

SPSA

BOARD OF DIRECTORS

REGULAR MEETING AGENDA

June 24, 2015

Start Time: 9:30 a.m.

Location:

Regional Board Room
SPSA/Regional Building
723 Woodlake Drive
Chesapeake, VA 23320

1. INFORMAL ITEMS: DISCUSSION ONLY

- A. MONTHLY REPORT ON WTE OPERATIONS Rob Johnson
- May 2015 (pg. 2-6)
- B. LANDFILL UPDATE Scott Whitehurst
- C. EXECUTIVE DIRECTOR UPDATES Rowland Taylor
 - 1. Various Items of Interest
 - 2. Division Productivity – May 2013 compared to May 2014 (pg. 7-10)
 - 3. Executive Committee Minutes – April 16, 2015 (pg. 11-12)
 - 4. Executive Committee Minutes – May 21, 2015 (pg. 13-14)
- D. CHAIRMAN’S COMMENTS Chairman Woodall
- E. NOMINATION COMMITTEE REPORT Taylor Williams

2. ACTION AGENDA

- A. MINUTES OF THE BOARD MEETING Chairman Woodall
- Meeting May 27, 2015 (pg. 16-23)
- B. FINANCIAL MATTERS Liesl DeVary
 - (1) Financial Reports (pg. 24-32)
 - (2) Contracts
 - A. Contract Renewals
 - a. Insurance Renewal (pg. 33)
 - B. Contract Awards
 - a. Landfill Asphalt (pg. 34)

3. CLOSED SESSION

[Motion Needed to Approve Closed Session Request]
[Closed Session per Virginia Code Section 2.2-3711 (A)(29)]

- (1) Post-2018 Waste Disposal Contract Negotiations (pg. 35)

4. ACTIONS ARISING FROM CLOSED SESSION

[Motion Needed to Approve Certification after Closed Session]

5. OLD/NEW BUSINESS

6. ADJOURN MEETING

LUNCH **WILL NOT** BE SERVED WITH THIS MEETING

Agenda

SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA

BOARD OF DIRECTORS Regular Meeting

WEDNESDAY, JUNE 24, 2015

REGIONAL BOARD ROOM, SPSA REGIONAL BUILDING

723 WOODLAKE DRIVE, CHESAPEAKE, VIRGINIA

9:30 A.M.

CALL MEETING TO ORDER CHAIRMAN WOODALL
INVOCATION EVERETT WILLIAMS
PLEDGE OF ALLEGIANCE
ROLL CALL

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.)

1. INFORMAL ITEMS: DISCUSSION ONLY

A. MONTHLY REPORT ON WTE OPERATIONS Rob Johnson

Mr. Rob Johnson will present the monthly Wheelabrator Reports for May 2015.

June 15, 2015

Mr. Rowland L. Taylor
Southeastern Public Service Authority
723 Woodlake Drive
Chesapeake, VA 23320

Dear Mr. Taylor:

Please find attached the Monthly Report for Wheelabrator Portsmouth Inc. 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,

Rob Johnson
Plant Manager, Wheelabrator Portsmouth

enclosure

Wheelabrator Portsmouth Inc.

Monthly Report for the Month of May 2015

This report is submitted as required by schedule 15 of the Service Agreement for the period indicated above. Paragraphs below are keyed to the items of Section 1.2 contained therein.

Environmental Issues:

Tests Completed:

Monthly Industrial Discharge Samples
Fuel Oil Sample

Tests Planned:

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

Inspections:

Air Quality Violations:

None

Safety Issues:

OSHA Recordable Accidents this period:	0
OSHA Recordable Accidents YTD:	7
Lost Time Accidents this period:	0
Lost Time Accidents YTD:	2

Op Stats: see attached spreadsheet

Upcoming Planned Outages:

2015 Outages

Jan 11-18	Boiler 2
Feb 15-22	Boiler 3
Mar 1-6	Boiler 4
Apr 12-17	Boiler 1
May 17-22	Boiler 2
Jun 14-20	Boiler 4
Jul 12-17	Boiler 3
Aug 16-23	Boiler 1
Sept 20-25	Boiler 2
Oct 18-25	Boiler 4
Nov 15-20	Boiler 3
Dec 13-18	Boiler 1

**WHEELABRATOR PORTSMOUTH INC
TONNAGES REPORT
CALENDAR YEAR 2015**

MONTH	SPSA ACCEPTABLE WASTE (TONS)			OUT-OF-STATE WASTE (TONS)		OUTSIDE-AREA WASTE (TONS)		TOTAL TONNAGE		NAVY STEAM DELIVERED (K-LBS)		ALL WASTE ACCEPTED AT RDF (TONS)		NP REMOVED FROM RDF (TONS)		PROHIBITED WASTE		RDF WASTE DIVERTED TO LANDFILLS (TONS)		PROCESSED WASTE (CALC)		PROCESSED FORMULA		ASH DELIVERED TO LANDFILL (TONS)		MW SOLD TO THE GRID (MWH)	
	SPSA ACCEPTABLE WASTE (TONS)	THIRD PARTY ACCEPTABLE WASTE (TONS)	OUT-OF-STATE WASTE (TONS)	OUTSIDE-AREA WASTE (TONS)	TOTAL TONNAGE	NAVY STEAM DELIVERED (K-LBS)	ALL WASTE ACCEPTED AT RDF (TONS)	NP REMOVED FROM RDF (TONS)	PROHIBITED WASTE	RDF WASTE DIVERTED TO LANDFILLS (TONS)	PROCESSED WASTE (CALC)	PROCESSED FORMULA	ASH DELIVERED TO LANDFILL (TONS)	MW SOLD TO THE GRID (MWH)													
JAN	30,900.80	37,259.23	-	60.50	68,220.63	94,365.30	64,608.05	4,443.74	-	497.45	59,666.86	57,252.60	14,850.40	19,684.00													
FEB	23,137.62	31,567.29	-	80.87	54,785.78	95,574.40	50,204.26	1,980.94	-	-	48,223.32	49,409.67	11,932.53	15,690.00													
MAR	33,579.80	42,683.75	-	144.95	76,408.50	83,975.81	70,139.74	6,815.80	-	-	63,323.94	61,871.07	16,569.44	22,846.00													
APR	40,067.59	42,729.74	-	60.54	82,857.87	56,724.70	68,752.86	4,586.86	-	1,760.00	62,406.00	57,467.20	17,884.55	21,301.00													
MAY	37,202.10	40,311.23	-	148.44	77,661.77	39,834.40	64,207.00	4,471.40	-	1,200.00	58,535.60	58,957.20	16,715.96	22,361.00													
JUN																											
JUL																											
AUG																											
SEP																											
OCT																											
NOV																											
DEC																											
YTD TOTAL	164,887.91	194,551.24	-	495.40	359,934.55	370,474.61	317,911.91	22,298.74	-	3,457.45	292,155.72	284,957.74	77,952.88	101,882.00													
12 MO	32,977.58	38,910.25	-	99.08	71,986.91	74,094.92	63,582.38	4,459.75	-	691.49	58,431.14	56,991.55	15,590.58	20,376.40													

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

**WHEELABRATOR PORTSMOUTH INC
AVAILABILITY
CALENDAR YEAR 2015**

MONTH	BOILER AVAILABILITY (%)	BOILER PLANNED OUTAGES (HRS)	BOILER UNPLANNED OUTAGES (HRS)	TURBINE AVAILABILITY	TURBINE PLANNED OUTAGES (HRS)	TURBINE UNPLANNED OUTAGES (HRS)
JAN	90%	181.78	131.45	73%	528.00	65.75
FEB	85%	192.00	212.52	100%	-	-
MAR	93%	116.47	80.65	93%	96.00	68.65
APR	93%	144.00	52.95	74%	-	564.12
MAY	92%	130.23	100.38	79%	-	467.63
JUN						
JUL						
AUG						
SEP						
OCT						
NOV						
DEC						
YTD TOTAL	91%	764.48	577.95	92%	624.00	1,166.15

WHEELABRATOR PORTSMOUTH INC

SUPPLEMENTAL INFORMATION

May 2015

Total Waste received by SPSA:	37,202 tons
Waste delivered to RDF:	64,207 tons
Total RDF processed:	58,957 tons
Ash sent to landfill:	16,716 tons
Electric power sold:	22,361 MW
Steam sold to Navy:	39,834 K-LBS
Overall Boiler availability:	92%
Overall Generator availability:	79%
Environmental Incidents	None

OSHA Recordable Accidents this period: 0

OSHA Recordable Accidents YTD: 7

General Notes:

Boiler 2 scheduled outage. Major work included 8 dutchman in secondary superheater, minor grate overhaul, weld build up on water walls and replacement of bottom drag head sprocket and bearings.

TG 1 transformer oil dissolved gas analysis showed high combustible gases in oil indicating arcing in the transformer. Unit was taken off line on April 7. Subsequent inspection confirmed arcing damage. Unit has remained off line while replacement transformer could be sourced and installed. Diverting tons with SPSA due to reduced production. Unit came up May 20th with no issues.

Boiler 4 outage scheduled for June

B. LANDFILL UPDATE Scott Whitehurst

C. EXECUTIVE DIRECTOR UPDATES Rowland Taylor

1. Various Items of Interest
2. Division Productivity – May 2014 compared to May 2015
3. Executive Committee Minutes – April 16, 2015
4. Executive Committee Minutes – May 21, 2015

Transfer Stations Division				Transportation Division			
Area Measured	2014	2015	Diff	Area Measured	2014	2015	Diff
Tons Loaded	68,285	63,471	-4,814 ¹	Tons Hauled	64,498 ²	54,553	-9,945 ³
Equipment Hrs.	2,107	2,154	+47 ⁴				
Man Hours	5,468	5,345	-123 ⁵	Man Hours	6,417	5,502	-915 ⁵
				Miles Traveled	83,631	67,751	-15,880 ⁶

¹ Reflects a decrease in tons handled at the transfer stations in May 2015 compared to May 2014, due to a decrease in waste handle at CTS, LTS, NTS, OTS, STS, FTS, and IOW in May 2015 compared to May 2014.

² Reflects the Processible Waste loads hauled by SPSA Transportation Department. The different between the tons loaded at the Transfer Stations and that which is hauled by SPSA are the Nonprocessible tons that are hauled by Wheelabrator’s contract hauler to a non-SPSA landfill. SPSA Transportation Department also hauls Norfolk Water Treatment Plant Sludge, Leachate Water from the Transfer Stations.

³ Reflects a decrease in tons hauled by the Transportation Department in May 2015 compared to May 2014, due to an increase in the number of Nonprocessible tons that were hauled by Wheelabrator’s contract hauler to a non-SPSA landfill and a decrease in overall tons handled at the transfer stations.

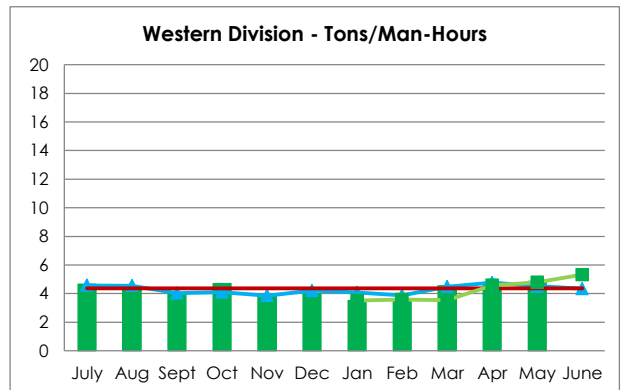
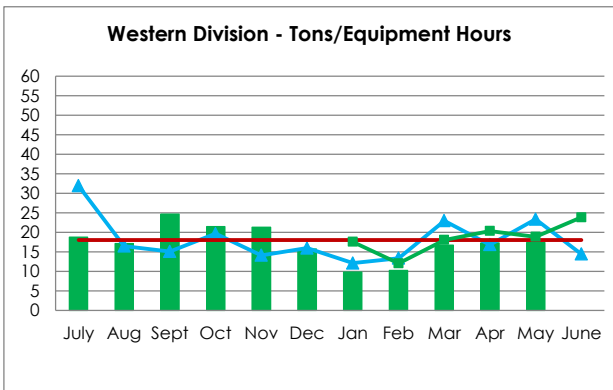
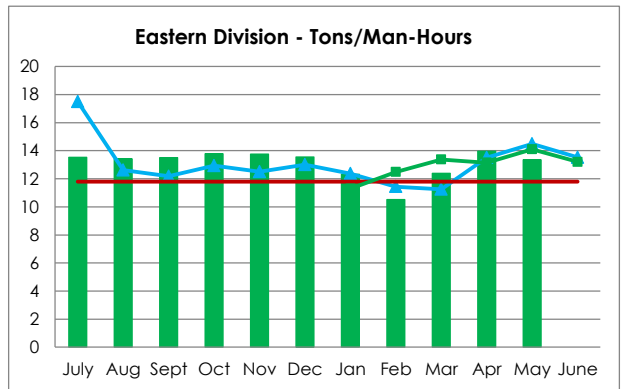
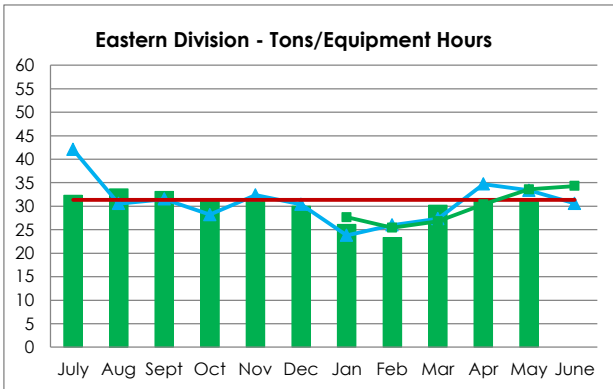
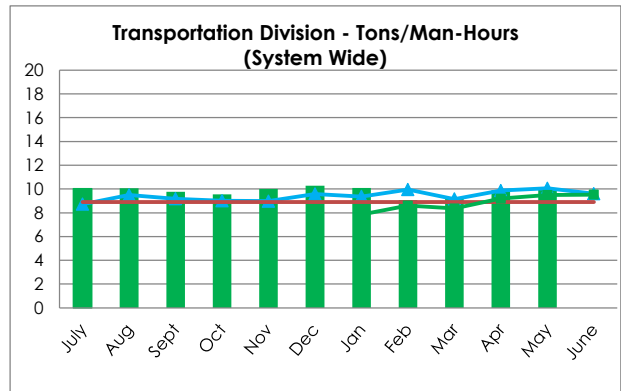
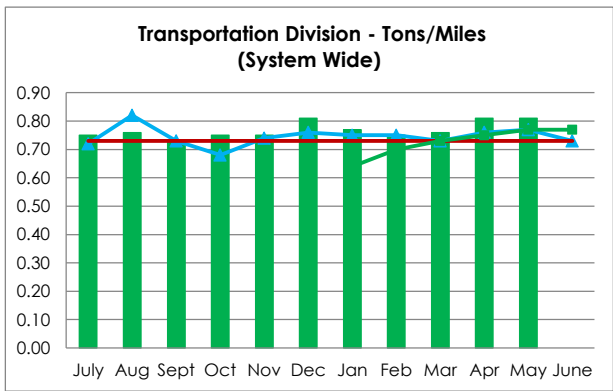
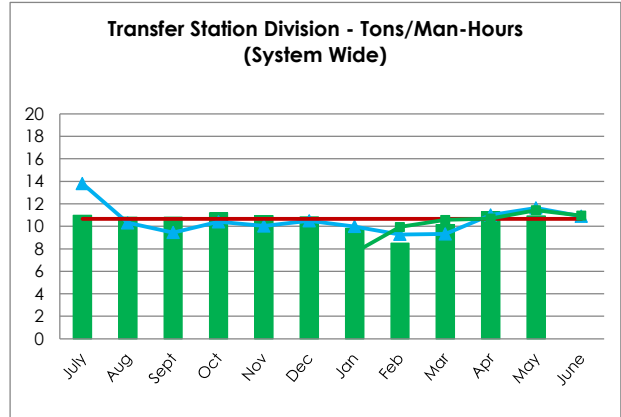
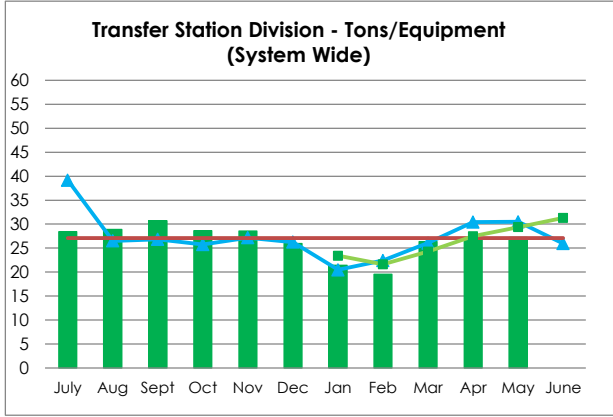
⁴ Reflects a small increase in the hours used on the equipment at the Transfer Stations in May 2015 compared to May 2014, due to training of new employees at the Transfer Stations.

⁵ Reflects a decrease in man-hours used at the Transfer Stations in May 2015 compared to May 2014, and the Transportation Department also had a decrease in man-hours, due to a decrease in the overtime used at the Transfer Stations and in the Transportation Department.

⁶ Reflects a decrease in the total miles traveled by SPSA Transfer Vehicles in May 2015 compared to May 2014, due to having to haul less waste and Wheelabrator diverted 3,513.67 tons of Processible Waste from the Suffolk Transfer Station to the top of the Landfill in May 2015 compared to 707.93 tons in May 2014. SPSA Transfer Vehicles traveled less miles by not having to take the loads to the RDF Plant in Portsmouth.

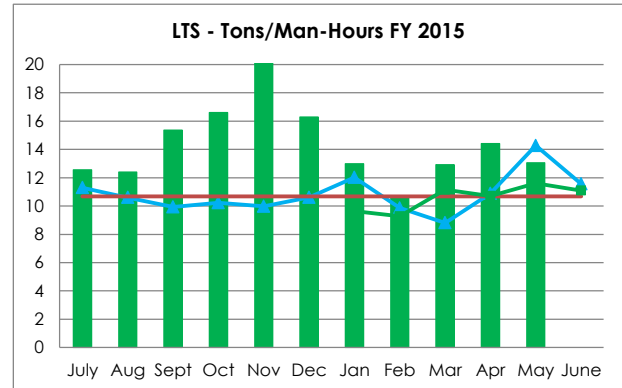
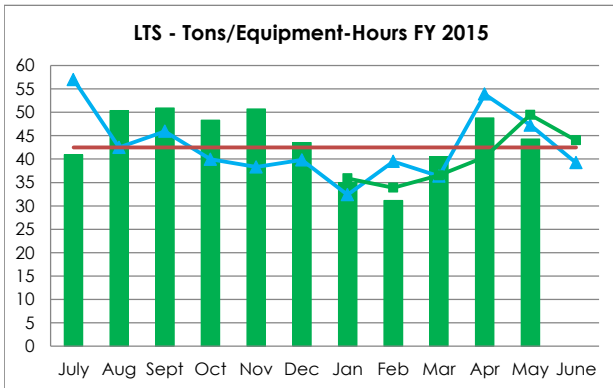
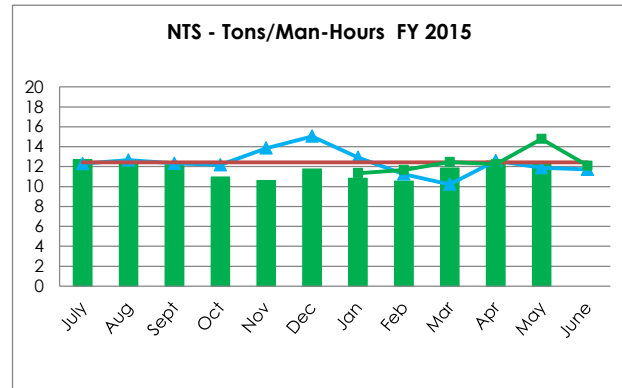
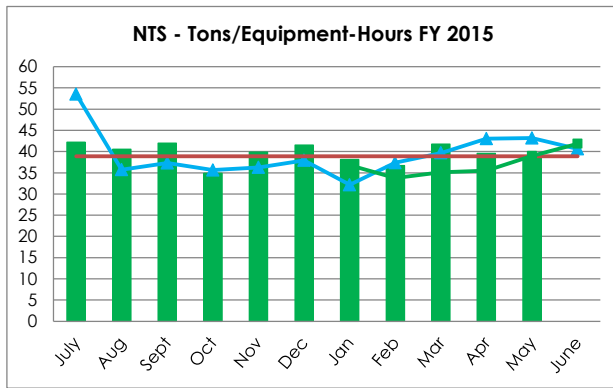
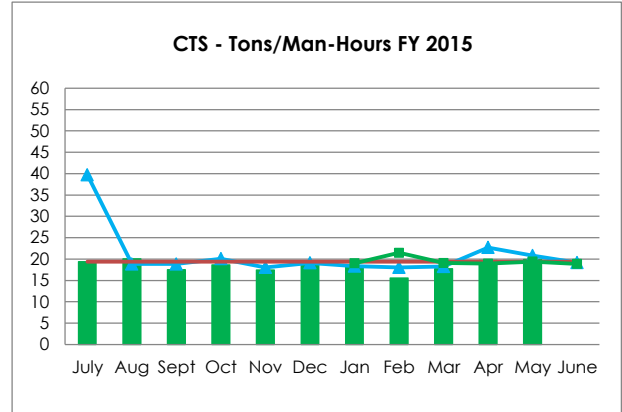
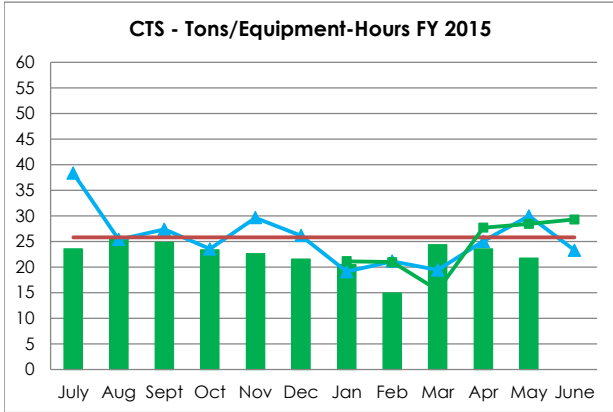
Southeastern Public Service Authority Monthly Comparison of Divisions Productivity

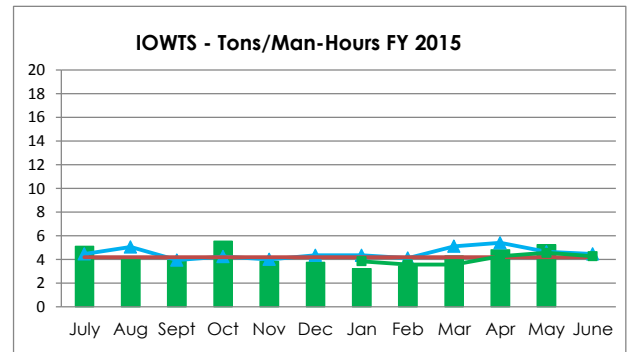
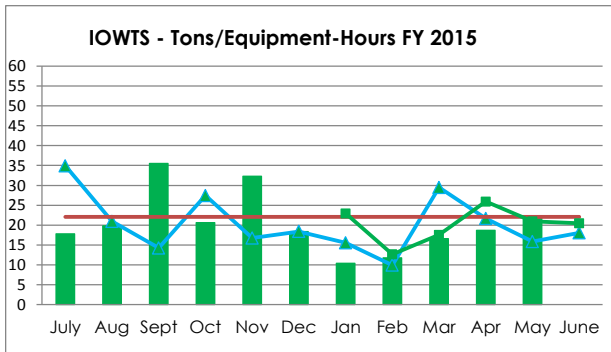
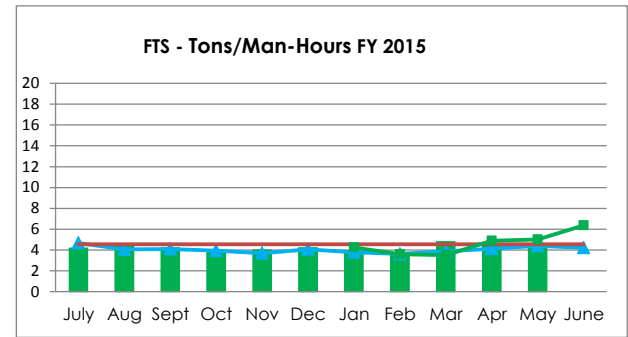
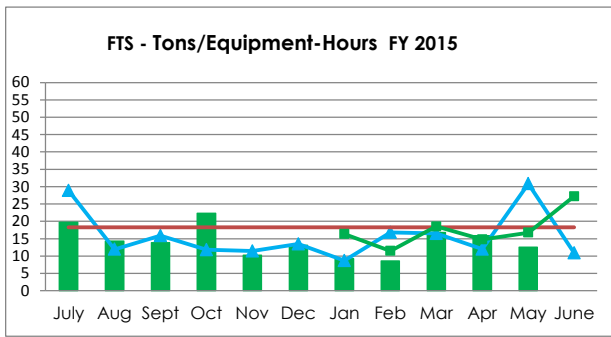
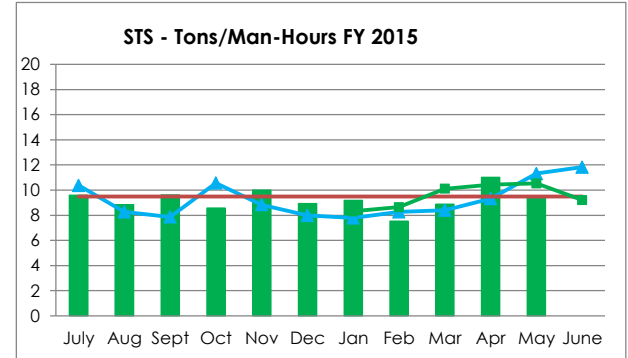
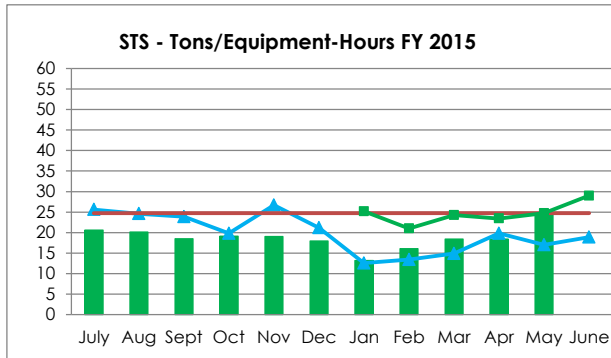
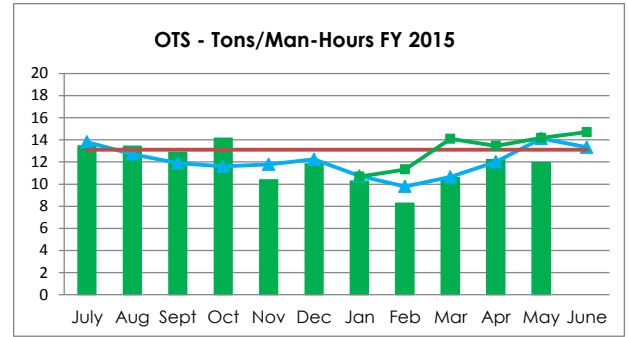
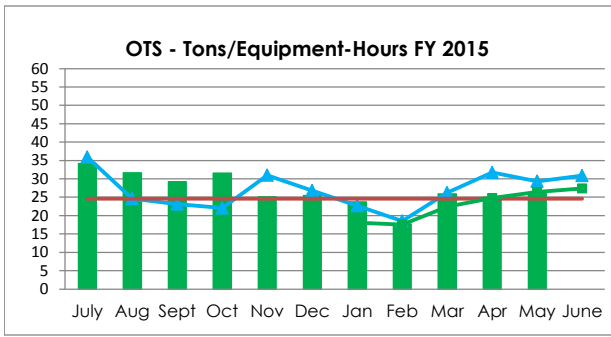
■ FY 2015 (bar)
▲ FY 2014
— Benchmark Rates (New)
— FY 2013



Individual Station Productivity Statistics

- █ FY 2015 (bar)
- ▲— FY 2014
- Benchmark Rates (New)
- FY 2013





Notice:

- * The "FY 2015 bar" reflects divisions and individual production rates for the current fiscal year.
- ** The "FY 2014 marker-line" reflects divisions and individual production rates for the last fiscal year.
- *** The "FY 2013 marker-line" reflects divisions and individual production rates for the 2013 fiscal year.
- **** The "Red Line" reflects the new benchmark rates which was set based on the last eight (8) months of divisions and individual production rates.

**MINUTES OF THE
EXECUTIVE COMMITTEE
SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
April 16, 2015**

A meeting of the Executive Committee was held at 9:30 a.m. in the second floor conference room of the SPSA Regional Building in Chesapeake, Virginia, and was called to order by Chairman Marley Woodall. The other Committee Members present at this meeting were Mr. Everett Williams, Mr. Mark Hodges and Mr. Don Williams. Also in attendance by invitation were Executive Director Bucky Taylor, Deputy Executive Director Liesl DeVary (also Treasurer to the Board), Secretary to the Board Blanche Christian, and General Counsel Trey Huelsberg.

1. Executive Committee Minutes – March 19, 2015

Mr. Everett Williams moved, seconded by Mr. Don Williams to approve the minutes of the March 19, 2015 Executive Committee meeting. The vote was unanimous.

2. Monthly Financial Items

Ms. DeVary stated that tonnages did tick back up as anticipated. We did have an increase in overtime in the month of March due to wait times out at the RDF plant. We also experienced an increase in equipment maintenance out at the landfill and that's largely due to dealing with the ash. T

There will also be 1 contract this month for the Annual Independent Audit Services that I will present. We will be recommending that it be awarded to Dixon Hughes based on our good working relationship as well as the price reduction. This was also the opinion of our Audit Committee and will be presented at the Board meeting.

No questions or comments were received in response to the budget presentation made last month. No changes have been made so we will be asking that the budget be adopted at this month's Board meeting.

3. Operations

Mr. Taylor began by stating that the dynamic timeline has been updated. We will have the updated copy passed out at the Board meeting as well as having it on screen as a visual reminder. After completion of the meeting it will also be updated online.

The Landfill Gas computer system upgrade has finally begun. This provides us the ability to go into the system and make sure that we can see what's actively going on. Additional information will be provided at the Board meeting.

A presentation by Trey of the Use and Support Agreement that was made at last month's Board meeting will be made later today to the CAOs.

4. Closed Session – Negotiations Update

Mr. Huelsberg, General Counsel read the closed session request which read as follows:

I move that a closed session be held for discussions regarding proposals received in response to the Southeastern Public Service Authority of Virginia's RFP issued for "post-2018" waste-disposal services, in accordance with Virginia Code Section 2.2-3711(A)(29) for the purpose of considering the negotiation of revisions to the terms of existing contracts and/or negotiation and award of new contracts where competition and bargaining are involved and where discussion in open session would adversely affect the bargaining position and negotiating strategy of the public body.

7. Adjournment

There being no further business to come before the Executive Committee Meeting, the meeting was adjourned at 9:25 a.m.

**MINUTES OF THE
EXECUTIVE COMMITTEE
SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
May 21, 2015**

A meeting of the Executive Committee was held at 9:30 a.m. in the second floor conference room of the SPSA Regional Building in Chesapeake, Virginia, and was called to order by Chairman Marley Woodall. The other Committee Members present at this meeting were Mr. Everett Williams, Mr. Mark Hodges and Mr. Don Williams. Also in attendance by invitation were Executive Director Bucky Taylor, Secretary to the Board Blanche Christian, and General Counsel Trey Huelsberg.

1. Executive Committee Minutes – April 16, 2015

Mr. Everett Williams moved, seconded by Mr. Don Williams to approve the minutes of the April 16, 2015 Executive Committee meeting. The vote was unanimous.

2. Monthly Financial Items

Mr. Taylor stated that total municipal waste tonnages at the end of April are up roughly 2% increase and that the Navy waste is up 12%.

He continued that we have a number of contract awards and renewals that will be presented at the Board meeting.

3. Operations

Mr. Taylor began by stating that in regards to the fire at the Suffolk landfill a cause has yet to be determined. A formal investigation by the City of Suffolk will be made. Our staff in conjunction with BES staff is also doing an analysis in to what caused the fire. Scott Whitehurst will be providing an update to the Board at our meeting.

Wheelabrator has had approximately 4,000 tons of diverted waste in the month of April and a little over 3,200 tons so far in the month of May. That has helped reduce overtime since SPSA is not having to haul as much non-processible from the transfer stations and not having as long wait times at the RDF plant. With the diversions we've received we do not anticipate having to use any of the tip-fee stabilization funds that was included in this year's budget.

We received a request from Atlantic Coast Pipeline for permission to be granted to allow them to do survey work along our property at the landfill. The Committee did not have any issue with granting this request.

4. Closed Session – Negotiations Update

Mr. Huelsberg, General Counsel read the closed session request which read as follows:

I move that a closed session be held for discussions regarding proposals received in response to the Southeastern Public Service Authority of Virginia's RFP issued for "post-2018" waste-disposal services, in accordance with Virginia Code Section 2.2-3711(A)(29) for the purpose of

considering the negotiation of revisions to the terms of existing contracts and/or negotiation and award of new contracts where competition and bargaining are involved and where discussion in open session would adversely affect the bargaining position and negotiating strategy of the public body.

5. Motion to Approve Certification after Closed Meeting.

Mr. Huelsberg, General Counsel read the certification which read as follows:

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 were discussed in the closed meeting to which this certification applies; 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.

6. Adjournment

There being no further business to come before the Executive Committee Meeting, the meeting was adjourned at 10:36 a.m.

D. CHAIRMAN’S COMMENTS Chairman Woodall

E. NOMINATION COMMITTEE REPORT Taylor Williams

2. ACTION AGENDA

A. MINUTES OF THE BOARD MEETING Chairman Woodall

The minutes of the May 27, 2015 Board meeting are attached for your review and approval.

RECOMMENDED ACTION: Approve the minutes as presented.

MOTION: I move that the May 27, 2015 minutes of the SPSA Board of Directors be approved as presented.

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

May 27, 2015

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. Marley Woodall	(CH)	Mr. Eric Martin	(CH)
Mr. Everett Williams	(FR)	Mr. H. Taylor Williams	(FR)
Mr. Roy Chesson	(IW)	Ms. Anne Seward	(IW)
Mr. Donald Williams <i>absent</i>	(NO)	Mr. Richard Broad	(NO)
Mr. C.W. "Luke" McCoy	(PO)	VACANT	(PO)
Mr. Mark Hodges	(SH)	Mr. Michael Johnson	(SH)
Mr. David Arnold	(SU)	Mr. Patrick Roberts	(SU)
Mr. William Sorrentino	(VB)	Mr. John Barnes	(VB)

* Indicates Late Arrival

** Indicates Early Departure

(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 the Alternate Ex-Officio Members, Mr. Randy Martin (FR), Ms. Cheran Cordell (PO), Mr. Mark Popovich, and the following SPSA executives Mr. Rowland (Bucky) Taylor, Executive Director, Ms. Liesl R. DeVary, Deputy Executive Director and Treasurer, and Mrs. Blanche Christian, Administrative Coordinator and Secretary, Trey Huelsberg, General Counsel, and staff from SPSA and the Hampton Roads Planning District Commission.

The meeting was then called to order by Chairman Woodall followed by the invocation by Mr. Everett Williams, the Pledge of Allegiance, and Roll Call. A quorum was present.

1. INFORMAL ITEMS: DISCUSSION ONLY

A. MONTHLY REPORT ON WTE OPERATIONS

Mr. Rob Johnson began his report on the operational stats for Wheelabrator for the month of April. The total waste delivered to SPSA was 40,068 tons and the total waste delivered to the RDF facility was 68,753 tons. The total tons processed was 57,467 tons and the ash sent to the regional landfill was 17,885 tons. The total electricity sold to the grid was 21,301 megawatts and 56,725 k-pounds of steam were sold to the Navy. Overall boiler ability was 93% percent and generator availability was 74% with no environmental incidents. Boiler 1 had a scheduled outage. The turbine generator

1 oil dissolved gas analysis showed high combustible gasses in the oil indicating arcing in the transformer. The unit was taken offline on April 7th and subsequent inspection confirmed arcing damage. The unit has remained off line while a replacement transformer can be sourced and installed. This caused the diversion of tons due to reduced production. We have since sourced the replacement and by May 20th it should be back in service. We appreciate SPSA being able to help us with those diversions. We do have a scheduled outage in May on Boiler 2. We will no longer be using Bi-Metals located at the regional landfill. We appreciate the services they have provided.

B. EXECUTIVE DIRECTOR UPDATES

Mr. Rowland Taylor began his monthly reports. As Rob mentioned, Bi-Metals will no longer be operating at the landfill. We will be meeting with Mark Bielicki on Thursday morning to try and set a strategy for them to process the final loads that will come in at the end of the month and clean up the site. Following that they had indicated they will not be using the facility any further because Wheelabrator is their sole source for materials. So with that in mind, we will develop a plan with which we be able to sell off the equipment since, at this point in time, Bi-metals has chosen not to exercise any option for the purchase of the equipment. We will be updating you in the future if anything develops on that front. We do appreciate Bi-metals working with us over the past many decades.

As Rob also mentioned we did have 4,000 tons of diverted waste in the month of April and a little over 3,200 tons in the month of May. That has helped on wait times in two ways. Diversion of the waste to the landfill or to other places other than the RDF plant, and second, now that springtime and summertime has arrived, the greater portion of the non-processable waste that was going to the RDF plant during the winter months is no longer needed. So that waste is being hauled by CEI to a non SPSA landfill.

Norfolk had a recycling event that took place on Saturday, May 16th. Ninety-six Norfolk residents came out with numerous items for proper disposal. To give you an example of some there was 704 gallons of paint, 167 gallons of auto oil, 45 gallons of acid and 56 TVs. Additionally they collected 2,660 lbs of shredded paper and 8,187 lbs. of material by Goodwill Industries.

Mr. Taylor welcomed Scott Whitehurst to the podium.

Mr. Whitehurst commented that on Friday, May 15th, we did have a fire in the closed portion at the regional landfill which would be Cells I through IV. We were alerted just after 12:30 on Friday afternoon by our folks that there was a fire which our staff responded to very quickly. Within three to four minutes our water truck was on scene and a few minutes after that one of our small dozers was on site cutting fire breaks. Based on the way the wind was blowing that particular day and the type of vegetation we have up there, we just didn't have the staff to keep up. The Suffolk fire department was notified. They responded with several trucks and essentially we surrounded the fire and were able to extinguish it.

We did completely lose one gas well. In addition, we had four other wells that were slightly damaged. Other than re-drilling the well that was lost, all repairs have been made to the wells that

were impacted. BES staff has conducted, as of today, four carbon monoxide monitoring events on 6 wells surrounding the well that we lost earlier in the fire. All of the carbon monoxide levels have been well below any level of concern and at this point we do not feel as though there is any sub-surface combustion on the site. The well that we did lose has been filled with bentonite grout, and prior to filling with grout we flooded the well several times and also placed a temporary patch to the cap on top of the well location. That will be formally repaired by BES staff, once they have completed all of the gas monitoring. This week we will be taking gas samples collected in a canister for laboratory analysis which is a more formal method of looking at some of the components. If everything looks good in the samples that are analyzed at the lab then they will look forward to repairing the cap and restoring the vacuum to that portion of the landfill. We have a few wells right now that we have not restored vacuum to just to ensure there is no potential for flare-up in any of the surrounding wells. The rest of the cells V and VI remain active.

At this point, there has been no determination of the cause of the fire. One theory is static built up on the pipe itself. That is something that is common in landfill industry. I believe in all the years we have had one other gas fire possibly attributed to static in the pipe.

Mr. Arnold (SU) asked how many units from the Suffolk Fire Department responded to this and you said that you made a determination no sub-surface combustion. Can you let us know what was done to determine that and how you can feel comfortable you don't have to have that concern going forward?

Mr. Whitehurst responded that at least two forestry trucks, a tanker, a ladder truck, and then two others I consider normal fire trucks. They were from not only the City of Suffolk but Chuckatuck sent a unit as well as one of the other surrounding communities. They also had the firefighters that were there providing water and a rest location for those fighting the fire. The initial group that arrived was there approximately three hours, but not all of them were there for three hours. In regards to the second question we are still checking into that by taking a look and actual gas sample that is going to be collected from the wells that were surrounding the well that was at the center of the fire. This week we will fill canisters' with gas from those wells and they will be sent to the lab which will analyze them for methane content, and other compounds. CO is certainly going to be the biggest one they will get to see if any combustion in the surrounding area. So it is still ongoing but up to this point we feel that with the analysis that has been done that's we are confident that there is no internal fire.

Mr. Whitehurst continued that gas well temperatures are collected on a regular basis. Since Cell I thru IV they are closed, the temperatures are not monitored as frequently and tend to be significantly lower. As you recall, we had some high temperature readings on our Cell V which is a big reason why we did the cover project, but the wells are monitored for temperature and they are well within regulatory limits on that particular portion of the landfill. Well heads on all of the wells throughout the facility are monitored for vacuum pressure at minimum weekly; some of them are monitored more than that. The vacuum that we pull on each individual well head is very minimal. In fact, that particular well head was not a good producer of gas at this point which raises other question as to there wasn't a whole lot of gas there then what really happened and just something that is ongoing and still looking into. I haven't figured out what actually caused this and how to prevent it from happening going forward.

To my knowledge there has been only one other fire associated with a gas well. It was on a closed portion of the landfill. It was on the opposite side of the landfill, and it did not impact any surrounding vegetation at all. The well itself appeared to burn up and there was a hole in the ground. If you were to compare what the wells look like, this looked like a very similar type of fire with the exception of the surrounding vegetation causing a brush fire which spurred all the activity last Friday. It was not an issue as far as a gas well exploding or anything of that nature. Essentially a brush fire that we feel at this point was started at a well.

Mr. Sorrentino (VB) commented that I would like to know whose looking into it, when are they going to be done looking into it and are the qualifications of the person looking into it good enough to put some validity to the findings so I would like an after action review on this.

Mr. Whitehurst responded that I will come back with more formal and possibly BES will to come in. I would consider them experts in the field of gas recovery. Any questions they have, they are communicating with me that they would be talking to our contracting engineering firm, HDR. BES is actually carrying out the lab analysis, field analysis, and they are reporting back to me.

Mr. Roberts (SU) commented that the cause of the fire is under investigation by the Suffolk Fire Marshalls office which is typical of any incident and so regardless of the investigation by SPSA staff or contractors once the investigation is completed information will be made public.

Mr. Arnold (SU) commented that I would ask for update at the next meeting so this doesn't fall off the radar and I would like to know what caused it if can be determined or at least have better reassurance everybody is safe and the surrounding citizens and City of Suffolk are safe.

Chairman Woodall (CH) asked Mr. Roberts if the fire marshal comes up with conclusions will you make them available or provide an update to the Board. Mr. Roberts (SU) responded yes.

C. CHAIRMAN'S COMMENTS

Chairman Woodall (CH) commented that the Use & Support comments are due by the end of the month and asked if any have been received.

Mr. Huelsberg commented that comments have been received from Mr. Williams and Mr. Popovich, both comments were very helpful and I will bring them to the committee once we have received all the comments.

Mr. McCoy (PO) stated that Portsmouth has done its review and should be ready for the committee by the end of the month.

Mr. Barnes (VB) stated that the same was for Virginia Beach.

Chairman Woodall (CH) continued that the way our Nominating committee works is that they will make a report at next month's Board meeting and the following month everybody votes. At any time in there that you want to make a nomination from the floor feel free to do so; it is a wide-open

process. Our Nominating committee will consist of Mr. Taylor Williams (FR) as the Chairman, Mr. Don Williams (NO) and Mr. Luke McCoy (PO).

Chairman Woodall (CH) presented a Resolution of Appreciation to George M. Willson.

(The Resolution of Appreciation was read as follows)

Resolution of Appreciation presented to George M. Willson

WHEREAS, George M. Willson, has been a representative of the City of Portsmouth, and has served on the Board of Directors of the Southeastern Public Service Authority of Virginia from August 25, 2010 through April 15, 2015; and,

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

WHEREAS, with a feeling of deep gratitude, on this occasion, his associates in the Southeastern Public Service Authority of Virginia express their respect and appreciation for his professional service to the Authority and to the citizens that it serves.

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

Adopted this 27th day of May, 2015

Attested by Marley A. Woodall, Jr, Chairman of the Board and Rowland L. Taylor, Executive Director

Mr. Taylor Williams (FR) moved, seconded by Mr. Everett Williams (FR), that the Resolution of Appreciation for George M. Willson be approved as presented. The vote of the motion was unanimous.

Mr. George Willson thanked the Board. Since my retirement I realized that there are meetings and there are meetings. This is a meeting that I will miss; the others maybe not so much. But honestly when Tim Oksman, my predecessor in my office, as well as here told me that he was recommending me for this position, he said: I want you to have an opportunity to deal with a really professional group that has the region at heart, and in its mind. And he said you will enjoy it and I couldn't imagine how I would enjoy another meeting, but I have really, really enjoyed meeting and working with all of you and with this organization and very valuable organization. As you all know, you have got some challenges coming up but those challenges are in good hands so I will miss being with you and my thoughts will be with you and I will enjoy reading about you instead of me in the newspaper. So thank you very much.

(Applause)

Chairman Woodall (CH) commented that in regards to the Negotiating Committee, we continue to meet and have a meeting scheduled today. I am happy the way things are going and moving forward and at the next meeting I am hoping to have something more concrete to present.

2. ACTION AGENDA

A. MINUTES OF THE BOARD MEETING

Chairman Woodall (CH) moved to the action agenda. The minutes of the board meeting have been distributed and he asked if there were any additions or changes.

Mr. Taylor Williams (FR) moved, seconded by Mr. Mike Johnson (SH), that the April 22, 2015 minutes of the SPSA Board of Directors meeting be approved as presented. The vote of the motion was unanimous.

B. FINANCIAL MATTERS

(1) Financial Reports

Ms. DeVary began by stating that for the month ending April 30, total revenues exceeded total expenses by approximately \$1.6 million as compared to \$840,000 in the previous year. Revenues from tipping fees are up approximately 2.3% or approximately \$366,400 as compared to this time last year. The increase is due to increased tonnages in Navy Waste, construction and demolition debris and other soil projects we received at the landfill. Total municipal waste tonnages at the end of April are 324,000 tons as compared to 317,771 tons a year ago representing roughly 2% increase. Total expenses fiscal year-to-date was approximately \$30.5 million as compared to \$30.8 million in the previous year. Operating cash balances are at \$23.1 million representing \$3.8 million in the operating account, \$3.3 million for tip fee stabilization, \$10 million for the operating reserve and \$6 million designated for landfill closure. With the continued diverted waste we've received I do not anticipate needing to use any of the tip fee stabilization fund, originally I projected we would use about 250,000.

Mr. Martin (CH) commented that earlier it was mentioned about the Bi-metal departure, is there any operational or financial impact? Ms. DeVary commented that it was approximately \$75,000 a year but I did not include that in next year's budget. Their lease ends at the end of the month.

Mr. Eric Martin (CH) moved, seconded by Mr. McCoy, that the SPSA financial reports subject to audit be approved as presented. The vote of the motion was unanimous.

(2) Contracts

(A) Contract Awards

a. Telecommunication Services

Ms. DeVary stated that we have several contracts for your consideration today. A RFP for telecommunications services was issued for the data network between all of our transfer stations, landfill, fleet maintenance facility in Portsmouth as well as the administrative office here. We included an increase to a 10 megabyte data line for the operation center in Portsmouth as well as this location. We received two quotes. Currently we have been under contract with Cox Communication; however, based on the bids received and services offered, we are recommending that we switch to Windstream. The total projected and annual cost is \$57,000. As you all are aware everything is dependent on your data network and we needed more bandwidth in order to operate more efficiently so we were able to achieve that as well as reduce our current prices.

Mr. Mike Johnson (SH) moved, seconded by Mr. Taylor Williams (FR), that the Telecommunications Services contract be awarded to Windstream at a projected cost of \$57,055 with three base years and two (2) one year options as presented. The vote of the motion was unanimous.

b. Trailer Refurbishment

Ms. DeVary welcomed Mr. Patrick Lee to present the next two contracts.

Mr. Patrick Lee stated a RFP to purchase 15 walking floor assemblies was issued. This would be strictly parts as the guys in the shop will be actually replacing these floors. We received one bid from Mid-Atlantic Waste. The total price is \$262,279 in which we only had \$240,000 budgeted. The additional funds in the amount of \$ 22,279 are available in the tractor refurbishment project line item. We would recommend that the contract be awarded to Mid-Atlantic Waste.

Mr. McCoy (PO) moved, seconded by Mr. Taylor Williams (FR) that the Trailer Refurbishment contract be awarded to Mid-Atlantic Waste System at a projected cost of \$262,279 as presented. The vote of the motion was unanimous.

c. Service & OEM Caterpillar Replacement Parts

Mr. Lee continued that Carter Machinery was the only company that submitted a bid. This basically gives us a set price on an as needed basis throughout the year and prevents us from having to fill out sole source forms regarding purchases and we would recommend this OEM be awarded to them.

Mr. McCoy (PO) commented that due to a possible conflict; I would like to abstain from voting on this particular item.

Mr. Everett Williams (FR) moved, seconded by Mr. Hodges (SH), that the Service and OEM Caterpillar Replacement Parts contract be awarded to Carter Machinery at a projected annual cost of \$275,000 on an as needed basis. All were in favor with the exception of Mr. McCoy who abstained from the vote.

(B) Contract Renewals

- a. Grounds Maintenance
- b. Security Services at the Regional Landfill
- c. Laboratory Analysis
- d. Loader Tires
- e. Truck Tire Management

Ms. DeVary continued that we have several contract renewals.

Chairman Woodall (CH) asked am I correct that on grounds maintenance this is the option 4 of a 4 year contract with no change in the rate, security services is the option 3 of 4 with no increase in the rate, laboratory is the fourth year of the contract with no change in the rate, loader tires is option 3 of 4 with a 2.5% decrease and truck tire management is option 4 of 4 with no change in the rate? Ms. DeVary commented yes and these just needed to be approved by the board because they exceed \$30,000.

Mr. Roberts (SU) moved, seconded by Mr. Sorrentino (VB), that the Grounds Maintenance, Security Services at the Regional Landfill, Laboratory Analysis, Loader Tires and Truck Tire Management renewal contracts be approved as presented. The vote of the motion was unanimous.

3. OLD/NEW BUSINESS

Chairman Woodall (CH) commented that the sound system will be changing next month; it is scheduled for the first two weeks in June.

Mr. Sorrentino (VB) commented that I have been reviewing some of the paperwork that preceded me and I have lots of comments so do you think it is best that I send them to Trey to put them in the lot with the other comments being considered? Chairman Woodall (CH) responded absolutely.

4. ADJOURNMENT

There being no further business to come before this Board of Directors, the regular meeting was adjourned at 10:25 a.m.

Rowland L. Taylor
Executive Director

Submitted by: Blanche Christian
Secretary, SPSA Board of Directors

- B. FINANCIAL MATTERS Liesl DeVary
(1) Financial Reports

Statement of Revenue and Expenses – Budget to Actual Comparison

As of May 31, 2015, total revenues exceeded total expenses by approximately \$2.1 million as compared to \$1.15 in the previous year. Tipping fee revenue received fiscal year to date is up less than 1% or \$122,460 as compared to the amount received in the prior fiscal year. Total expenses FYTD were approximately \$33.5 million as compared to \$34.2 million in the previous year.

Monthly Expense Line Items

This report provides the actual expenses by month by the type of expense. The majority of the line items vary in amounts from month to month because they are either: (1) dependent on usage, or (2) timing of payment and/or check date. Salaries and benefits increased from the prior month due to 3 pay periods in the month of May.

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 2015 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 May 31, 2015, municipal waste tonnages (excluding Suffolk waste taken directly to the landfill) are basically unchanged fiscal year to date as compared to the previous year. Commercial waste received at the transfer stations and RDF plant is also unchanged from last year however Navy waste is up 1,946 tons or 9.1%.

Treasurer’s Report of Cash Balances

This report captures the monthly activity in each of the depository accounts grouped as either operating funds, trust funds or debt service funds. As of May 31, 2015 operating cash balances were \$23.8 million representing \$4.5 million in the operating account, \$3.3 million for tip fee stabilization fund, \$10 million for the operating reserve and \$6 million designated for landfill closure.

RECOMMENDED ACTION: Approve the financial reports as presented.

MOTION: I move that the SPSA financial reports subject to audit be approved as presented.

Southeastern Public Service Authority
Statement of Revenue and Expenses - Budget to Actual Comparison
For the Period Ending May 31, 2015

	May 2015				May 2014			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
REVENUES								
A Tipping Fees	\$ 36,711,725	\$ 3,345,268	\$ 33,835,916	92.2%	\$ 38,269,141	\$ 3,589,219	\$ 33,713,456	88.1%
The program	210,000	26,046	267,830	127.5%	210,000	27,034	219,070	104.3%
Household Hazardous Waste Revenue	225,000	15,560	188,674	83.9%	250,000	21,495	193,529	77.4%
White Goods Program	40,000	4,522	36,545	91.4%	30,000	7,790	44,904	149.7%
Landfill Gas Recovery	550,000	25,573	435,554	79.2%	550,000	30,763	397,525	72.3%
Miscellaneous Income	239,005	21,139	445,848	186.5%	387,325	22,538	430,636	111.2%
Interest Earnings	35,000	26,384	106,080	303.1%	30,000	4,120	45,530	151.8%
B Fund Balance / Capital	259,833	-	257,823	99.2%	493,945	-	277,434	56.2%
Fund Balance / Contingency	1,460,000	-	-	0.0%	1,460,000	-	-	0.0%
Fund Balance / Tip Fee Stabilization Fund	2,962,369	-	-	0.0%	1,087,500	-	-	0.0%
TOTAL REVENUES	\$ 42,692,932	\$ 3,464,492	\$ 35,574,268	83.3%	\$ 42,767,911	\$ 3,702,957	\$ 35,322,084	82.6%
OPERATING EXPENSES								
Administration								
Salaries / Wages	\$ 794,749	\$ 82,315	\$ 668,550	84.1%	\$ 851,638	\$ 89,113	\$ 728,070	85.5%
Employee Benefits	235,035	15,477	156,497	66.6%	241,916	16,005	163,584	67.6%
Professional / Contracted Services	606,665	13,843	353,908	58.3%	635,209	50,660	358,448	56.4%
Materials / Supplies	7,570	223	4,167	55.0%	9,990	1,486	6,631	66.4%
Other Operating Expenses	172,612	12,539	142,475	82.5%	173,385	14,590	152,763	88.1%
Total Administration	\$ 1,816,631	\$ 124,396	\$ 1,325,597	73.0%	\$ 1,912,138	\$ 171,854	\$ 1,409,496	73.7%
Environmental Management								
Salaries / Wages	\$ 246,163	\$ 28,316	\$ 220,974	89.8%	\$ 226,637	\$ 26,690	\$ 206,253	91.0%
Employee Benefits	90,618	7,670	83,779	92.5%	80,265	7,025	76,665	95.5%
Professional / Contracted Services	48,200	1,165	8,870	18.4%	64,700	749	21,365	33.0%
Materials / Supplies	22,400	1,329	9,325	41.6%	22,875	1,265	13,184	57.6%
Other Operating Expenses	7,381	308	5,392	73.1%	9,714	379	5,764	59.3%
Total Environmental Mgmt & Safety	\$ 414,762	\$ 38,788	\$ 328,340	79.2%	\$ 404,191	\$ 36,109	\$ 323,230	80.0%
Operations								
Salaries / Wages	\$ 5,691,350	\$ 623,888	\$ 4,881,039	85.8%	\$ 5,633,217	\$ 634,497	\$ 4,864,617	86.4%
Employee Benefits	1,949,566	163,667	1,713,189	87.9%	1,801,188	156,537	1,651,087	91.7%
Professional / Contracted Services	1,910,196	120,245	1,658,673	86.8%	1,913,260	192,201	1,685,334	88.1%
Materials / Supplies	2,199,913	136,417	1,555,230	70.7%	2,138,015	154,838	1,698,430	79.4%
Other Operating Expenses	731,855	56,171	684,695	93.6%	738,021	60,866	577,101	78.2%
Total Operations	\$ 12,482,880	\$ 1,100,387	\$ 10,492,826	84.1%	\$ 12,223,701	\$ 1,198,939	\$ 10,476,568	85.7%
TOTAL OPERATING EXPENSES	\$ 14,714,273	\$ 1,263,571	\$ 12,146,763	82.6%	\$ 14,540,030	\$ 1,406,902	\$ 12,209,294	84.0%
CAPITAL PROJECTS / EQUIPMENT REPLACEMENT								
B Regional Landfill Site Improvements	\$ 196,525	\$ 4,624	\$ 201,149	102.4%				
B Franklin Transfer Station - Asphalt Repairs	63,308	-	61,298	96.8%				
Regional Landfill - Brush Cutter/Mower	12,000	-	7,980	66.5%				
Regional Landfill - Asphalt Repairs	300,000	-	-	0.0%				
Road Tractors (re-furbish 4)	120,189	-	-	0.0%				
MSW Trailers (re-furbish 15)	240,000	-	-	0.0%				
CTS - Yard Dog (re-furbish)	28,000	18,632	19,032	68.0%				
CTS - Re-skin Main Bldg and Scalehouse	130,000	-	-	0.0%				
CTS - Soffit/Siding Repairs	27,000	-	26,780	99.2%				
CTS - Pressure Wash/Painting	18,000	-	18,000	100.0%				
FIS - Wheeled Loader	225,000	-	-	0.0%				
LIS - Pressure Wash/Paint Exterior	105,000	-	25,000	23.8%				
LIS - Wheeled Loader	450,000	-	-	0.0%				
NTIS - Pressure Wash/Paint Exterior	105,000	-	25,000	23.8%				
NTIS - Pressure Wash/Paint Interior	80,000	-	29,600	37.0%				
OTS - Concrete Landing Gear Pad Replace	23,150	-	15,575	67.3%				
OTS - Concrete Loader Pad	5,450	-	4,150	76.1%				
Gasboy Upgrade	99,811	-	97,825	98.0%				
Total Capital/Equipment Replacement	\$ 2,228,433	\$ 23,256	\$ 531,389	23.8%	\$ 1,031,713	\$ -	\$ 486,501	47.2%
DEBT SERVICE								
Principal (transfers to trustee)	\$ 4,046,250	\$ 277,917	\$ 3,768,333	93.1%	\$ 4,672,500	\$ 515,000	\$ 4,157,500	89.0%
Interest (transfers to trustee)	1,204,316	95,381	1,108,939	92.1%	1,385,692	115,297	1,270,333	91.7%
Letter of Credit Fees - DEQ Financial Assurance	15,208	-	235	1.5%	15,000	-	15,208	101.4%
Total Debt Service	\$ 5,265,774	\$ 373,298	\$ 4,877,507	92.6%	\$ 6,073,192	\$ 630,297	\$ 5,443,041	89.6%

	May 2015				May 2014			
	Adjusted Budget	Month	FYTD	% of Budget	Adjusted Budget	Month	FYTD	% of Budget
OTHER USES								
C Va. Beach Ash & Residue Agreement								
Salaries/ Wages	\$ 690,835	\$ 57,570	\$ 595,425	86.2%	\$ 800,000	\$ 58,448	\$ 570,103	71.3%
Employee Benefits	216,055	18,005	180,554	83.6%	229,000	16,398	186,475	81.4%
Professional/ Contracted Services	272,700	22,725	141,291	51.8%	165,000	22,728	131,558	79.7%
Materials/ Supplies	34,500	2,875	16,438	47.6%	32,000	594	19,018	59.4%
Other Operating Expenses	109,161	9,097	109,944	100.7%	70,000	89	37,513	53.6%
Internal Service Charges	378,844	31,570	376,549	99.4%	414,714	63,316	357,851	86.3%
Indirect Costs	309,000	25,750	246,840	79.9%	284,262	24,073	264,419	93.0%
Capital Equipment	10,000	833	1,667	16.7%	13,000	-	8,191	63.0%
Engineering Services & Permits	150,000	12,500	58,453	39.0%	230,000	-	97,709	42.5%
TOTAL Ash & Residue Agreement	\$ 2,171,095	\$ 180,925	\$ 1,727,160	79.6%	\$ 2,237,976	\$ 185,646	\$ 1,672,836	74.7%
Service Fee to Wheelabrator								
Annual Fee Paid over 12 Months	\$ 22,885,000	\$ 1,907,083	\$ 20,977,917	91.7%	\$ 21,890,000	\$ 1,824,167	\$ 20,065,833	91.7%
Less: Steam Energy Revenue	(850,000)	(71,751)	(832,961)	98.0%	(760,000)	(68,749)	(834,930)	109.9%
Less: SPSA Hauling Fee	(3,574,000)	(301,417)	(3,729,520)	104.4%	(2,650,000)	(363,358)	(3,534,087)	133.4%
Less: Loading Fee	(300,000)	(24,843)	(155,571)	51.9%	(350,000)	(14,939)	(189,222)	54.1%
Less: Liquidated Damages Late Trailer	-	-	(5,000)	N/A	-	-	(5,000)	N/A
Less: Proprietary Waste Revenue	(86,355)	(10,002)	(110,122)	127.5%	(70,000)	(10,987)	(97,640)	139.5%
Less: Fuel Surcharge	(710,000)	(24,153)	(417,879)	58.9%	(600,000)	(69,936)	(704,558)	117.4%
Less: Overtime Per Addendum 4	(51,288)	(4,284)	(47,120)	91.9%	(50,000)	(4,171)	(45,880)	91.8%
Less: Cost for Ash Disposal	(475,000)	(83,580)	(389,764)	82.1%	-	-	-	N/A
Less: Diverted Waste Disposed by SPSA	-	(161,629)	(955,789)	N/A	-	(81,581)	(237,407)	N/A
Less: Other Credits	-	(33,488)	(104,405)	N/A	-	(41,867)	(57,467)	N/A
Net Fee to Wheelabrator	\$ 16,838,357	\$ 1,191,939	\$ 14,229,784	84.5%	\$ 17,410,000	\$ 1,168,579	\$ 14,359,642	82.5%
Virginia Beach Environmental Trust Fund	10,000	-	-	0.0%	10,000	-	-	0.0%
Suffolk Environmental Trust Fund	5,000	-	-	0.0%	5,000	-	-	0.0%
Contingency	1,460,000	-	-	0.0%	1,460,000	-	-	0.0%
TOTAL Other Uses	\$ 20,484,452	\$ 1,372,864	\$ 15,956,944	77.9%	\$ 21,122,976	\$ 1,354,225	\$ 16,032,478	75.9%
GRAND TOTAL EXPENSES	\$ 42,692,932	\$ 3,032,987	\$ 33,512,603	78.5%	\$ 42,767,911	\$ 3,391,424	\$ 34,171,314	79.9%
NET REVENUES / (EXPENSES)	\$ -	\$ 431,504	\$ 2,061,665		\$ -	\$ 311,533	\$ 1,150,770	

Footnotes:

A Tipping Fees include fees paid by the City of Virginia Beach at its capped rate of \$65.35 per ton.

B Budget has been adjusted by \$259,833 for purchase orders rolled over from FY 2014

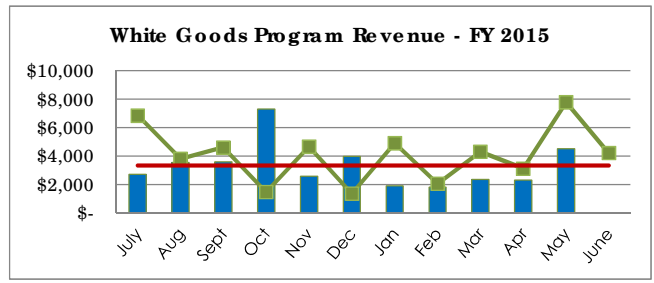
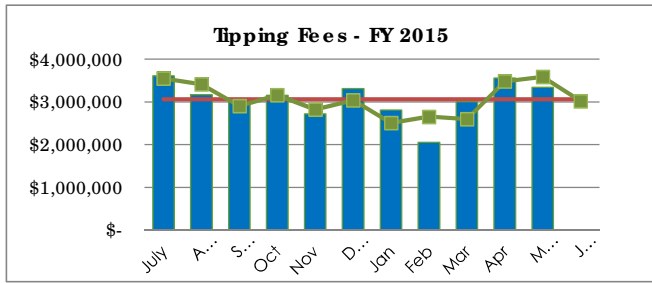
C Monthly Expense shown for the month of April & May 2015 Va. Beach Ash & Residue Agreement is an estimate.

Southwestem Public Service Authority
Monthly Expense Line Items

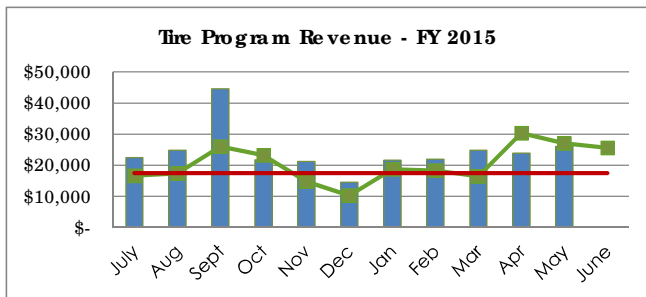
Description	FY 2015 Budget	Feb-15	Mar-15	Apr-15	May-15	FY'D	From Previous Month \$ Change	% Change
Expenses								
Salaries Exempt	\$ 1,963,571	\$ 141,455	\$ 141,472	\$ 141,455	\$ 212,183	\$ 1,688,897	\$ 70,728	50.0%
Salaries Non-Exempt	4,567,020	329,983	331,332	331,051	507,172	3,930,552	176,121	53.2%
Overtime	201,671	5,354	26,409	25,224	15,164	151,116	(10,060)	-39.9%
Fica / Medicare Tax	514,976	35,229	36,906	36,799	54,918	423,588	18,120	49.2%
Vrs Retirement	348,204	27,006	27,338	27,051	27,788	302,176	737	2.7%
Health Insurance	923,389	74,218	74,267	73,774	77,049	891,586	3,275	4.4%
Vrs Group Life Insurance	84,598	5,906	6,005	5,912	6,089	66,173	177	3.0%
Unemployment Insurance	76,073	23,184	15,307	(847)	2,925	71,459	3,772	-445.3%
Workers Compensation	327,979	18,044	18,044	18,044	18,044	198,484	-	0.0%
Medical Fees	9,000	600	228	511	1,279	8,091	768	150.2%
Security Service	89,000	7,415	6,880	7,212	6,910	72,199	(302)	-4.2%
Professional Services	174,500	672	15,211	16,860	806	124,691	(16,054)	-95.2%
Engineering Services	250,000	23,585	22,125	1,586	17,256	124,989	15,670	987.9%
Landfill Survey	15,000	-	-	-	-	1,565	-	N/A
Legal Fees	250,000	7,773	7,177	13,361	7,648	90,639	(5,713)	-42.8%
Environmental Testing	58,400	10,434	1,587	432	1,025	39,790	593	137.4%
Fire Protection	6,000	392	120	302	267	4,522	(35)	-11.5%
Uniform Rental	30,676	1,427	1,923	2,130	1,841	22,491	(289)	-13.6%
Maintenance Service Agreements	161,115	40,278	5,086	2,044	4,397	117,950	2,353	115.1%
Grounds Maintenance	141,886	100	268	2,189	16,069	87,485	13,880	634.1%
Hazardous Waste Disp/Cleanup	32,500	-	-	-	-	1,362	-	N/A
Equipment Maintenance	776,200	72,614	206,374	68,348	66,360	846,750	(1,989)	-2.9%
Building / Site Maintenance	429,394	53,495	32,772	28,708	11,231	374,305	(17,477)	-60.9%
Leachate Pumping Station Maint	30,000	3,396	3,184	304	-	17,376	(304)	-100.0%
Printing	400	-	-	4	-	4	(4)	-100.0%
Advertising	12,150	568	305	6,206	164	11,288	(6,042)	-97.4%
Trustee Expense	22,000	-	-	1,000	-	9,750	(1,000)	-100.0%
Permit Fees	76,840	-	-	-	-	66,204	-	N/A
Electricity	234,002	18,151	17,911	16,646	14,518	171,244	(2,127)	-12.8%
Heating/ Gas/Propane	16,200	3,535	3,918	1,351	597	14,035	(754)	-55.8%
Water/ Sewer	41,300	745	2,176	5,094	6,867	38,664	1,773	34.8%
Leachate Treatment	60,000	13,054	13,626	9,510	-	119,769	(9,510)	-100.0%
Telephone	95,400	7,835	7,855	7,843	7,839	80,688	(3)	0.0%
Postage	3,700	275	178	340	132	1,975	(208)	-61.1%
Radio Communication & Repair	10,500	-	-	-	2,962	4,176	2,962	N/A
Insurance & Bonding	236,241	19,329	19,329	19,329	19,329	213,119	-	0.0%
Equipment Rental	14,390	505	1,320	429	366	11,737	(63)	-14.8%
Land Lease Payment	2,500	208	208	208	208	2,292	-	0.0%
Tire De-Rimming Service	12,000	-	-	-	-	4,471	-	N/A
Travel And Training	23,422	1,240	1,502	1,318	1,670	13,957	352	26.7%
Road Tolls	149,478	10,548	14,498	14,364	13,579	144,943	(785)	-5.5%
Membership & Professional Dues	2,615	-	-	-	640	1,792	640	N/A
Bank Fees	-	113	312	(115)	66	1,933	181	-157.4%
Awards Programs	4,100	1,323	73	36	79	4,670	43	117.9%
Ems Support Program	1,000	-	-	-	-	-	-	N/A
Office Supplies	15,800	849	1,198	264	921	9,998	657	249.4%
Dues & Subscriptions	12,566	95	1,790	-	-	8,627	-	N/A
Other Operating Supplies	88,697	3,046	5,206	760	4,919	38,370	4,159	547.5%
Vehicle / Equipment Fuel	1,282,120	45,631	62,158	62,969	61,170	819,798	(1,799)	-2.9%
Vehicle / Equipment Tires	780,800	55,531	61,786	60,713	64,234	653,644	3,521	5.8%
Safety Apparel & Equipment	27,100	677	1,496	2,202	2,107	20,061	(94)	-4.3%
Small Equipment	22,800	989	2,746	1,768	4,618	18,223	2,850	161.2%
Computer Hardware	5,000	115	-	1,337	164	3,101	(1,173)	-87.7%
Total Operating Expenses	\$ 14,714,273	\$ 1,066,920	\$ 1,199,604	\$ 1,016,027	\$ 1,263,571	\$ 12,146,763	\$ 247,544	24.4%
Capital Projects/Equip Replacement	\$ 2,228,433	-	-	95,985	23,256	531,389	(72,730)	-75.8%
Debt Service - Transfers to Trustee	5,250,566	373,298	373,298	373,298	373,298	4,877,272	-	0.0%
Letter of Credit Fees - DEQ	15,208	-	-	-	-	235	-	N/A
VB Ash & Residue Agreement	2,171,095	113,941	137,421	180,925	180,925	1,727,160	-	0.0%
Service Fee to Wheelabrator	16,838,357	1,458,713	1,271,134	1,110,794	1,191,939	14,229,784	81,145	7.3%
Ve Beach Environmental Trust Fund	10,000	-	-	-	-	-	-	N/A
Suffolk Environmental Trust Fund	5,000	-	-	-	-	-	-	N/A
Contingency	1,460,000	-	-	-	-	-	-	N/A
Total Expenses	\$ 42,692,932	\$ 3,012,872	\$ 2,981,457	\$ 2,777,028	\$ 3,032,987	\$ 33,512,603	\$ 255,959	9.2%

Southeastern Public Service Authority
Monthly Comparison of Revenues and Expenses

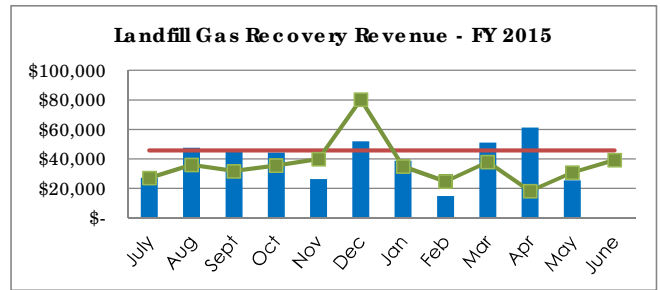
FY 2015 (bar)
 FY 2014
 FY 2015 Budget



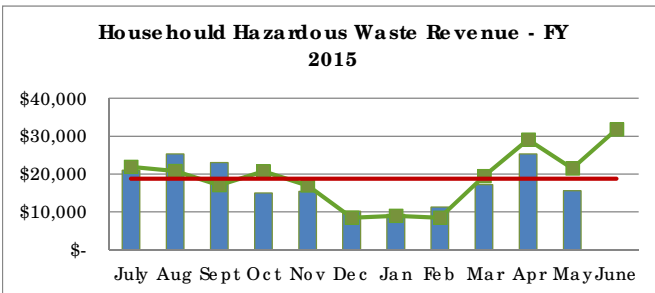
* Monthly revenue is dependent on users.



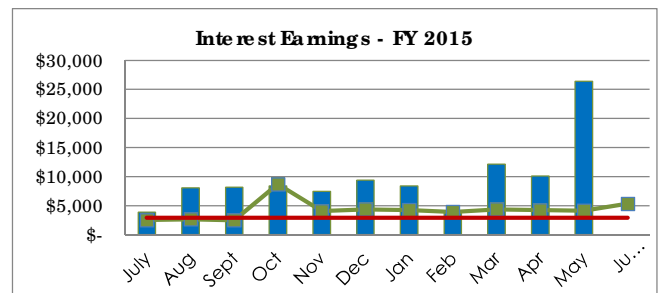
The significant increase in September is partially due to the receipt of funds from the Commonwealth for the End User Reimbursement Program.



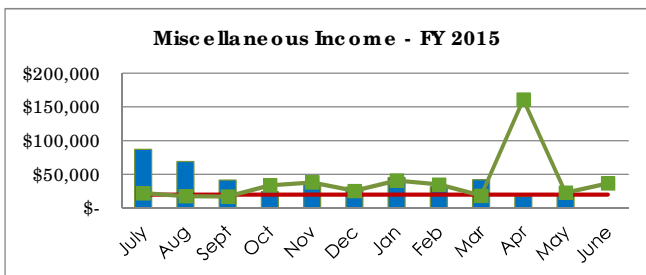
* The increase in December reflects the annual payment for flared gas.



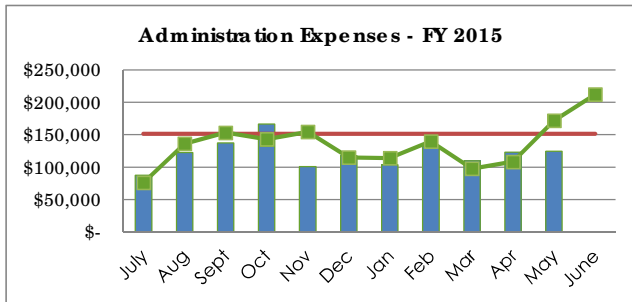
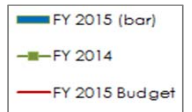
* Monthly revenue is dependent on users.



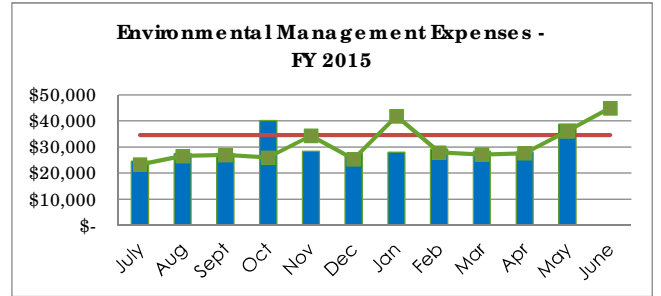
* Increase in May is from investments paying interest every 6 months.



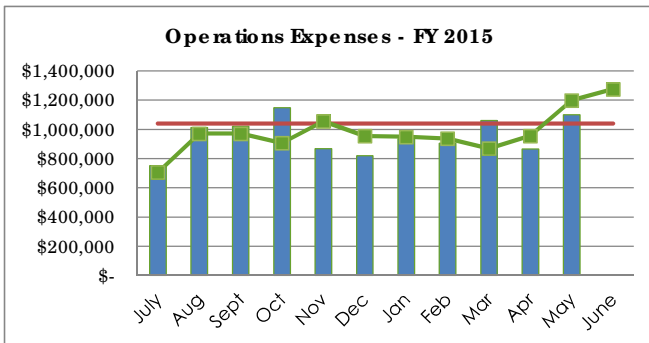
* The increase in April reflects the sale of surplus equipment.



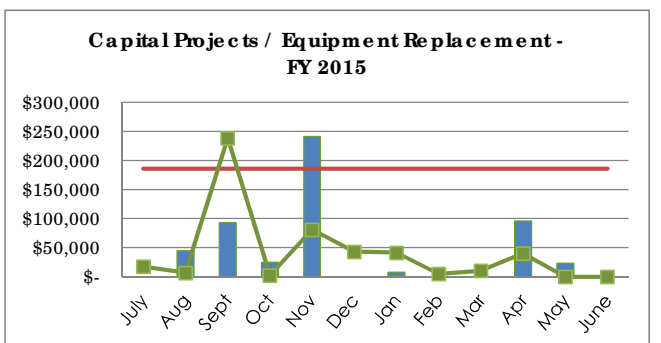
* The increase in June is attributed to accrued wages and leave.



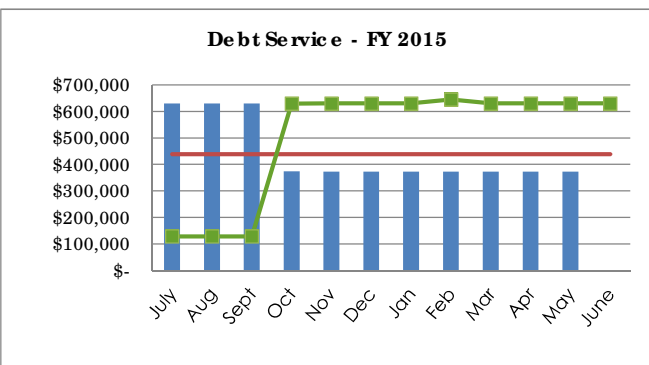
* The increase in June is attributed to accrued wages and leave.



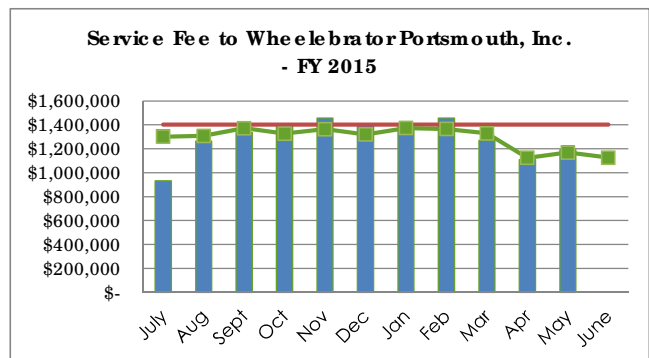
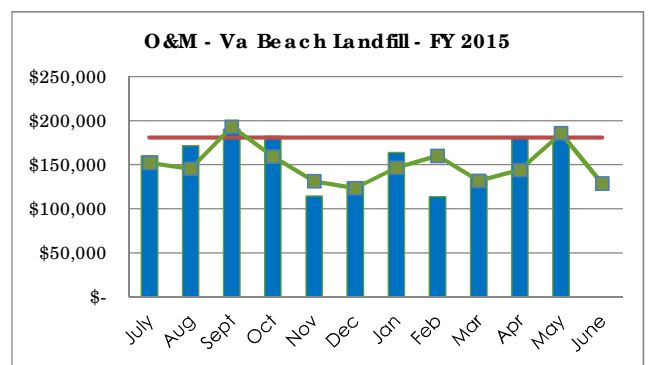
* The increase in June is attributed to accrued wages and leave.



* Capital projects rarely follow a straight lined budget.



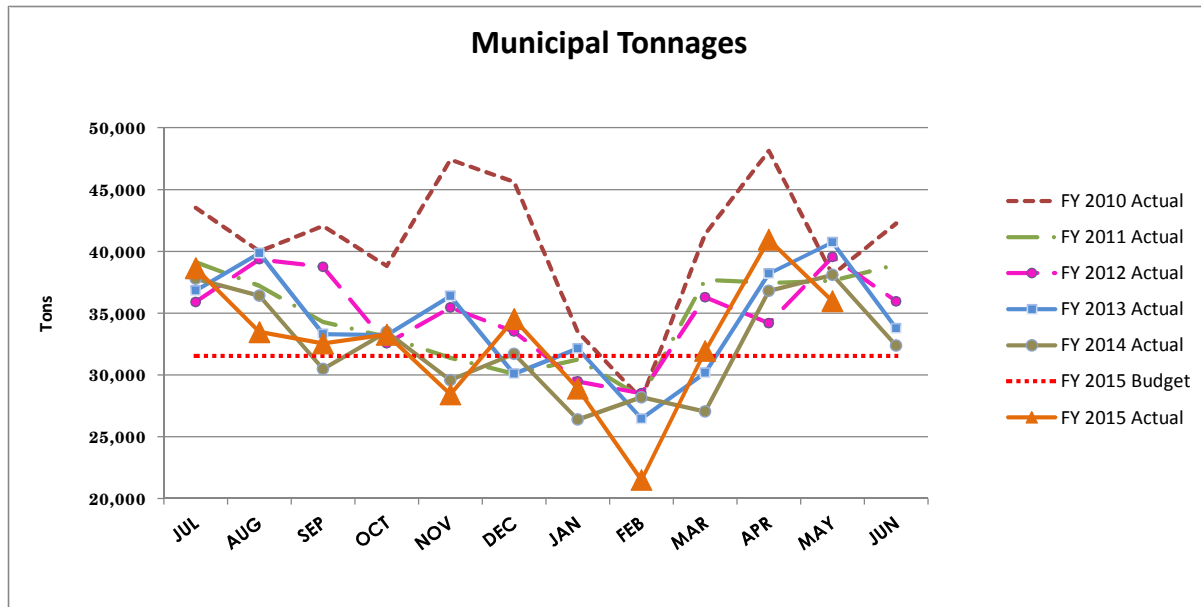
* Decrease beginning in October is the scheduled amount.



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

Waste Category	FY 2012 Actual (Tons)	FY 2013 Actual (Tons)	FY 2014 Actual (Tons)	FY 2015 Budget	FY 2015 Actual (Tons) as of 5/31/15	% of Budget
Waste Stream Budgeted under Tipping Fees						
Municipal Waste						
Chesapeake	93,979	91,754	91,182	92,254	84,144	91.2%
Franklin	3,795	2,533	2,462	2,355	2,322	98.6%
Isle of Wight	17,464	17,411	17,254	17,430	14,505	83.2%
Nofolk	67,658	63,952	60,416	59,292	56,686	95.6%
Portsmouth	40,005	43,334	31,572	30,800	25,974	84.3%
Souhampton	8,187	7,791	8,027	8,013	7,361	91.9%
Suffolk	42,571	41,582	37,881	36,806	39,339	106.9%
Virginia Beach	137,624	134,007	130,349	131,403	121,256	92.3%
Residential (Free of Charge)	8,074	8,667	9,072	-	8,380	N/A
Total Municipal Waste	419,357	411,031	388,215	378,353	359,967	95.1%
Sludge - Norfolk	6,577	7,523	7,705	7,000	5,505	78.6%
Navy Waste	27,774	25,179	23,613	23,000	23,298	101.3%
Construction & Demolition Debris	14,797	9,770	9,014	10,000	9,106	91.1%
Total Other Waste	49,148	42,472	40,332	40,000	37,909	94.8%
Total Waste Stream	468,505	453,503	428,547	418,353	397,876	95.1%

Note: Municipal waste totals above include yard waste and CDD received from Suffolk contractors at regional landfill



Southeastern Public Service Authority (SPSA)

Regional Landfill Waste Stream

Types of Waste (tons)						Feb	Mar	Apr	May	FYTD
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2015	FY 2015	FY 2015	FY 2015
Construction Demolition Debris	26,596	29,005	14,798	9,770	9,015	466	918	1,035	1,086	9,106
Sludge	6,017	5,990	6,577	7,523	7,705	418	735	459	356	6,211
Industrial Waste	4,226	2,843	1,427	930	1,243	37	48	7	32	1,494
Soils	8,751	38,327	16,845	4,855	8,519	1,362	3,155	1,742	5,645	30,347
Clean Fill	11,505	7,733	14,741	23,271	20,044	2,874	5,170	8,791	9,336	43,027
Peanut Dust/ Peanut Hulls	-	-	-	-	778	175	384	441	174	2,792
Municipal Solid Waste ¹	7,667	5,966	8,777	9,541	3,288	25	935	3,171	637	6,023
Navy Waste ²	1,518	781	873	173	135	-	-	3	12	35
Non-Processible Commercial Waste ²	1,434	586	627	434	1,467	57	204	79	73	2,890
Fluff from BiMetals	1,444	1,896	3,029	4,443	5,525	359	550	536	526	5,639
Concrete/Asphalt				194	822	-	1,192	2,562	-	3,832
Shredded Tires	4,040	3,321	2,792	2,401	2,177	116	328	245	159	2,448
Ash	75,821	-	162,663	192,743	193,709	11,933	16,569	17,885	16,716	175,722
Diverted Processible Waste (from Tsf Stations)	61,786	8,152	22,477	-	8,568	-	302	4,228	3,514	20,563
Total	495,705	104,601	255,626	256,278	262,995	17,822	30,490	41,184	38,266	310,129

¹ 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

Southwestern Public Service Authority
Treasurer's Report of Cash Balances
For the Month Ending May 31, 2015

Fund Type	Beginning Balance	Deposits / Transfers In	Interest Earnings	Debt Service	Payables / Transfers Out	Payroll	Ending Balance
Unrestricted and Designated Funds (see footnote below):							
To wne bank Operating	\$ 2,272,593.91	\$ 5,147,955.76		\$ 373,297.51	\$ 3,359,932.97	\$ 717,124.23	\$ 2,970,194.96
To wne bank Money Market	4,790,194.01		1,892.91				4,792,086.92
To wne bank CD (1% Maturing Feb 2018)	6,000,000.00		14,630.14				6,014,630.14
Raymond James & Associates Investments	10,062,553.40	-	9,787.50	-	9,787.50	-	10,062,553.40
Total Unrestricted and Designated Funds	\$ 23,125,341.32	\$ 5,147,955.76	\$ 26,310.55	\$ 373,297.51	\$ 3,369,720.47	\$ 717,124.23	\$ 23,839,465.42
Trust Funds:							
Environmental/ Va. Beach Landfill	\$ 435,990.50		28.28		-		436,018.78
Environmental/ Regional Landfill	410,587.91		14.35		-		410,602.26
Total Trust Funds	\$ 846,578.41	\$ -	\$ 42.63	\$ -	\$ -	\$ -	\$ 846,621.04
Debt Service Funds:							
1998	\$ 24.22	\$ -	\$ -				\$ 24.22
2009 A	2,041,990.55	373,297.51	31.11	-	-	-	2,415,319.17
Total Debt Service Funds	\$ 2,042,014.77	\$ 373,297.51	\$ 31.11	\$ -	\$ -	\$ -	\$ 2,415,343.39
GRAND TOTAL	\$ 26,013,934.50	\$ 5,521,253.27	\$ 26,384.29	\$ 373,297.51	\$ 3,369,720.47	\$ 717,124.23	\$ 27,101,429.85

Cash Balances Designated as follows:

Operating Account	\$ 4,513,713.42
Tip Fee Stabilization Fund	3,325,752.00
Operating Reserve	10,000,000.00
Landfill Closure	6,000,000.00
Trust Funds	846,621.04
Debt Service Funds	2,415,343.39
Total Designated Funds	\$ 27,101,429.85

- (2) Contracts
 - A. Contract Renewals
 - a. Insurance Renewal

PROJECT: FY 2016 Property, Liability and Workers Compensation Insurance	
BUDGET: \$395,204	
<u>Bidders:</u>	
VMLIP	\$362,063
VACORP	\$372,139
STAFF RECOMMENDS AWARD TO:	Virginia Municipal League Insurance Programs (VMLIP)
Proceed with Contract Award	Signature _____ Date _____ Chairman Board of Directors
Hold until further notice	Signature _____ Date _____ Chairman Board of Directors

COMMENTS: Bids were requested and received from the Virginia Municipal League Insurance Program (VMLIP) and the Virginia Association of Counties Insurance Program (VACORP). Based on the total cost and previous years' experience, staff recommends awarding the contract to VMLIP. The FY 2016 insurance renewal with the Virginia Municipal League (VML) represents a 14% decrease from the current fiscal year.

Staff continues to be pleased with the services offered and rendered by VML. This is SPSA's 6th year with VML.

RECOMMENDED ACTION: Approve the contract renewal as presented.

MOTION: I move that the contract renewal for Fiscal Year 2016 Property, Liability and Workers Compensation Insurance be awarded to Virginia Municipal League Insurance Programs (VMLIP) as presented.

B. Contract Awards
 a. Asphalt Repairs Services

BID:	IFB 0015-15	PROJECT:	Asphalt Repairs Services		
INITIATED:	S. Whitehurst	PRE-BID CONFERENCE:	4/28/15	OPENED:	5/21/15
Original Bid	FY 2015	Options		N/A	
Budget: \$300,000 Projected Cost: \$516,734 + \$100,000 contingency					
<u>Bidder (s)</u>		Total			
Blair Bros		\$516,734.00			
Branscome		\$633,687.57			
Asphalt Roads		\$681,272.00			
STAFF RECOMMENDS AWARD TO:		Blair Bros			
Proceed with Contract Award		Signature _____		Date _____	
		Chairman Board of Directors			
Hold until further notice		Signature _____		Date _____	
		Chairman Board of Directors			

COMMENTS: The purpose of this project is to mill and replace several areas of the landfill parking lot and equipment movement pad with asphalt or concrete. Included is just over 205,000 sq. ft. of asphalt work and over 19,000 sq. ft. concrete. Work to be performed:

- Mill and replace asphalt from the scale house to the landfill haul road
- Mill and replace asphalt in the equipment and employee parking areas
- Remove and replace the concrete heavy equipment movement pad.

The asphalt and concrete in place, based on our best information, has been there since the early 1980's and is worn throughout the landfill portions of the lot for equipment and staff parking, and movement of heavy equipment. Total projected cost is \$516,734 plus a \$100,000 contingency. The additional funding in the amount of \$316,734 is available is other unused capital items.

RECOMMENDED ACTION: Approve the contract award as presented.

MOTION: I move that the contract for asphalt repair services be awarded to Blair Bros in the amount of \$516,734 with a \$100,000 contingency as presented.

3. CLOSED SESSION

[Closed Session per Virginia Code Section 2.2-3711 (A)(29)]

I move that a closed session be held for discussions regarding proposals received in response to the Southeastern Public Service Authority of Virginia's RFP issued for "post-2018" waste-disposal services, as well as SPSA's own internal financial analyses with respect to applicable waste-disposal alternatives, in accordance with Virginia Code Section 2.2-3711(A)(29) for the purpose of considering the negotiation of revisions to the terms of existing contracts and/or negotiation and award of new contracts where competition and bargaining are involved and where discussion in open session would adversely affect the bargaining position and negotiating strategy of the public body.

4. ACTIONS ARISING FROM CLOSED SESSION

The Board of the Southeastern Public Service Authority of Virginia hereby certifies that, to the best of each member's knowledge: (a) only public business matters lawfully exempted from open meeting requirements by Virginia law under the Virginia Freedom of Information Act were discussed in the closed meeting to which this certification applies; 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.

5. OLD/NEW BUSINESS

6. ADJOURN MEETING

LUNCH **WILL NOT** BE SERVED WITH THIS MEETING