

**11. FUTURE SOLID WASTE OPTIONS**

Attached for your reference please find a copy of a presentation I made to the Planning Commission earlier this month as it relates to our future solid waste options. Vice-Chairman Edwards, who is the Board liaison on the Planning Commission, asked me to repeat the presentation for the Board of Supervisors so that everyone is aware of our options.

**NO MOTION REQUIRED**

# The Future of Solid Waste

*Presented to the Southampton County Planning Commission*

March 8, 2012



# A Little History

- **January 24, 1973** – the Councils of the Cities of Chesapeake, Franklin, Nansemond, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton agreed to form a water authority and incorporated – its purpose was to develop a supply of potable water for the long range needs of Southeastern Virginia – named “The Southeastern Water Authority of Virginia”
- **January 15, 1976** – Articles of incorporation were amended to add to its purpose development of a regional garbage and trash collection and disposal system – name changed to the “Southeastern Public Service Authority of Virginia,” or SPSA, for short
- **July 15, 1983** – Articles of incorporation again amended – dropped development of a water supply from its purpose and focused exclusively on solid waste

# History Continued

- **August 24, 1983** – Southampton County signs a **“Use and Support Agreement”** with SPSA agreeing to deliver 95% of all solid waste generated within the county to the Franklin, Boykins or Ivor Transfer Stations for a term ending 30 years from the start-up date of the RDF processing plant in Portsmouth and pay the tipping fees per ton established by the Authority. Current agreement expires January 24, 2018
- **April 7, 2000** – General Assembly adopts legislation giving SPSA perpetual existence but allowing members to withdraw under certain circumstances

# Two Hats

## ➤ Member

- Until we withdraw or the Authority dissolves itself
- May withdraw by filing notice with the SCC, BUT still obligated to the terms of the Use and Support Agreement

## ➤ Customer

- Until January 24, 2018

VIRGINIA ACTS OF ASSEMBLY -- 2000 SESSION

CHAPTER 580

*An Act to extend the term of existence of the Southeastern Public Service Authority of Virginia, created pursuant to the provisions of the Virginia Water and Waste Authorities Act, as provided in Chapter 51 (§ 15.2-5100 et seq.) of Title 15.2 of the Code of Virginia, from a period of fifty years from its creation to one of perpetual existence until its dissolution pursuant to the provisions of the Virginia Water and Waste Authorities Act, and to allow the withdrawal of a member of the Southeastern Public Service Authority of Virginia at any time provided that all obligations to the Southeastern Public Service Authority of Virginia incurred by the locality shall remain in full force and effect following the withdrawal.*

Approved April 7, 2000

[H 877]

Whereas, the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton have heretofore created the Southeastern Public Service Authority of Virginia pursuant to the provisions of the Virginia Water and Waste Authorities Act, as provided in Chapter 51 (§ 15.2-5100 et seq.) of Title 15.2 of the Code of Virginia, for the purpose of providing for the acquisition, financing, construction, operation and maintenance of a garbage and refuse collection and disposal system; and

Whereas, § 15.2-5112 provides that no locality may withdraw from any authority created pursuant to the Virginia Water and Waste Authorities Act that has outstanding bonds without the unanimous consent of all of the holders of such bonds unless all such bonds have been paid or cashed or United States government obligations have been deposited for their payment; and

Whereas, § 15.2-5114 provides that authorities created pursuant to the Virginia Water and Waste Authorities Act may exist for a period of fifty years; and

Whereas, the localities comprising the membership of the Southeastern Public Service Authority of Virginia, for operational, financial and strategic planning purposes, desire to extend the life of the Southeastern Public Service Authority of Virginia indefinitely and to allow for the withdrawal of members at any time, without regard to any outstanding bonds issued by the Authority; now, therefore,

Be it enacted by the General Assembly of Virginia:

1. § 1. That the Southeastern Public Service Authority of Virginia created by the Cities of Chesapeake, Franklin, Norfolk, Portsmouth, Suffolk and Virginia Beach and the Counties of Isle of Wight and Southampton pursuant to the Virginia Water and Waste Authorities Act, as provided in Chapter 51 (§ 15.2-5100 et seq.) of Title 15.2 of the Code of Virginia, shall continue and have perpetual existence until dissolved pursuant to § 15.2-5109.

§ 2. That any locality which is a member of the Southeastern Public Service Authority of Virginia may withdraw therefrom, whether or not there are any outstanding bonds of the Southeastern Public Service Authority of Virginia; provided, however, that all written obligations to the Southeastern Public Service Authority of Virginia incurred by a locality while the locality was a member shall remain in full force and effect following the locality's withdrawal.

§ 3. That the governing body of any locality wishing to withdraw from the Southeastern Public Service Authority of Virginia shall signify its desire by resolution or ordinance. The resolution or ordinance for withdrawal of a member locality of the Southeastern Public Service Authority of Virginia shall be advertised in accordance with the provisions of § 15.2-5104. Upon adoption or approval of the ordinance or resolution of withdrawal, the governing body of the locality seeking to withdraw from the Southeastern Public Service Authority of Virginia shall file a notice of withdrawal with the State Corporation Commission. The notice of withdrawal from the Southeastern Public Service Authority of Virginia shall be executed by the proper officers of the withdrawing locality under its official seal, and shall be joined in by the proper officers of the governing board of the Southeastern Public Service Authority of Virginia.

§ 4. That if the State Corporation Commission finds that the notice of withdrawal conforms to the requirements above, it shall acknowledge the notice of withdrawal. At such time as the State Corporation Commission acknowledges the notice of withdrawal, it shall issue to the withdrawing locality and to the Southeastern Public Service Authority of Virginia a certificate of withdrawal attached to the notice of withdrawal. The withdrawal shall become effective, and the terms of office of the board members representing the locality withdrawing from the Southeastern Public Service Authority of Virginia shall terminate, upon the issuance of such certificate.

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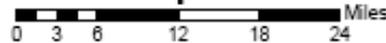
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# Future Options

- Continue with SPSA and sign a new agreement with terms to be negotiated
  - Advantages - all debt will be paid off, capacity remains in the regional landfill, economies of scale in costs of transfer stations and transportation
- Partner with neighbors in Isle of Wight and Franklin and cooperatively procure disposal and transportation services
  - Advantages - economies of scale, share expenses associated with regional transfer station(s), fewer partners, less risk
- Go alone and procure disposal and transportation services
  - Advantages - full control, low risk



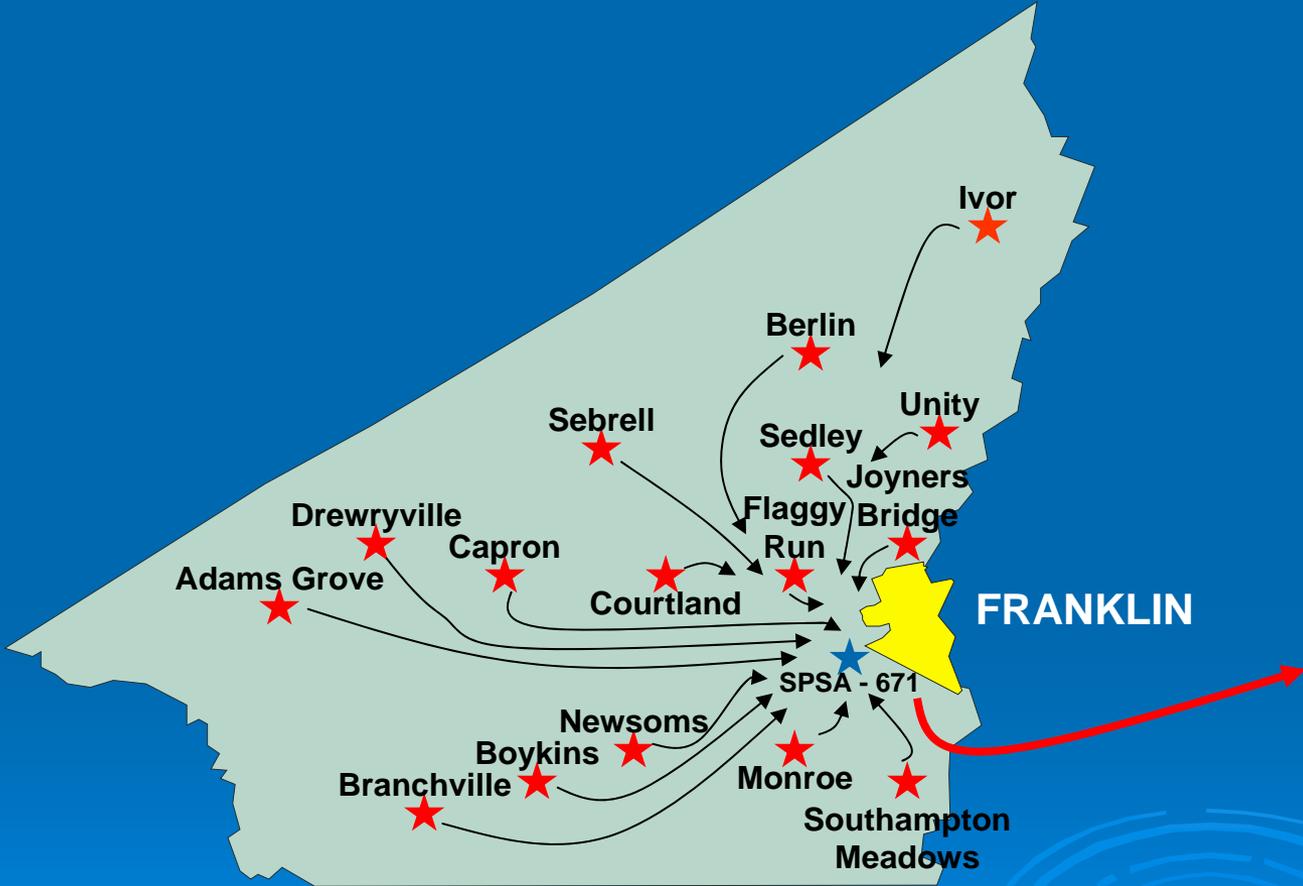
Legend

- Sanitary Landfill (SW)
- Rail

## Solid Waste Facilities and Information Hampton Roads Region

**SCS ENGINEERS**

# Solid Waste Convenience Sites



# Southampton County

## FY 2012

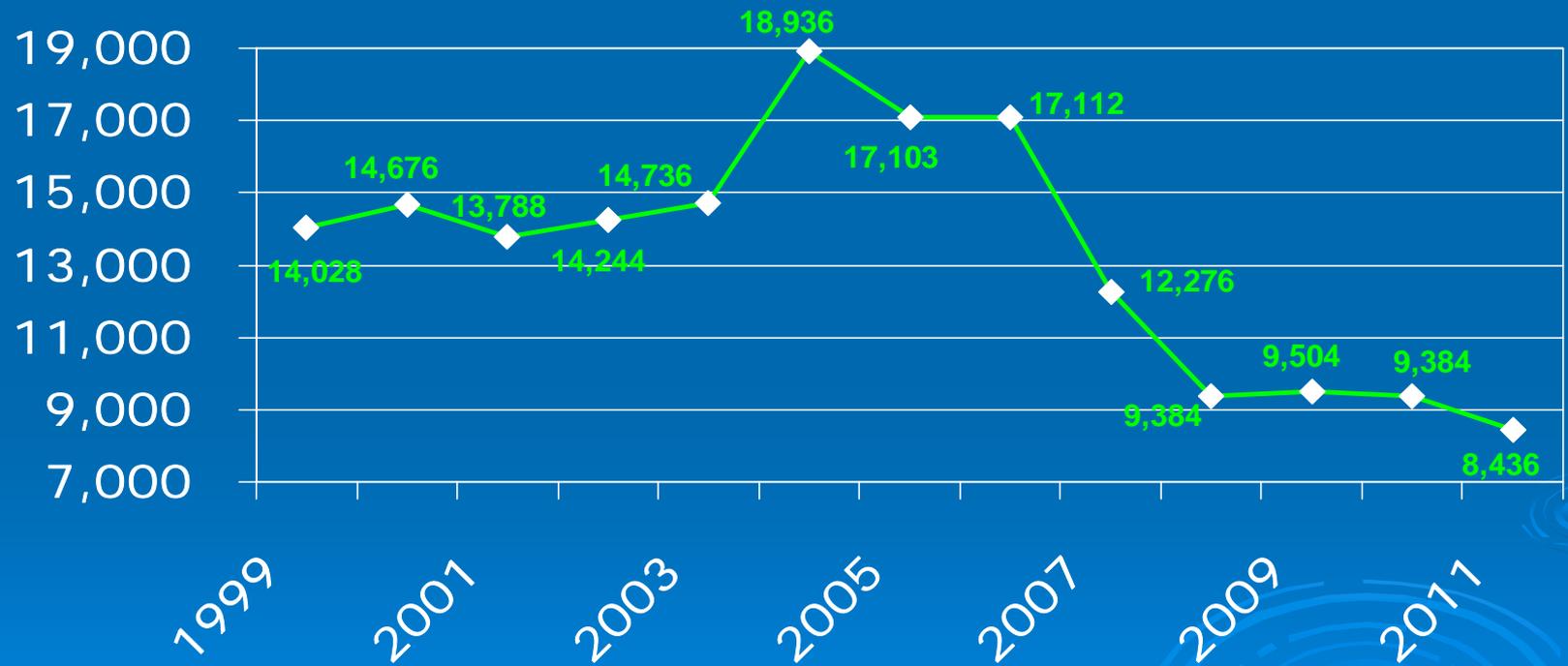
Solid Waste Collection	\$ 715,488
Solid Waste Disposal	<u>1,274,300</u>
	\$ 1,989,788

1. Collection – property leases for convenience sites, site operation costs, part-time site attendants, full-time public works employees, operation of refuse trucks
2. Disposal – Tipping fees to SPSA, which covers transportation and disposal at the Regional Landfill), tipping fees to Waste Management (5% of our waste is diverted), and recycling program

# Tipping Fees Per Ton



# Annual Volume of Solid Waste (Tons)



# Next Steps

- Continue participation in SPSA and keep that option open
- Continue dialogue with Isle of Wight and Franklin and refine costs of regional collaboration
- By 2016, negotiate purchase of the Franklin Transfer Station or identify site and funding for new Transfer Station
- FY 2017 – include funding for acquisition or construction of Transfer Station
- January 2017 – issue Request for Proposals for transportation and disposal services