIS PLANNING

Ms. Preston brought forward an initiative to assist SPSA’s member communities with planning for Disaster Debris Management by facilitating cooperative procurement contracts and serving as the administrative source of information and guidance for the region. She reviewed SPSA’s history with disaster debris management contracts, goals moving forward, SPSA’s responsibilities, member community responsibilities, benefits, and next steps. Ms. Preston asked that the Board allow the Executive Director to move forward with pursuing cooperative procurement that will allow SPSA’s member communities to utilize existing contracts under SPSA’s guidance while keeping member community autonomy and taking appropriate steps to maintain and update SPSA’s policies and procedures.

### Disaster Debris Planning

24

MARCH 27, 2024

### History

25

- In the past, SPSA administered Disaster Debris Management Contracts for the Member Communities.
- In recent years, SPSA has advised Member Communities to contact VDEM (Virginia Department of Emergency Management).
  - It has been brought to staff’s attention that this is not a viable solution for some Member Communities.
- VPPSA (Virginia Peninsula Public Service Authority) issued an RFP for Disaster Debris related services that resulted in contracts SPSA may take action to use under cooperative procurement.
  - SPSA staff met with VPPSA staff and consulted with counsel on the best way forward.

## Goals 26

- Offer these Contracted Services to SPSA's Member Communities.
- Have SPSA Serve as Administrator and Facilitator of Information to Provide a Better Level of Service for our Member Communities.
- Make it as easy as possible for SPSA's Member Communities to Access the Services they Need.



## Responsibilities 27

<p><b>SPSA ("Authority")</b></p> <ul style="list-style-type: none"> <li>➤ Procurement</li> <li>➤ Facilitation of information – vendor contracts, price sheets, etc.</li> <li>➤ High level contract administration – notice, termination, extension, etc.</li> </ul>	<p><b>Member Community ("Agency")</b></p> <ul style="list-style-type: none"> <li>➤ Selection of Vendor</li> <li>➤ Requests for Service</li> <li>➤ Execution of Task Orders</li> <li>➤ Operational Interaction with Contractors</li> <li>➤ Payment for Services Rendered</li> </ul>
---	--



## Benefits to Member Communities 28

- Completely Optional
- Designated Contractors
- Pre-negotiated Pricing
- Ease in Communication
- Administrative Assistance
- SPSA-Managed Procurement
- Does NOT Impact Airspace at Regional Landfill
- Does NOT Obligate SPSA Financially

## Method 29

- Pursue Cooperative Contracts
  - Consult with Counsel – Kevin Cosgrove
  - Return to Board for Review
- Update Strategic Operating Plan with Budget as Scheduled
  - Return to Board for Review
- Have Contracts in Place before Hurricane Season



## Request for Action 30

Because this is a change in SPSA's Standard Operating Plan and involves contractual obligations, staff is requesting a vote from the Board to signify their support of this directed action.

**RECOMMENDED ACTION:** authorize the Executive Director to pursue cooperative agreements for Disaster Debris Clearance, Removal, Reduction & Disposal Services to bring back to the Board for consideration in conjunction with the annual review of SPSA's Strategic Operating Plan.

## Upcoming Event 31

**Disaster Debris Management Training**  
 Monday, April 8  
 9:30am – 2:00pm  
 HRPDC

Email Tressa for Registration Link



Ms. Preston offered to answer any questions. Mr. Sorey commented that, as Public Works Director, he was excited about this effort and asked if it also included monitoring services. Ms. Preston confirmed that it would. Mr. Keifer commented that he was pleased to see this initiative return and made the motion. Mr. McCoy seconded and added that having these contracts in place will be great advantage to SPSA's member communities and thanked staff for bringing it forward. Mr. Hansen commented that this was a great example of regionalism and cooperative governance that he was very much in support of.

**Mr. Keifer moved, seconded by Mr. McCoy, to authorize the Executive Director to pursue cooperative agreements for Disaster Debris Clearance, Removal, Reduction & Disposal Services to bring back to the Board for consideration in conjunction with the annual review of SPSA's Strategic Operating Plan. The motion was adopted by a unanimous vote in favor.**

Ms. Preston added that on Monday, April 8, 2024, HRPDC would be hosting a Disaster Debris Management Training that she would be attending along with VPPSA staff, the contract vendors, and member community emergency management staff. She encouraged anyone interested to attend and to contact her for more information.

**9. WRITTEN REPORTS**

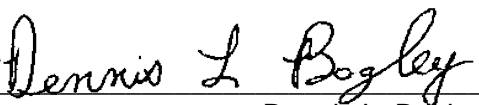
Chairman Baugh asked if there were any questions or comments on the Financial Reports or WIN Waste written monthly report, but there were none.

**10. OTHER BUSINESS**

Mr. McCoy commented that he was present at the Franklin City Council Meeting when Mr. Bagley presented his recommendations for SPSA's role in the future of waste for the region and he wanted to commend him for doing an excellent job. Mr. McCoy said that he was very pleased with what Mr. Bagley had to say and encouraged those who have not yet scheduled a presentation to do so. He also drew the Board's attention to an article in the morning's Virginian Pilot about the strides SPSA is making, calling it an important tribute to where SPSA was and where it is today.

**11. ADJOURN MEETING**

There being no further business to come before the Board of Directors, the regular meeting was adjourned at 10:26 a.m.

  
\_\_\_\_\_  
Dennis L. Bagley  
Executive Director

---

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