

SPSA's Use and Support Agreements

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WILLCOX SAVAGE

Introduction

- Importance
 - These Contracts are the basic covenants between SPSA and its members.
 - Secure the payment of all of SPSA's debt.
- 7 agreements are virtually identical.
- Suffolk Use and Support Agreement differs.
- Virginia Beach Use and Support Agreement is impacted by Ash and Residue Contract.

Seven Agreements

- With Chesapeake, Franklin, Isle of Wight County, Norfolk, Portsmouth, Southampton County and Virginia Beach.
- Terms end January 24, 2018.
- Obligations of localities – to “use and support” SPSA’s disposal system.
 - Use – Deliver disposable solid waste.
 - Support – Pay tipping fees.
- SPSA Obligations.
 - Properly dispose of DSW.
 - Set rates.
- What must be delivered – “DSW.”
- Household DSW – no tipping fee.

Suffolk's Amended and Restated Agreement

- Terms that are the same.
 - End of term – 1/24/2018.
 - City's obligation to "use."
 - SPSA's obligation to dispose of DSW.
 - Household DSW provisions.
- Differences.
 - Obligation to support – No tipping fees. Limits:
 - When – So long as any part of the Landfill is operated.
 - What – Suffolk municipal waste.
 - SPSA obligations
 - Landfill operational duties and maintenance.
 - No obligation to continue to operate; right to terminate operations.
 - Obligation to construct road improvements and transfer station at landfill. Done.
 - Landfill closure and conveyance obligation.
- Two Amendments
 - First Amendment deals with "disaster waste."
 - Second Amendment is contingent on Board action required before July 1, 2010. Includes provisions on construction of Cell VII, interpretive provisions, and terms concerning ownership of landfill.

Impact of Ash and Residue Contract on Virginia Beach Use and Support Agreement

- "Cap" on tipping fee.
- SPSA must pay all Virginia Beach landfill operational costs and a share of capital expenses.