

SPSA

ANCILLARY SERVICES TRANSFER STATION AGREEMENT

This agreement (the "Agreement") for staffing the Norfolk Transfer Station located at 3136 Woodland Avenue, Norfolk, Virginia (the "Transfer Station"), dated as of July 26, 2018 is made by and between the SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA ("SPSA") and the CITY OF NORFOLK ("Norfolk").

WHEREAS, SPSA is an authority created pursuant to the Virginia Water and Waste Authorities Act, and Norfolk is a member locality in SPSA;

WHEREAS, SPSA and Norfolk entered into an Agreement for Use and Support of a Solid Waste Disposal System dated May 24, 2016 (the "Use and Support Agreement"), to which is attached as Schedule I, SPSA's Strategic Operating Plan (the "SOP");

WHEREAS, the Use and Support Agreement provides that in addition to SPSA's management and disposal of Norfolk's municipal solid waste, SPSA from time to time may by separate agreement, and/or by a global arrangement applicable to all member localities of SPSA provide ancillary waste disposal services;

WHEREAS, the ancillary waste disposal services must be approved in advance by SPSA's Board of Directors, and unless otherwise approved by SPSA's Board of Directors (i) fees charged by SPSA for the services must be sufficient to cover all costs incurred by SPSA in providing the services, and (ii) the services must be available at identical fees to all member localities who have a use and support agreement with SPSA;

WHEREAS, Norfolk has requested that SPSA staff the Transfer Station during certain hours when the Transfer Station is otherwise not in operation, for the purpose of accepting residential waste delivered directly by the residents of Norfolk to the Transfer Station;

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants and other consideration herein contained, SPSA and Norfolk agree as follows:

1. SPSA shall provide sufficient SPSA staff to operate the Transfer Station for the purpose of accepting and managing residential waste delivered by residents of Norfolk, in accordance with the residential waste disposal guidelines contained in the SOP, as the SOP is amended from time to time.

2. The Transfer Station shall be open for the purposes described in Section 1 above each Saturday and Sunday from Noon to 4 PM, except that the Transfer Station will not be open any Saturday or Sunday on which occurs: Christmas Day, New Year's Day or Independence Day (July 4). Notwithstanding anything to the contrary above in this Section 2, in the event SPSA reasonably determines the Transfer Station should not be operated due to inclement weather, maintenance requirements or equipment failure, SPSA shall not be obligated to open the Transfer Station. In such event, SPSA shall alert Norfolk as far in advance as possible by telephone call or email to the Director of Public Works for Norfolk at the published telephone number or email address.

3. In return for providing the services described above, SPSA shall be entitled to bill Norfolk on a per ton basis for residential waste delivered to the Transfer Station by residents of Norfolk on Saturday or Sunday, at the then-current tipping fee for Norfolk's municipal solid waste. SPSA shall bill, and Norfolk shall pay SPSA in accordance with the payment schedule

under the Use and Support Agreement. Notwithstanding anything to the contrary in this Section 3, SPSA shall be entitled to bill Norfolk a minimum of One Thousand Five Hundred Dollars (\$1,500.00) ("Minimum Payment") for each Saturday or Sunday the Transfer Station is open, regardless of the amount of residential waste actually delivered, both parties agreeing that the Minimum Payment represents the amount sufficient to cover minimum daily costs incurred by SPSA to open and operate the Transfer Station under this Agreement. The Minimum Payment shall be adjusted on July 1 each year over the term of this Agreement based on the Consumer Price Index for All Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor, Washington-Baltimore, DC-MD-VA-WV, All Items (November 1996 = 100) ("CPI") reported for the immediately preceding twelve (12) month period, or any successor index thereto, as such successor index may be appropriately adjusted to establish substantial equivalence with the CPI, except that in no event shall the Minimum Payment be decreased based on the CPI.

4. The term of this Agreement shall commence on July 1, 2018, and shall expire on June 30, 2019, provided however that if neither party provides notice to the other by January 31, 2019, the term of this Agreement shall be extended through June 30, 2020. Thereafter, if neither party provides written notice of termination to the other party by January 31 each year, the term shall be extended through June 30 of the immediately succeeding year.

5. Norfolk understands and agrees that relying on this Agreement, SPSA will include the operations described herein for purposes of budgeting SPSA's revenues and expenses, and therefore SPSA requires that the term of this Agreement be established in conformity with SPSA's fiscal year. Norfolk shall not be entitled to terminate this Agreement other than (i) by written notice as described in Section 4 above, or (ii) for cause (that is, breach by SPSA).

Notwithstanding anything to the contrary in this Agreement, this Agreement shall terminate as of the effective date the Use and Support Agreement terminates or expires.

6. Except for notice provided pursuant to Section 2 above, any notice required or permitted to be given under this Agreement shall be given in writing and (i) delivered in person, or (ii) delivered by a nationally-recognized courier service, properly addressed, to the applicable party at its address specified below, and shall be deemed effective upon delivery, or upon attempted delivery that is refused by the recipient. Either party from time to time may change the address by giving the other party notice of the change in accordance with this Section 6. The current addresses for the parties are as follows:

SPSA

Southeastern Public Service
Authority of Virginia
Attn: Executive Director
723 Woodlake Drive
Chesapeake, Virginia 23320

NORFOLK

City of Norfolk
Attn: City Manager
1101 City Hall Building
810 Union Street
Norfolk, Virginia 23510

IN WITNESS WHEREOF, SPSA and Norfolk have caused this Agreement to be executed on their behalf and their seals to be affixed and attested by officials thereunto duly authorized, all as of the date and year first above written.

ATTEST:



**SOUTHEASTERN PUBLIC SERVICE
AUTHORITY OF VIRGINIA**

By: 
_____ Executive Director

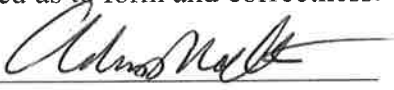
ATTEST:


_____ City Clerk

CITY OF NORFOLK

By: 
_____ City Manager

Approved as to form and correctness:


_____ Deputy City Attorney